MONTEREY-SALINAS TRANSIT DISTRICT BOARD OF DIRECTORS
MEETING AGENDA AND NOTICE

Meeting Date: January 8, 2024
Meeting Time: 9:00 AM Pacific Time (US and Canada)
Location: In-Person and Zoom Conference

MST Board of Directors Participation:

The Regular Meeting of the Monterey-Salinas Transit District Board of Directors in-person meeting will be held on January 8, 2024, at 9:00 a.m. at 19 Upper Ragsdale Drive, Suite 100.

Public Participation:

Public participation for the Regular Board Meeting is available in-person at 19 Upper Ragsdale Drive, Suite 100, as well as virtually via Zoom, telephone, and email. To participate virtually, click https://us06web.zoom.us/j/84500836234?pwd=aFQ0YUdj3Y0eW94WmtRZ1Myc0Vldz09 and enter the following:

Meeting ID: 845 0083 6234 and Passcode: 652252.

To attend by telephone, dial (669) 900-6833 same Meeting ID: 845 0083 6234 and Passcode: 652252.

Public comments may be made either in person, via Zoom, or via email. Warning to public speakers: MST is committed to civility and is mindful of its responsibility to protect the work environment. To assure civility in its public meetings, the public is encouraged to engage in respectful dialog that supports freedom of speech and values diversity of opinion. Failure to engage in respectful dialog will forfeit the speaker’s right to participate in Public Comment. Members of the public may attend the Board Meeting in person and request to speak to the Board when the Chair calls for public comment. Persons who wish to make public comment on an agenda item are encouraged to submit comments in writing by email to MST at clerk@mst.org by 3:00 pm on Friday, January 5, 2024; those comments will be distributed to the MST Board of Directors before the meeting. Written comments may be emailed to clerk@mst.com, and should include the subject line: “Public Comment Item # (insert the agenda item number relevant to your comment).”
Accessibility, Language Assistance, Public Comments – MST Board & Committee
Agendas, Public Hearings, Pre-bids, Other Public Meetings

Agendas and materials related to an item on this agenda submitted to the Board after
distribution of the agenda packet are available for public inspection at the Monterey-
Salinas Transit Administration Building at 19 Upper Ragsdale Dr., Suite 200, Monterey,
CA, 93940 during normal business hours. Agendas and other informational materials
related to this meeting may be requested within 72 hours of the meeting date.

Upon request, Monterey-Salinas Transit will provide written materials in appropriate
alternative formats, including disability-related modifications or accommodations, auxiliary
aids, or services to enable individuals with disabilities to participate in public meetings.
Please send a written request, including your name, mailing address, phone number,
description of the requested materials, and preferred alternative format or auxiliary aid or
service at least three working days prior to the meeting at the address below.

Public comments may be submitted for any item on the agenda by contacting MST:

Mail: MST, Attn: Clerk to the Board, 19 Upper Ragsdale Dr., Suite 200, Monterey, CA
93940

Website: https://mst.org/contact-us/ ● Email: clerk@mst.org ● Phone: (888) 678-2871
TTY/TDD: 831-393-8111 ● 711 Relay

888-678-2871 / Free language assistance / Asistencia de Lenguaje Gratuito /
Libreng tulong para sa wika
1. CALL TO ORDER

1-1. Roll Call.

1-2. Pledge of Allegiance.

1-3. Review Highlights of the agenda. (Carl Sedoryk)

2. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

Members of the public may address the Board on any matter related to the jurisdiction of MST but not on the agenda. There is a time limit of not more than three minutes for each speaker. The public is encouraged to engage in respectful dialog that supports freedom of speech and values diversity of opinion. **Failure to engage in respectful dialog will result in speakers being muted or required to leave.** The Committee will not take action or respond immediately to any public comments presented, but may choose to follow-up at a later time, either individually, through staff, or on a subsequent agenda. *(Please refer to page 1 of the agenda for instructions)*
3. CONSENT AGENDA

These items will be approved by a single motion. Anyone may request that an item be discussed and considered separately.

3-1. Adopt Resolution 2024-12 Recognizing Frederick Campa, Coach Operator as Employee of the Month for January 2024. (Marzette Henderson) (Page 7)

3-2.a &b Approve Resolution 2024-13 Recognizing Jacob Newman, Communications Specialist, and Resolution 2024-14 Recognizing Omarr Wilson, Coach Operator as Employees of the Year for 2023. (Carl Sedoryk/Norman Tuitavuki) (Pages 9 and 11)


3-4. Reappoint Jessica McKillip as a Member of the Mobility Advisory Committee. (Cristy Sugabo) (Page 19)

3-5. Reject Claim by the Claimant Cari McCormack and Future Class Action Plaintiffs. Lisa Cox (Page 21)

End of Consent Agenda

4. RECOGNITIONS AND SPECIAL PRESENTATIONS

4-1. January 2024 Employee of the Month – Frederick Campa, Coach Operator. (Marzette Henderson)

4-2. 2023 Employee of the Year Presentation – Jacob Newman, Communications Specialist. (Carl Sedoryk / Norman Tuitavuki)

4-3. 2023 Employee of the Year Presentation – Omarr Wilson, Coach Operator. (Carl Sedoryk / Norman Tuitavuki)

4-4. 2023 Management Excellence Award – Marzette Henderson, Transportation Manager. (Carl Sedoryk)

5. PUBLIC HEARINGS

None.

6. ACTION ITEMS

6-1. Conduct Strategic Planning Workshop:
   A. Strategic Progress to Date and Emerging Issues
1. FY 2023-2025 Strategic Plan and 2-Year Action Plan Status Update. (Carl Sedoryk) (Page 25)
   i. Planning and Innovation Update and Emerging Items. (Michelle Overmeyer) (Page 35)
   ii. Administration and Capital Projects Update and Emerging Issues. (Lisa Rheinheimer) (Page 39)
   iii. Human Resources Department Update and Emerging Issues. (Kelly Halcon) (Page 41)
   iv. Zero Emissions Transition Update. (Norman Tuitavuki) (Page 43)
   v. Operations and Maintenance Department Update and Emerging Issues. (Norman Tuitavuki) (Page 47)
   vi. Information Technology and Cybersecurity Update and Emerging Issues. (Michael Kohlman) (Page 53)

2. MST Year-to-Date Financial Update. (Carl Sedoryk) (Page 57)

B. Board Performance Items

1. MST Board Meeting Productivity. (Page 63)

2. Communications from the Board Chair. (Page 65)

3. Paperless MST Board Meeting Agenda. (Page 67)

C. Conclude Workshop

7. REPORTS & INFORMATION ITEMS

The Board will receive and file these reports, which do not require action by the Board.

7-1. General Manager/CEO Monthly Report – November 2023 (Page 69)

7-2. Federal Legislative Advocacy Report

7-3. State Legislative Advocacy Update

7-4. Staff Trip Reports - None

7-5. Correspondence – (Page 71)

8. BOARD REPORTS, COMMENTS, AND REFERRALS

8-1. Reports on Meetings Attended by Board Members at MST Expense. (AB 1234)
8-2. Board Member Comments and Announcements.

8-3. Board Member Referrals for Future Agendas.

9. ATTACHMENTS

9-1. The Monthly Report for November 2023 can be viewed online: http://mst.org/about-mst/board-of-directors/board-meetings/

10. CLOSED SESSION

Members of the public may address the Board on any matter related to Closed Session. There is a time limit of not more than three minutes for each speaker. The Board will not take action or respond immediately to any public comments presented, but may choose to follow-up at a later time individually, through staff, or on a subsequent agenda. (Please refer to page 1 of the agenda for instructions)

As permitted by Government Code §64956 et seq. of the State of California, the Board of Directors may adjourn to Closed Session to consider specific matters dealing with personnel and/or pending possible litigation and/or conferring with the Board's Meyers-Millas-Brown Act representative.

11. ADJOURN

<table>
<thead>
<tr>
<th>NEXT SCHEDULED MEETING DATE- February 12, 2024</th>
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<tbody>
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<td>10:00 a.m.</td>
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<table>
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<th>NEXT SCHEDULED AGENDA DEADLINE: January 30, 2024</th>
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*Dates, times and teleconference information are subject to change.

Please contact MST for accurate meeting date, times and teleconference information or check online at http://mst.org/about-mst/board-of-directors/board-meetings/
FREDERICK CAMPA
JANUARY 2024
EMPLOYEE OF THE MONTH

WHEREAS, each month Monterey-Salinas Transit District recognizes an outstanding employee as Employee of the Month; and

WHEREAS, the Employee of the Month is recognized for their positive contribution to MST and to the entire community; and

WHEREAS, Frederick Campa began his career with Monterey-Salinas Transit as a Coach Operator in August of 2023. He is described by his supervisors as safe, reliable and professional, and;

WHEREAS, Frederick Campa was deadheading from the Salinas Operations and Maintenance Facility to the Northridge Mall to start his assigned route. He thought he saw a pistol lying in the street and immediately reported his observation to the Communications Center. The Center dispatched an Operations Supervisor to the scene and confirmed what Frederick observed. The supervisor remained on scene until the Salinas Police Department arrived to secure the weapon and;

WHEREAS, Frederick Campa followed his training and helped to mitigate a dangerous situation. His observation and immediate reporting ensured the safety of the public, MST employees and passengers.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit District recognizes Frederick Campa as Employee of the Month for January 2024; and

BE IT FURTHER RESOLVED that Frederick Campa is to be congratulated for his outstanding performance, dedication, and supreme effort toward the success of MST in fulfilling its mission.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT DISTRICT PASSED AND ADOPTED RESOLUTION 2024-12 this 8th day of January 2024.

_________________________________       ___________________________
Anna Velazquez                          Carl G. Sedoryk
Board Chair                             Board Secretary
WHEREAS, every year Monterey-Salinas Transit District recognizes an exceptional employee as Employee of the Year; and

WHEREAS, the Employee of the Year is recognized for their outstanding and positive contribution to MST and to the entire community; and

WHEREAS, Jacob Newman began his career with Monterey-Salinas Transit as a Utility Service Person in 2015. In 2019, he moved into the Operations Department as a Coach Operator and later was promoted to a Communications Systems Specialist position in 2021, and;

WHEREAS, Jacob Newman received a phone call from the California Highway Patrol (CHP) on October 11, 2023. The officer reported there was an unconscious and unresponsive passenger on Line 23 as reported by another passenger onboard the bus. He calmly and efficiently coordinated with the CHP officer to identify the bus and its location while simultaneously directing the Coach Operator to pull the bus over at a safe location and alerting him to the situation; and

WHEREAS, Jacob Newman demonstrated professionalism through his quick actions to ensure public safety and emergency medical responders arrived promptly and quickly to deliver lifesaving treatment to the passenger in need.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit District recognizes Jacob Newman as Employee of the Year for 2023; and

BE IT FURTHER RESOLVED that Jacob Newman is to be congratulated for his outstanding performance, dedication, and supreme effort toward the success of MST in fulfilling its mission.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT DISTRICT PASSED AND ADOPTED RESOLUTION 2024-13 this 8th day of January 2024.

Anna Velazquez
Board Chair

Carl G. Sedoryk
Board Secretary
OMARR WILSON
2023 EMPLOYEE OF THE YEAR

WHEREAS, every year Monterey-Salinas Transit District recognizes an exceptional employee as Employee of the Year; and

WHEREAS, the Employee of the Year is recognized for their outstanding and positive contribution to MST and to the entire community; and

WHEREAS, Omarr Wilson began his career with Monterey-Salinas Transit as a Coach in 2022. He has been recognized among his peers for being a great communicator and providing excellent customer service and was selected as Employee of the Month in November 2023, and;

WHEREAS, Omarr Wilson was alerted to an emergency situation aboard his coach on October 11, 2023. After safely pulling over, he assessed the unconscious passenger’s vital signs before public safety officers and medical responders arrived. Recognizing the gravity of the situation, Omarr calmly cleared the coach of passengers to ensure the needed space for the rescue. Additionally, Omarr assisted an elderly and mobility-impaired passenger off the coach and made sure the other passengers were given transfers avoiding additional fare charges later in their journey; and

WHEREAS, Omarr Wilson’s professionalism and quick actions allowed public safety and emergency medical responders to quickly deliver lifesaving treatment to the passenger.

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of Monterey-Salinas Transit District recognizes Omarr Wilson as Employee of the Year for 2023; and

BE IT FURTHER RESOLVED that Omarr Wilson is to be congratulated for his outstanding performance, dedication, and supreme effort toward the success of MST in fulfilling its mission.

THE BOARD OF DIRECTORS OF MONTEREY-SALINAS TRANSIT DISTRICT
PASSED AND ADOPTED RESOLUTION 2024-14 this 8th day of January 2024.

Anna Velazquez
Board Chair

Carl G. Sedoryk
Board Secretary
To: Board of Directors
From: Lisa Rheinheimer, Assistant General Manager
Subject: FY 2022 Annual Comprehensive Financial Report

RECOMMENDATION:


FISCAL IMPACT:

MST prepares the required Annual Comprehensive Financial Report each year with assistance from an independent auditor. These services have been provided by EideBailly LLP for the last 4 years at a cost of $37,120 annually. This amount was included in the FY 2023 adopted MST Budget.

POLICY IMPLICATIONS:

The Financial Report is prepared each year in association with the District’s audit process, posted on the MST website, and submitted to the state of California as well as to the Government Finance Officers Association of the United States and Canada for review and evaluation. The Financial Report is also submitted to the Federal Audit Clearinghouse.

DISCUSSION:

To provide transparency for the general public and local, state and federal stakeholders, each year MST prepares and posts on its website a Financial Report, which can be downloaded and printed directly from the site. A primary component of this document is the annual audit, which is conducted by an outside accounting firm to attest to the state of the agency’s finances. In recognition of excellence in financial reporting, MST received a certificate of achievement from the Government Finance Officers Association of the United States and Canada for the previous year’s FY 2021 Financial Report (page xiv).

MST submitted its FY 2022 Financial Report to this organization for evaluation and consideration. The complete report – as well as MST’s Financial Reports dating back to FY 2005 – can be viewed and downloaded through MST’s website at:
https://mst.org/about-mst/financials/ and can also be provided in hard copy upon request.

Some of the major objectives, initiatives and capital projects completed from fiscal year 2022 are included in the Financial Report starting on page ii.

EideBailly noted in their audit letter that no issues arose regarding any concerns about MST management or misstatements of the Financial Report.

ATTACHMENT(S):

1. Web attachment: https://mst.org/about-mst/financials/
2. FY 2022 Audit Letter from EideBailly

PREPARED BY: ____________________ REVIEWED BY: ____________________
Lisa Rheinheimer Carl G. Sedoryk
March 17, 2023

To the Governing Board of
Monterey-Salinas Transit
Monterey, California

We have audited the financial statements of Monterey-Salinas Transit (MST) as of and for the year ended June 30, 2022, and have issued our report thereon dated March 17, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our letter dated May 31, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of MST solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.
Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

As stated in our auditor’s report, professional standards require us to design our audit to provide reasonable assurance that the financial statements are free of material misstatement whether caused by fraud or error. In designing our audit procedures, professional standards require us to evaluate the financial statements and assess the risk that a material misstatement could occur. Areas that are potentially more susceptible to misstatements, and thereby require special audit considerations, are designated as “significant risks”. We have identified the following as significant risks:

We always identify management override of internal controls are as a risk and perform further audit procedures to reduce that level of risk. Further, due to the impact of COVID on many transit agencies, we have identified revenue recognition as a risk and performed additional procedures to lower the risk of material misstatement.

Qualitative Aspects of the Entity’s Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by MST is included in Note 2 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management’s current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management’s current judgments.

The most sensitive accounting estimates affecting the financial statements are related to MST’s pension liabilities and insurance liabilities.

Management’s estimate of the pension and insurance liabilities are based on actuarial valuations performed by MST’s specialist. We evaluated the key factors and assumptions used to develop the pension and insurance liabilities and determined that it is reasonable in relation to the basic financial statements taken as a whole.
Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the District’s financial statements relate to the Discount rate used in estimated pension liabilities.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There were no uncorrected or corrected misstatements identified as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Monterey-Salinas Transit financial statements or the auditor’s report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor’s Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor’s report.

The following emphasis of matter was included in our report relating to the adoption of GASB Statement No. 87, *Lease*.

*Adoption of New Accounting Standard*

As discussed in Notes 1 and 10 to the financial statements, MST has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022. Accordingly, a restatement has been made as of July 1, 2021. Our opinions are not modified with respect to this matter.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated March 17, 2023.
Management’s Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with MST, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as MST’s auditors.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the MST’s annual report, does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the other information and considered whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the governing board and management of MST and is not intended to be, and should not be, used by anyone other than these specified parties.

Menlo Park, California
To: Board of Directors
From: Cristy Sugabo, Mobility Services Manager
Subject: Mobility Advisory Committee Membership

RECOMMENDATION:

Reappoint Jessica McKillip as a member of the Mobility Advisory Committee.

FISCAL IMPACT:

None.

POLICY IMPLICATIONS:

The MST Board of Directors is responsible for appointing members to the MST Mobility Advisory Committee.

DISCUSSION:

The Mobility Advisory Committee (MAC) is a standing advisory committee of the MST Board of Directors. It makes recommendations to MST staff and the Board regarding the transportation needs of seniors, veterans, persons with disabilities, low-income, youth, and isolated populations. The Committee acts as a liaison between MST and these communities to assure that their constituents and clients have input into the MST service planning process.

There are currently six vacancies on the MAC. The Committee met in November and recommended the reappointment of Jessica McKillip, Executive Director for ITN Monterey.

Approval by your Board of this item shall appoint Jessica McKillip to the MST Mobility Advisory Committee.

ATTACHMENT(s):

MAC Committee Roster

PREPARED BY: Cristy Sugabo
REVIEWED BY: Norman K. Tuitavuki
MAC Committee Roster  
November 29, 2023

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<td>Diana Jimenez</td>
<td>Area Agency on Aging</td>
<td>Seniors</td>
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<td>Leticia Garcia</td>
<td>Carmel Foundation</td>
<td>Senior Services</td>
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<td>3</td>
<td>Reyna Gross</td>
<td>Alliance on Aging</td>
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<td>4</td>
<td>Aaron Hernandez</td>
<td>Transportation Agency for Monterey County</td>
<td>Transportation Authority</td>
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<tr>
<td>5</td>
<td>Alejandro Fernandez</td>
<td>DaVita Dialysis Center, Salinas</td>
<td>Health Care Provider</td>
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<td>6</td>
<td>Steven Macias</td>
<td>Blind and Visually Impaired Center</td>
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<td>Jennifer Ramirez</td>
<td>Partnership for Children</td>
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<td>8</td>
<td>Bobby Merritt</td>
<td>Veterans Transition Center</td>
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<td>Maria Magana</td>
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<td>10</td>
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Note: Members noted in italics are recommended for re-appointment.
To: Board of Directors

From: Kelly Halcon, Director of Human Resources/Risk Management

Subject: Notice of Rejection

RECOMMENDATION:

Reject claim by the claimant Cari McCormack and future Class Action plaintiffs.

FISCAL IMPACT:

The claimant failed to provide an amount to resolve the claim.

POLICY IMPLICATIONS:

None

DISCUSSION:

On August 10, 2023, MST received a claim related to an incident that occurred on June 1, 2023.

The claim alleges discrimination based on age by CalPERS and Lake County. The Claimant is putting all CalPERS contracted agencies on notice of a potential class action lawsuit.

It has been determined the claim submitted failed to comply with the California Tort Claims Act and is insufficient as no amount of loss or estimated amount of future loss is claimed and no additional documentation of a loss was provided. These factors have prompted the recommendation to reject this claim in its entirety.

The above claim is under investigation. If any Board member desires further information on this claim, they may request it be discussed in closed session.

Prepared by: Lisa Cox
Approved by: Carl G. Sedoryk
January 2, 2024

Mr. Marzette Henderson
XXXXXXXX
XXXXXXXXXXX

Dear Marzette:

Congratulations! It is my pleasure to inform you that you have been selected to receive the MST General Manager’s Excellence Award for 2023. This recognition is awarded to a member of the MST management team who displays extraordinary qualities of leadership, dedication, perseverance, and innovation.

Marzette, throughout the past year, you have excelled in your role as Transportation Manager in continuing to ensure that our passengers receive safe, friendly, and dependable service. But you don’t have to take my word for it. Our most recent customer survey revealed that over 90% of our customers rate driver safety as good or excellent, and they greatly appreciate the overall quality of public transit they receive. These customer satisfaction ratings far exceed our peers around the country.

In January and March of 2023, our region was lashed with successive atmospheric river storm events. Your efforts to develop a team to coordinate with the Monterey County Office of Emergency Services proved vital to providing life-sustaining transportation to those communities immediately impacted by flooding. In addition, you and your team were able to continue providing daily service for members of our community who depend on MST to provide transportation to work, school, medical appointments, and other essential travel needs.

Your collaboration with county EOC and constant contact with the MST Executive Leadership Team ensured the swift and efficient transportation of evacuees and individuals to designated shelters. In total, your efforts resulted in MST recording 1,609 boardings, including 33 emergency evacuations in the immediate aftermath of the flooding.

Our community is grateful and in appreciation of your consistently high standard of performance over the past year and it is my pleasure to invite you and your family or friends to attend the next meeting of the Board of Directors of Monterey-Salinas Transit on Monday, January 8, 2024, at 9:00 am in person, or via Zoom conference call. At this meeting, you will be formally recognized as MST’s recipient of the General Manager’s Excellence Award for 2023.

Sincerely,

Carl G. Sedoryk
General Manager / CEO
To: Board of Directors

From: Carl Sedoryk, General Manager/CEO

Subject: FY 2023 – 2025 Strategic Plan and 2-Year Action Plan Status Update

**Goal 1: Develop Adequate and Stable Long-Term Revenues**

Pursue public/private and public/public partnerships, fare-pricing strategies and revenue generation from the use of MST assets as a means to generate the revenue required to construct needed capital facilities, purchase vehicles and sustain current and future transit services.

Through education and advocacy, encourage policy makers and the general public to enact legislation at local, state and federal levels to provide sustained revenue sources that will support the future growth of Monterey County’s public transportation system.

**Status Update:**

Partnerships with Hartnell College, Monterey Peninsula College, California State University Monterey Bay, City of Monterey, and Monterey Bay Aquarium have been reinstated during the year. MST implemented a partnership with Santa Clara Valley Transportation Authority (VTA) and State of California to provide funding to restore regional services to Gilroy Caltrain Station.

By the end of June 2023, using the Board approved FY 2023 Budget, MST had a $18,205,569 year-to-date surplus to budget on the fixed-route operations and a $0 surplus to budget on the MST RIDES operations that is mainly funded by Measure Q, resulting in an overall year-to-date surplus of $18,205,569. This amount exceeds the $5,550,325 transferred from reserves to fund the FY 2023 budget. Note that these numbers are subject to change as a result of the Annual Comprehensive Financial Audit currently underway.

MST is continuing to receive annual formula driven state Cap and Trade funds providing funding to support services and Zero Emission Bus technology in both Salinas and on the Monterey Peninsula. MST has been unsuccessful in receiving funding from competitive federal and state funding sources for zero emission bus rolling stock and infrastructure in its most recent attempts. During the past fiscal year, MST was
successful in receiving a competitive federal Capital Investment Grant allocation of $22.1M for the SURF! Busway and Bus Rapid Transit project.

Federal Congressional levels of authorized spending for transit projects were increased with the passage of the *Infrastructure Investment and Jobs Act (IIJA)*, however annual appropriations from Congress remain gridlocked and at risk. Additionally, the rate of annual federal apportionments does not match inflationary increases. State budget proposals have projected continuing deficits that may impact future funding availability.

Through compliance with Board adopted cash reserve policies, MST remains in a strong financial position as of fiscal year ending June 30, 2023 with $58.7M of total cash reserves. Over the next 5 years, MST has forecasted an operating deficit of $29M to implement service levels to conform with the Board-adopted Better Bus Network. Additionally, the adopted Capital Improvement Program (CIP) has identified $22.8M of unfunded capital needs over 5-years to maintain federally mandated State of Good Repair, and to comply with the State of California Innovative Clean Transit Rule. Beyond FY 2027-2028, MST will be required to further invest in at least 38 zero-emissions vehicles plus infrastructure to support the fleet. At today’s prices, replacing 38 vehicles will cost at least $49.4M.

**Goal 2: Provide Quality Transit and Mobility Management Services**

*Develop and implement services, infrastructure and technologies to meet and exceed the expectations of customers, reduce subsidies and improve the value of MST in the community. Continue to explore and implement new technologies and practices that enhance the overall customer experience, improve safety and sustainability, reduce costs, attract new customers, retain existing customers, motivate employees and improve the value of MST in the community.*

**Status Update:**

Since the implementation of the Better Bus Network, fixed-route ridership increased by 25% over last year. Passenger boardings are at about 70% of pre-COVID boardings. With the adoption of the new board monthly reporting format, MST staff is providing new metrics centered around People, Planet, and Performance. We have yet to complete a full year of performance under the new reporting system and we anticipate seeing longer-term trends present themselves by the end of the 2024 fiscal year.

Partnerships and associated services with the City of Monterey/Monterey Bay Aquarium, California State University Monterey Bay, Hartnell Community College, and Monterey Peninsula College were reinstated.
Significant progress was made in filling front-line maintenance and administrative positions. MST and its contractor MV Transportation continue to aggressively recruit for new coach operators by offering cash incentives, and streamlined recruitment, testing, and training processes to fill open positions more quickly. Currently, MST has 19 unfilled coach operator positions with 14 interviews scheduled for January 2024.

Goal 3: Implement board protocols and best practices to achieve effective and efficient board operations and board meeting management.

Status Update:

The Board adopted a new monthly reporting system and has received regular ongoing updates.

During the year, the Board updated its Procurement Policy and purchase authority thresholds to conform with recently adopted state law, and adopted new board meeting protocols to recognize the end of the COVID State of Emergency in March 2023.

Goal 4: Educate the public on MST services through promotion, communication, and advocacy.

Attract new riders and improve community support for MST by utilizing effective marketing, promotion and communication techniques and by applying greater focus in meeting individual community and stakeholder needs.

Status Update:

A new brand identity (Connecting communities. Creating opportunity. Being kind to our planet.) was developed along with a new statement of values (Safety, Friendliness, Dependability, Diversity, and Achievement). These concepts are being worked into our internal and external communications.

Community relations activities were restored, and MST continues to support a wide variety of community events. Numerous public meetings and surveys were held to gather public input on the MST SURF! Busway and Bus Rapid Transit and a proposed Salinas Operations and Maintenance Facilities

A comprehensive multi-media campaign was conducted to raise awareness of the Better Bus Network that included outdoor media, onboard bus media, press releases that were picked up all major local print and broadcast media, online/social media, and in person tabletop events.
Goal 5: Actively promote organizational values to maintain high quality relationships with MST employees, contractors, vendors, board members and community stakeholders.

Act in manner in all we do to promote individual and organizational safety, efficiency, effectiveness and enhance the satisfaction of our customers, employees, partners, board members and other key stakeholders.

Status Update:

Per the results of employee surveys, MST has increased communication with employees, Board members and the community through the monthly newsletter publication “Onboard” as well as through social media postings. MST presence on a variety of social media platforms increased substantially throughout the year.

Since the start of Shelter-In-Place, MST has used online app based survey tools to gauge attitudes and opinions of passengers, employees and community stakeholders. Survey results and targeted outreach with stakeholders have revealed continued satisfaction with MST, particularly with our activities related to Pandemic response and recovery. Employees have been very responsive to new Zoom Based employee townhall meetings where they can receive regular updates from executive management and ask question about topics of concern.

Goal 6: Research, implement and promote policies and practices that encourage environmental sustainability and resource conservation.

Implement economically sound and environmentally friendly resource conservation policies that reduce dependence on scarce natural resources and the potential for negative impacts on our environment.

Status Update:

MST continues to implement environmentally friendly technologies, including five (5) all electric zero emission buses. Staff was successful in having the US House Appropriations Committee include a $3.0M Community Priority Funding project in its FY 2023 federal funding bill. In addition, MST operates 16 hybrid electric service vehicles, three (3) all electric service vehicles, one all electric trolley, and solar powered customer information systems at shelters in South County locations and an additional 40 locations throughout the MST service area. Eighteen electric bus charging stations have been installed at MST operating divisions in Monterey and Salinas to support future zero emission bus purchases. Additionally, 12 zero emissions buses were placed on order in December 2023.
Goal 7: To attain industry leadership for like-sized agencies within California and the United States.

Develop and implement programs and practices that distinguish Monterey-Salinas Transit as a leader with the public transit industry.

Status Update:

MST continues to be recognized as a leader in the transit industry. Our leadership in the contactless fare payment arena has led to multiple transit operators, large and small, within California and in other states to adopt the “Monterey model”. MST is leading nationwide discussions to develop programs to lower fees associated with debit/credit transactions and our project received the California Transit Association Innovation Award. MST became the first public transit operator in the world to offer online discount eligibility for open-loop contactless payment.

MST staff also maintain leadership roles with major trade associations including the California Transit Association (CTA) and the American Public Transportation Association (APTA). The executive leadership team sits on key committees and holds leadership positions within a variety of local, state and national trade associations. MST Executive leadership staff have been sought out to sit on panels and discussions at a variety of APTA, CTA, CalACT, and other conferences to showcase our innovative practices.
2-Year Action Plan Status Update  
December 2023

People.

1. Initiate transit service and supporting marketing campaign to Gilroy transit center. Fall 2023 Status: Complete
2. Implement contactless fare payment on MST RIDES and MST subsidized taxi services. Summer 2024 Status: Pending.
3. Develop a marketing plan for partner-funded programs including K-12 students and higher educational organizations. Summer 2024 Status: Under development
6. Identify funding for future bus rapid transit segments including the Marina-Salinas Multimodal Corridor and East Alisal Corridor. Spring 2025 Status: Application under development for study of East Alisal BRT and Salinas Transit Center Relocation.
7. Maintain ongoing community partnerships and seek new opportunities as appropriate. Status: Ongoing
8. Continue marketing and community outreach programs to promote and educate the communities we serve regarding the benefits of MST services, SURF! Busway and Bus Rapid Transit Project, and increased use of contactless payment system. Status: Multiple community meetings, social media, and paid advertisements are ongoing.
9. Continue programs to support employment diversity, inclusiveness, and equity for MST employees and customers. Status: Ongoing efforts include deployment of DEI Unite! Web portal to all MST employees.
10. Seek partnerships to maintain and expand mobility services. Status: Negotiated a full summer service of MST Trolley services with City of Monterey, and secured funding for services to Gilroy Caltrain Station.
11. Develop improved reporting systems to track customer satisfaction. Status: New monthly report includes Transit App customer feedback. New help desk software has been procured and will be implemented by IT and Customer Service during the year.
12. Continue efforts to improve passenger and employee safety and security and develop improved reporting systems to track. **Status: New monthly reports implemented.**

13. Maintain excellent employee satisfaction and develop improved reporting systems to track employee satisfaction. **Status: Continue to have regular meetings of joint labor management committee to discuss employee issues. New employee recognition programs under development. New NeoGov software and DEI Unite! Portal allows for increased employee feedback opportunities.**

14. Maintain apprenticeship and driver skill development programs through partnerships with local colleges, universities, trade associations, and vendors. **Status: Staff is coordinating efforts with The California Workforce Development Board to augment and assist efforts with Hartnell Community College.**

**Planet.**

1. Program, fully fund, and purchase ZEB vehicles for exclusive use on the SURF! Busway and Bus Rapid Transit Project including support equipment and charging infrastructure. Winter 2024 **Status: Complete. An order for 12 zero emission buses for SURF! was approved in December 2023.**

2. Initiate Microgrid Feasibility Study of Monterey Bay Operations and Maintenance Facility and South County Operations and Maintenance Facility. Summer 2025 **Status: Ongoing as staff is developing technical specifications for a future procurement.**

3. Continue to fund and implement Zero Emission Bus (ZEB) Roll Out Plan and develop long term funding plan to include public-private partnerships. Ongoing **Status: Staff has been unsuccessful in securing significant federal, state competitive funding or regional program allocations.**

4. Research state of autonomous vehicle industry where such technology would best support MST operations. Ongoing **Status: Staff attended conferences and had meetings with AV technology providers to discuss potential uses within the Monterey Bay region.**

**Performance.**

1. Continue to support marketing efforts of Commute with Enterprise to increase vanpool group participation. Winter 2023 **Status: Staff continues to encourage our vendor to perform additional outreach to major employers within Monterey County to increase vanpool usage.**

2. Conduct research to determine levels of community support for local funding initiatives to support long-term investments including fixed route operations, BRT, and ZEB infrastructure investments. Spring 2024 **Status: Request for**
Proposals has been issued for polling research. Work will be conducted during 2024.

3. Develop a targeted marketing plan to help promote MST employment opportunities. Summer 2024 Status: Under development. Due to the unanticipated loss of personnel, some of this project will be supported with consultant marketing services.

4. Continue planning for the location of a new/rehabilitated Salinas Operations and Maintenance Facility. Summer 2024 Status: Fixed facility review is complete. Project remains on schedule.

5. Review MST excess properties and develop a plan for use. Summer 2024 Status: Pending.

6. Implement comprehensive records and document management system to support the Records Retention Policy, records storage, and continuity of operations. Spring 2025 Status: Pending


8. Actively participate in state and national trade associations to support issues of local concern. Ongoing Status: Staff continues to be well represented within state and national trade associations.

9. Ensure compliance with federal, state, and local regulations, conduct regular reviews of policies and practices, and complete all federal, state, and local audits and reviews without significant findings. Ongoing Status: Local, state and federal audits and reviews have had no significant material findings.

10. Adopt and execute federal and state legislative programs. Status: Complete. 2024 State and Federal legislative programs were adopted December 2023.

11. Continue board development/educational activities and policy reviews. Ongoing Status: Your board will conduct a workshop in January 2024.

12. Continue to seek funding from new and emerging grant sources and extra-governmental organizations. Ongoing. Status: Staff is monitoring funding opportunities for zero emission infrastructure from new funding programs contained within the federal Infrastructure Investment and Jobs Act (IIJA), and other emerging state programs.

13. Continue to adopt policies and adapt practices to existing Emergency Operations plans and ensure the safety and cyber security of MST data and telecommunications systems, networks, and programs Ongoing. Status: MST Operations staff continues to coordinate with Monterey County Office of Emergency Services, and Information Technology is working with California National Guard to conduct penetration testing of MST networks.
14. Continue efforts to review, update, and implement MST's Transit Asset Management (TAM) plan that prioritizes efforts to finance and maintain a state of good repair for MST's fleet equipment, and facilities. Ongoing. **Status:** Staff continues to maintain fleet and facilities as funding allows, and has implemented software to better track maintenance of fixed and on-street facilities.

15. Implement tactics to streamline and improve recruitment, training, and hiring practices to reach budgeted staffing levels. Ongoing. **Status:** Staff has implemented a variety of recruitment incentives and implemented changes to streamline recruitment, testing, and training to speed up the hiring process.

16. Provide administrative support in service to Monterey County Regional Taxi Authority (MCRTA) and Monterey-Salinas Transit Corporation. Ongoing **Status:** Staff continues to conduct required meetings of MCRTA Board and provides necessary administrative support to the local driver permit process. Staff is currently working on identifying a way to provide taxi vouchers to South County community members.

17. Continue to implement practical applications of technology to improve administrative performance and organizational efficiency. Ongoing. **Status:** Staff continues to implement and customize accounting, human resource management, recruitment, and applicant tracking software packages.

18. Work with community partners to identify a location for a future downtown Salinas Mobility Hub. Ongoing. **Status:** Staff is preparing a grant application to fund the required federal planning process to make the project eligible for future state and federal funding.
To: Board of Directors

From: Michelle Overmeyer, Director of Planning & Innovation

Subject: Planning and Innovation Update and Emerging Items

UPDATES:

Service development and grant programming are on track to meet the board-adopted 2-Year Action Plan. The Better Bus Network was implemented on December 10, 2022 and has been operational for one full year. A complete analysis of the one-year results will be presented to the Board of Directors in February.

Notable items in the 2-Year Action Plan include:

- **Initiate transit service and supporting marketing campaign to Gilroy transit center. Fall 2023**

  Line 59 became effective October 30, 2023. The service is too new to establish trends, but ridership is slowly increasing. At the time of this writing, December data was not available. Average daily ridership for October was 23 passengers, and 20 passengers in November.

- **Complete implementation of Board and jurisdiction-approved fixed-route circulators in the South County cities of Gonzales, Soledad, and Greenfield. Winter 2024**

  Site designs are still being worked out with the three south county cities. Planning staff are prepared to implement schedules once the bus stops are fully constructed. This is scheduled for completion in winter/spring 2024.

- **Identify funding for future bus rapid transit segments including the Marina-Salinas Multimodal Corridor and East Salinas Corridor. Spring 2025**

  Staff will be submitting a grant application in January 2024 for the East Salinas bus rapid transit. Award announcements will be made by mid-2024. Staff is available to support the Transportation Agency for Monterey County (TAMC) in grant applications to advance its Marina-Salinas Multimodal Corridor.

- **Maintain ongoing community partnerships and seek new opportunities as appropriate. Ongoing**

  The College EcoSmart Pass Program has been in effect for a year and a half with steady increases in usage. Monterey Peninsula College and Hartnell College have
both hit the contract “ceiling” each semester since the program started in 2022. California State University, Monterey Bay is anticipated to hit the contract “ceiling” for the first time once December 2023 ridership numbers are processed. These are indications that students find free transit useful and the program is a success.

Staff participated in the Pinnacles National Park Transportation Equity Blueprint Workshop in December 2023. While MST is unable to expand service to Pinnacles National Park due to road safety issues, we were able to establish a connection and offer older MST vehicles to the National Park Service (NPS) for their use. A future donation request may come from NPS.

In support of its partners in the hospitality industry, MST launched the Hospitality Pass Program in 2023. With limited state grant funding, MST is offering a buy-one-get-one deal for businesses purchasing bus passes through the Group Discount Program. To date, MST has sold 132 passes as part of the Hospitality Pass Program. Recently, customer service representatives have been contacting hotels and restaurants near MST services to promote the effort. Additionally, MST’s grant funds are anticipated to be fully expended by fiscal year end.

**Continue planning for the location of a new/rehabilitated Salinas Operations and Maintenance Facility. Summer 2024.**

Work began in earnest on preparing for a new Salinas facility in early 2022. Public workshops were held in November 2023 for the site selection goals, which your Board approved last month. The official project description is under development, potential locations are being analyzed, and the environmental review process will start in early 2024. The project will be subject to the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). Staff will seek competitive grants to fund project construction as we move closer to proving project readiness to prospective funders.

**EMERGING ISSUES:**

**Better Bus Network Challenges**

Labor shortages continue to be a challenge for MST and its contractor, MV Transportation, and lack of sufficient coach operators was the reason the full Better Bus Network was not implemented in December 2022. Human resources have increased as we start 2024, and an increase in service is planned for Lines 43, 44, and 46 in Salinas to bring these transit lines to full operating conditions as planned. The lack of coach operators continues to preclude the start of **Line 47 Hartnell-Alisal Campus**.

As area-wide traffic conditions continue to worsen, MST is experiencing failure of some timed connections, most notably on the **Line 20 Monterey-Salinas** during peak commute times. A technical scheduling adjustment will be implemented in February as a short-term fix, but the long-term, permanent solution, namely, the SURF! Busway and Bus Rapid Transit Project, needs to be implemented. Nearly 25% of Line 20 timed connections are currently missed due to traffic back-ups.
Requests from Jurisdictions to Remove Bus Stops

Since Fall 2019, MST’s service has changed drastically. Several routes were eliminated during the public emergency of the Covid-19 pandemic. A comprehensive operational analysis was conducted and the resulting Better Bus Network is expected to meet our needs for the next five to ten years before another analysis is needed. With significant changes in the service area, there are a number of bus stops that are no longer active.

Historically, MST has retained bus stop poles in place for future use should the agency decide to restore service. The purpose of retaining the stop as inactive demonstrates its historical use and has helped the agency avoid costly accessible upgrades to sidewalks where conditions do not meet standards of the Americans with Disabilities Act (ADA).

Recently, requests have been received from cities within MST’s jurisdiction asking for MST to remove its inactive bus stops so cities can return the public area for on-street parking. No major new transit services or reroutes are expected so it may be appropriate for MST to begin permanently removing its infrastructure. Risk, service and costs should be considered in decisions to permanently dismantle inactive bus stops. A policy will be brought to your Board in February to outline a consistent and objective approach to determining when to permanently remove bus stops.

ATTACHMENT(S):

None

Prepared by: Michelle Overmeyer  Reviewed by: Carl G. Sedoryk
Director of Planning  General Manager/CEO
To: Board of Directors

From: Lisa Rheinheimer, Assistant General Manager

Subject: Administration Capital Projects Update and Emerging Issues

The following updates are categorized within Administration and Capital Projects subject areas as well as emerging issues expected over the next year.

A. Administration

New efforts in the marketing and communications department for the year include:

- Marketing Recruitment Campaign focused on Coach Operators (Action Plan item: Performance #3 and #15)
- Comprehensive update of MST website (Action Plan item: People #8)
- Communications and outreach in support of the SURF! Project (Action Plan item: People #8)

B. Capital Projects

Progress updates are provided for the following projects:

1. South County Circulators – MST is in the final stages of obtaining agreement from the Cities public works departments to move forward with constructing sidewalk and bus stop improvements (Action Plan item: People #5)

2. SURF! Busway and Bus Rapid Transit Project – Staff is in the process of working with the local jurisdictions, Caltrans, utilities, and the California Coastal Commission to obtain all permits necessary to begin construction. All permits need to be finalized by March for the project to keep on track for funding agreements with the Federal Transit Administration Capital Investment Program ($22.1M) and the State Transit and Intercity Rail Capital Program ($25M). These two sources of funding account for 69% of the construction cost.

MST will also implement a communications strategy for 2024 to help keep policy makers and community members informed about the project and as noted above (Action Plan item: People #8).
3. Salinas Operations and Maintenance Facility – MST and the consultant team developed a preliminary site and space needs plan for a new operations and maintenance facility in Salinas. In December, the Board also approved site selection goals to support requirements of Title VI and the FTA. With this information, MST and the consulting team will begin developing a project description to be included in the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) public disclosure documents.

(Action Plan item: Performance #4)

D. Emerging Issues in 2024

The MST Action Plan under Performance item #2 states “Conduct research to determine levels of community support for local funding initiatives to support long-term investments including fixed route operations, BRT, and ZEB infrastructure investments.”

This effort has been initiated through a Request for Quotes. Quotes from qualified consulting firms who specialize in this voter research are due to MST on January 8th.

Measure Q passed by the voters in November 2014 with 72.56% in support and provides a 1/8 cent sales tax for MST:

The Ordinance established an Expenditure Plan to ensure that Measure Q funds would be dedicated solely to services that support transportation planning, specialized equipment and operating expenses required to meet the special mobility needs of veterans, senior citizens, and persons with disabilities, including trips required for vital medical appointments and for veterans’ job training/placement services.

Measure Q was limited to 15 years and sunsets in 2030 unless extended. With only 3 election cycles away, MST’s action plan calls for conducting research and voter polling to gauge opinion about support for long-term funding for transit.

Prepared by: ________________________   Reviewed by:  ______________________
Lisa Rheinheimer     Carl G. Sedoryk
Assistant General Manager   General Manager/CEO
To: Board of Directors

From: Kelly Halcon, Director of Human Resources/Risk Pool

Subject: Human Resources Department Update and Emerging Issues

DISCUSSION:

1. This year, the Human Resources Department worked on three main initiatives:
   
   - Recruitment (Finding drivers and staying fully staffed in the Administrative and Maintenance Departments).
     
     **Status:** MST completed three classes this year and planned for an additional four classes in 2024. This past year, MST increased the training pay and implemented a signing bonus during employment milestones for drivers and mechanics. Human Resources staff have been staffing local job fairs to speak with job searchers. In 2024, Human Resources will be implementing in person interviews with on-the-spot contingent job offers.
   
   - Completing implementation of new HRIS system (Neo Gov).
     
     **Status:** In 2023, the HRIS team fully implemented Time and Attendance, Perform and Learn. The team is 95% complete with OnBoard and Insight. The team anticipates all Neo Gov modules will be live by June 2024.
   
   - Finishing the draft of the new MST Employee Handbook and distributing amongst the employees.
     
     **Status:** Complete. A draft of the updated MST Employee Handbook was provided to legal for review in December of 2022. By April 2023, the review was completed with suggested language. Staff met with ATU and MSTEA to review the changes and the MST board approved the new Handbook in October 2023.

2. Emerging issues in 2024:
   
   - Recruitment efforts in 2024.
     
     **Status:** Continue to recruit drivers to meet the staffing needs of the Better Bus Network.
• Implementation of Narcan use at MST.

  **Status:** MST is exploring the steps needed to move forward with this endeavor.

• MSTEA Negotiations

  **Status:** The memorandum of understanding (MOU) is set to expire on June 30, 2024. The negotiating team would like to start negotiations in the Spring of 2024 and complete negotiations in the Fall of 2024.

• Partnership with CTW (California Transit Works) to continue on-going labor relations, develop and implement a mentorship and apprenticeship program with ATU.

  **Status:** This effort will kick off in January 2024 and be continuous over the remainder of 2024 and into 2025.

Prepared by: ________________________   Reviewed by:  ______________________
Kelly Halcon      Carl G. Sedoryk
Director of HR/Risk Management   General Manager/CEO
To: Carl Sedoryk, General Manager/CEO

From: Norman K. Tuitavuki, Chief Operating Officer

Subject: Zero Emission Bus (ZEB) Transition Update

EXECUTIVE SUMMARY:

Monterey-Salinas Transit (MST) District has made strides in fully transitioning its fleet to zero-emission vehicles (ZEVs). To date, MST has successfully integrated four (4) heavy-duty battery electric buses (BEBs) and one (1) battery electric trolley into revenue service, making way for a fleet of ZEVs. MST plans to purchase 12 additional BEBs equipped with 696 kWh batteries – anticipated to provide an approximate range of 250 miles or more per charge. Additionally, MST is actively working on a Hydrogen facility retrofit project and a Microgrid project to help pave the way for a full transition to zero-emission technology.

INTRODUCTION:

The California Air Resources Board (CARB) implemented the Innovative Clean Transit (ICT) regulation, requiring all California-based public transit agencies to transition their fleet of buses from internal combustion engine-powered buses to zero-emission buses (ZEBs) by the year 2040. The ICT outlines incremental adoption requirements, with 25% ZEV purchases mandated beginning in 2026 and 100% ZEV purchases beginning in 2029. In line with the ICT regulation, MST has the flexibility to deploy either BEBs or fuel-cell electric buses (FCEBs), or a combination of both technologies.

The purpose of this report is to inform MST’s Board of Directors and other key stakeholders of the agency’s progress in fully transitioning to ZEVs. Additionally, this report addresses emerging issues and outlines strategic steps already taken (or planned) to ensure a smooth and successful transition.

ZEV TECHNOLOGY UPDATES:

- BEBs continue to dominate the public transit industry. BEB technology has not advanced as quickly as expected in the last 10 years. Battery technology was expected to dramatically improve over time. Batteries were expected to get smaller, and lighter, and were expected to deliver much more energy. Since the technology has not improved in the ways the industry expected most BEB manufacturers have instead reduced overall vehicle weight and increased battery storage on their vehicles. For example, Gillig LLC (MST’s dominant vehicle manufacturer) has engineered a lighter vehicle which has allowed them to increase its onboard battery storage from 444 kWh to 696 kWh – a 57% total increase in battery storage.
The hydrogen fuel-cell industry is making tremendous progress in advancing hydrogen fueling and FCEB technologies and increasing the adoption rate among public transit operators. Hydrogen FCEBs offer increased range and a faster refueling time. BEB charging ranges from 4-8 hours in length. In contrast, FCEBs can be refueled in as little as 12 minutes. FCEB range and ability to quickly refuel make this technology very attractive.

The Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES) is California’s initiative to accelerate renewable hydrogen projects and the necessary infrastructure. ARCHES intends to increase hydrogen fuel availability while reducing the cost throughout California. The Department of Energy (DOE) recently awarded $1.2 billion to ARCHES to help power and transition public transportation, port operations, and heavy-duty transport operators to ZEV technologies.

MST’s public transit colleagues at Santa Cruz Metro received a grant award to transition their fleet to FCEBs. Other Central Coast California public transit agencies are involved in similar activities and facing the same challenges. MST is actively collaborating with these agencies and other stakeholders (regional planning agencies, airports, local air districts, California Air Resources Board, etc.) to identify and implement hydrogen-related opportunities when and where feasible.

**ZEV TRANSITION PROJECTS:**

- **12 Gillig Bus Purchase** – MST anticipates receiving these buses in late 2025, or early 2026.
- **12 Additional ChargePoint Chargers** – pending Board approval (expected action item in 2024), MST will install these units before the 12 Gillig BEBs arrive.
- **Hydrogen Retrofit for Monterey Bay Operations and Maintenance Facility** – MST is in the process of creating and releasing a Request for Proposals (RFP) to retrofit its Monterey Division for hydrogen.
- **Microgrid Design and Construction Documents** – MST is in the process of creating and releasing an RFP for the design and construction of a microgrid that will provide redundant power to the Monterey Facility.

**CURRENT AND EMERGING ISSUES:**

- **Funding** – one of the biggest challenges for all public transit agencies is having the necessary funding to purchase the equipment and necessary infrastructure to comply with the ICT. Today’s purchase price for BEBs and FCEBs is more than twice the cost of a diesel-powered bus. The infrastructure to support either technology may add millions of dollars in additional costs. MST continues seeking and applying for funding opportunities to help offset the cost of the transition.

- **BEB Range** – the range a BEB can operate between charges continues to challenge public transit agencies. Due to these limitations, agencies are faced with replacing traditional diesel-powered buses at a ratio of 1:2. Agencies are replacing 1 diesel-powered bus with 2 BEBs.
• Hydrogen Fuel – challenges with fuel availability and infrastructure are ongoing. Currently, there are no hydrogen fuel manufacturers within a reasonable distance of Monterey County. The result is a high cost for hydrogen fuel compared to electric rates for charging BEBs, and diesel costs per gallon for diesel-powered buses. Hydrogen is produced through steam reformation or electrolysis – both processes are energy-intensive and require an abundance of other resources (electricity, water, and natural gases) that further complicates the adoption of this technology. Hydrogen fueling infrastructure adds another layer of complexity. Permits, additional safety standards, and the total cost for construction and ongoing maintenance add up to very high initial costs.

• Training and Employee Development – both BEBs and FCEBs are new technologies that require agencies and their employees to learn and familiarize themselves with the intricacies and nuances of these propulsion systems. MST must transition existing maintenance technicians from internal combustion experts to “quasi-electricians”.

• Safety Protocols – given the unique safety considerations associated with high-voltage systems in both BEBs and FCEBs, MST will need to explore, adopt, and implement comprehensive safety protocols and procedures to protect employees, customers, and our communities. Employees must be trained to adhere to these safety standards and be retrained with refresher courses.

CLOSING SUMMARY:

MST has made strides in transitioning to ZEV technology and complying with California’s ICT regulation. MST created and submitted its ICT Rollout Plan well before the 2023 deadline. The Plan is reviewed, revised, and updated regularly as it serves as MST’s guide to a full transition. The integration of BEBs several years ago, and the pending expansion with additional BEBs underline MST’s proactive approach to complying with the ICT regulation. We acknowledge the challenges posed by emerging and ongoing issues and are actively seeking and implementing solutions to resolve these issues. We have underscored specific issues and complexities related to training and employee development, infrastructure, fueling, vehicle charging, electrical grid reliability, and funding. These issues will remain at the forefront as we continue working towards a full transition.

Submitted by: Norman K. Tuitavuki
Chief Operating Officer
To: Carl Sedoryk, General Manager/CEO
From: Norman K. Tuitavuki, Chief Operating Officer
Subject: Operations and Maintenance Department Update and Emerging Issues

UPDATES:

The following highlights notable accomplishments and provides general updates for the transportation, maintenance, inventory control, facilities, mobility, communications, and contract services departments under my leadership.

Operations Department Updates:

TRANSPORTATION & COMMUNICATIONS:

Transportation Manager, Marzette Henderson leads this area. Under Marzette’s leadership, staff has identified and implemented improvements to ensure our coach operators are safe, efficient, and able to provide the best care possible for passengers and the communities we serve. In 2024, MST will be working towards improving or replacing its CAD/AVL/Communications hardware and software with the IT department. This effort is intended to improve audible communications and provide MST with the most reliable and efficient system for managing public transit operations. Other recent and notable accomplishments include:

- Coach Operator Manual – improved standard operating procedures, focus on safety and customer service, improved manual layout and design.
- Absence Control Monitoring – identified and implemented processes and procedures for improved accountability.
- Staff Meetings – regular, recurring meetings have improved internal communications between department leadership and frontline staff.
- 99% of Scheduled Service Completed – this department consistently identifies and implements innovative ways to ensure MST provides scheduled transit service.

MAINTENANCE & INVENTORY CONTROL:

Maintenance Manager, Frank Marcos manages this area of MST’s operation. Under Frank’s leadership, both of these areas continue to meet or exceed established goals and expectations. Frank is fully focused on ensuring MST successfully transitions its vehicles to zero-emission technologies and ensuring our frontline workers are fully trained, educated, and able to maintain these vehicles. Some recent and notable accomplishments include:
• Lead Utility Service Worker – established a position within the workforce to improve MST’s efforts to fuel, clean, and wash its fleet.
• Miles Between Road Calls/Failures – MST continues to excel in this performance area, with an average of 69,996 miles traveled between a road call or failure. The staff’s ability to maintain vehicles properly is attributable to Frank’s leadership.
• Preventive Maintenance Inspections – were completed on time 99% of the time over the previous twelve consecutive months.

FACILITIES:

Facilities Manager, Paul Lopez, manages this area. Paul’s team ensures that MST’s bus stops and facilities are safe, clean, and functioning optimally. Paul is responsible for several compliance programs that ensure MST is adhering to local, state, and federal regulations. These programs include the Storm Water Pollution Prevention Program (SWPP), California Air Resources Board (CARB) underground storage tank and vapor recovery compliance.

CONTRACT SERVICES:

Contract Services Manager, Kevin Allshouse manages this area of MST’s operation. Kevin oversees MST’s third-party transportation provider, MV Transit, and MST’s security services provider, Allied Universal. Under Kevin’s leadership, both MV and Allied Universal are held accountable for their respective contracts. Recently, MV has been able to fill all of its coach operator vacancies and they are fully staffed. This has led to improvements in MV’s on-time performance and a decrease in the number of negative customer service reports received. Allied Universal continues to provide in-person security services, which has improved both customer and employee safety and well-being.

MOBILITY:

Mobility Manager, Cristy Sugabo leads this area. Cristy and her staff are responsible for administrating the various Mobility and Measure Q-funded programs and activities. Cristy’s team also coordinates and supports the Mobility Advisory Committee (MAC) and the Measure Q Oversight Committee. Cristy and her team are charged with ensuring MST identifies and implements programs that increase and improve mobility options. The programs Cristy oversees include:

- RIDES ADA Paratransit
- Travel Training
- Taxi Vouchers
- Senior Shuttles
- MST Navigators
- Special Medical Trips
- MST TRIPs Program
- Taxi ADA Certification Training

Other notable updates and accomplishments include:

• Commute with Enterprise – staff is working with Enterprise to increase vanpool participation through various marketing campaigns.
• RIDES ADA Paratransit Program – staff has returned to in-person ADA certifications.
• Taxi ADA Certification Training – staff is planning to return to in-person training.
• Non-Emergency Medical Transportation (NEMT) – MST’s consultant is working through billing issues which should be resolved in early 2024.

2-Year Action Plan Updates:

Program, fully fund, and purchase ZEB vehicles for exclusive use on the SURF! Busway and Bus Rapid Transit Project including support equipment and charging infrastructure. Winter 2024

• MST is in the process of procuring 12 Gillig battery electric buses (BEBs). Your Board approved this purchase at the December 2023 Board meeting. Gillig will begin production of these vehicles in the Fall of 2025, with deliveries to MST expected in the Spring or Summer of 2026. Staff will procure 12 Chargepoint chargers for these Gillig BEBs and expects to begin the procurement process mid-year, 2024.

Maintain apprenticeship and driver skill development programs through partnerships with local colleges, universities, trade associations, and vendors. Ongoing

• The Operations Department continues seeking opportunities to create and foster partnerships. In December 2023, Operations Department leadership and HR met with California Transit Works (CTW), a California-based consortium of transit agencies, labor unions, and community colleges that promote training partnerships to address critical issues in public transit.

• Hartnell College and MST continue ongoing discussions and opportunities – staff is scheduled to meet with Hartnell in early 2024.

• The Chief Operating Officer (COO) serves as a member of the California Transit Training Consortium’s (CTTC) Board of Directors. In this role, the COO collaborates with other public transit agency leaders to create, establish, and provide training opportunities for CTTC members.

Initiate Microgrid Feasibility Study of Monterey Bay Operations and Maintenance Facility and South County Operations and Maintenance Facility. Summer 2025

• The COO is collaborating with staff drafting procurement documents and collecting information from industry colleagues and public transit agencies. Initial inquiries to industry colleagues have resulted in some responses. The project manager for a recent transit-specific microgrid project in Montgomery County, Maryland provided insights and documents. The procurement process is expected to begin in early 2024.

Continue to fund and implement the Zero Emission Bus (ZEB) Roll Out Plan and develop a long-term funding plan to include public-private partnerships. Ongoing
• Refer to Item # 6-1.A5 “Zero Emission Bus (ZEB) Transition Update” for a full briefing on MST’s efforts to transition to zero-emission technology.

• Hydrogen Retrofit Project – staff is currently drafting procurement documents and collecting information from industry colleagues and public transit agencies. This project intends to retrofit the Monterey Facility for Hydrogen fueling, maintenance, and operations. This project will be carefully managed and synchronized with the Microgrid project and support MST’s full transition to zero-emission vehicle technologies.

• Cummins – the Gillig electric bus powertrain manufacturer is scheduled to provide high-voltage and battery electric bus training at the Monterey Operations and Maintenance facility in 2024. This training is essential in ensuring our BEBs are maintained properly but also ensures our employees are fully trained in the proper safety procedures when maintaining these vehicles.

**Implement contactless fare payment on MST RIDES and MST subsidized taxi services. Summer 2024**

• The implementation of contactless fare payments on MST’s fixed-route system has proven successful. Customers continue to increase contactless fare usage on all MST fixed-route buses. Staff is engaged with Cal-ITP for outside assistance with MST efforts to identify and implement solutions to meet our customers needs. Meanwhile, the mobility department continues to administer the Taxi Voucher program.

**Research the state of the autonomous vehicle industry where such technology would best support MST operations. Ongoing**

• Autonomous Vehicle (AV) Technology – staff is monitoring local autonomous vehicle projects and will continue educating ourselves and staying informed on this technology. The Contra Costa Transportation Authority is leading a pilot demonstration project to test this technology, [https://ccta.net/projects/shared-autonomous-vehicle-pilot-program/](https://ccta.net/projects/shared-autonomous-vehicle-pilot-program/). Staff is closely watching other AV demonstration projects in the San Francisco Bay Area.

**EMERGING & IMPORTANT ISSUES:**

• Supply Chain Issues – has not tremendously affected MST’s operation compared to other, larger public transit agencies. However, the supply chain is affecting our bus manufacturer, Gillig, LLC. This has led to some quality control issues with our most recent bus order (4 Suburban coaches) that MST had not previously experienced. Gillig has responded appropriately – sending their field technicians to MST to resolve the issues discovered.

• ZEB Training – is a top priority for MST and other public transit agencies. MST consistently seeks ZEB training to ensure our employees and customers are safe but identifying training programs has been a struggle. The zero-emission vehicle industry consists of multiple manufacturers, vendors, and varying technologies – all of which make standardizing ZEB training complicated. As mentioned above, Cummins will be
delivering their ZEB training to MST in 2024. We will continue working with our industry partners and associations to improve the quality and increase the number of ZEB trainings offered.

- California-based ARCHES – the Alliance for Renewable Clean Energy Hydrogen Energy Systems is one of seven federally funded hydrogen hubs. This award intends to increase hydrogen production which should net increases in hydrogen fueling opportunities while decreasing the cost per kilogram. Our public transit agency colleagues at Santa Cruz Metro have already committed to fully transitioning to hydrogen fuel. Metro is purchasing 57 hydrogen fuel cell electric buses and constructing a hydrogen fueling station in Watsonville. Staff is monitoring the ARCHES project and staying in close contact with our Metro colleagues to stay informed and abreast of this technology.

Submitted by: Norman K. Tuitavuki
Chief Operating Officer
To: Board of Directors

From: Michael Kohlman, Chief Information Officer

Subject: Information Technology Update and Emerging Items

UPDATES:

Contactless Payment System:

Based on lessons learned during the trial phase of MST’s Contactless Payment Systems initiative, MST IT/ITS selected and implemented contactless payments devices (PADs) manufactured and supported by KUBA systems during the July and August 2023 timeframe. As a result, operational reliability on the infrastructure portion of the system has achieved very high levels, with approximately 59,000 successful taps by MST customers as of the end of 2023 and zero days of downtime. With these operational goals achieved, focus in 2024 can now move towards implementing additional features of the system as well as continuing to improve the customer experience.

Microsoft Dynamics Financial System:

With 2023 completing the 1st full year on the transition to the Microsoft Dynamics (Tangicloud) financial system, IT has been continuing to work with the financial team to update our processes and workflows to better leverage the new platform. New workflow processes were tested during the fall with the IT and financial groups, with plans to expand these improved processes in the beginning of 2024. Discussions and planning on improved reporting and auditing capabilities have been ongoing with our primary service provider (KOPIS), with a goal of rolling out those capabilities in 2024 as well.

Customer Service Management System:

Currently, the MST customer service team tracks feedback and concerns through an outdated and obsolete custom tracking system. IT also has identified a need for improvement in the way it tracks and resolves technology service requests. In an effort to modernize and improve both needs, IT evaluated and selected a Service Tracking System (Zendesk) that meets the needs of both teams, with the potential to expand over time. The current roll-out plan is to implement the system for IT in January 2024, followed by an expansion of the system into Customer Service in the following months.
Electronic Documentation Management System:

In an ongoing effort to improve our information systems and align with our mission of being kind to our planet, IT has been preparing a transition to a modern electronic documentation system, with the goal of substantially reducing (or eliminating) the physical production and storage of paper-based documentation wherever possible.

Based on an evaluation of the systems and processes that MST currently has in use, the recommendation has been made to leverage and consolidate these systems into an integrated solution, which will reduce the costs and training associated with this roll-out. An RFP is being developed to select a system integrator to assist with the roll-out, with plans to make that selection in early 2024, followed by development of a roll-out and training timeline.

Employee Email and Identity Management (Cybersecurity):

An area of concern that was identified in FY 2022/23 was the lack of a centralized and consistent method of managing the identities, logons, and communications with all employees at MST. In an effort to better align MST with cybersecurity best practices, IT has expanded and developed our systems to include information systems logons, emails, and multifactor authentication (MFA) to all employees in the agency. Assignment of MST accounts for staff that did not currently have one is currently ongoing, with plans to integrate these identities into our systems and broaden the enforcement of MFA through 2024.

Employee Cybersecurity Testing and Training (Cybersecurity):

An area of concern that was identified in 2023 was in staff testing and training with regards to cybersecurity threats. While MST has had a system in place for approximately 3 years, reporting and analysis was indicating that staff had become acclimated to the methods and testing being used by that system and were no longer being sufficiently challenged in a way that would ensure a high-level of cyber awareness. As a result, IT has selected and implemented a new penetration testing and training system with more extensive capabilities than the current solution, with plans to begin a roll-out in January 2024.

EMERGING ISSUES:

Cybersecurity Threats:

Maintaining, auditing, and anticipating cyber threats to MST systems will continue to be an increasing challenge for our agency (as well as everyone in the public sector). This has been evidenced by the growing number of compromises that occurred in 2023, including a number of area organizations that MST regularly interacts with, despite the fact that everyone’s cyber postures continue to improve. Resources in areas that would have the most positive impact (such as regular audits, penetration testing and in-house skills development) remain scarce, and skilled talent remains difficult to find and retain. This is combined with fact that MST is a public service agency, and by definition must
interact with other agencies and the public we serve in ways where we have little or no control over their cyber practices.

While MST overall maintains a good cyber posture and has not yet had a known compromise, the reality is that, as an organization, we must successfully intercept attacks 100% of the time, while the attacker only needs to succeed once.

Broadband Connectivity:

As MST information systems move more into the cloud and our staff engage in more flexible work habits, the need for faster, broader, and more reliable data connections, both in our physical facilities, as well as our vehicle fleet, is skyrocketing; with evidence that our broadband data infrastructure is already becoming inadequate to move forward with many of the initiatives this agency has planned. IT is examining our current and anticipated future needs in this area with plans to have proposals to address this in 2024, but it is anticipated that any proposal will require capital investments in networking equipment as well as an increased operational investment in data plans.

Technology Contracts and Vendor Agreements:

An area of concern that was identified in 2023 was that many of our Information Technology contracts are in need of refresh, with an increased focus on ensuring that additional language for cybersecurity, data protection, and GASB compliance meet our agency’s needs. Many of these agreements are already in the process of being reviewed and discussed with our vendors, but in consultation with the finance team, there will be an increased effort to review these in more detail in 2024.
To:        Board of Directors
From:     Carl Sedoryk, General Manager/CEO
Subject:  MST Year-to-Date Financial Update

At the Board meeting of December 11, 2023, a board member requested staff to provide an update on fiscal year to date finances for the District. Results of the November year-to-date financials are provided in the attachments.

Your Board may wish to discuss this matter further during the Workshop and make recommendations to consider mid-year budget adjustments for later in the fiscal year when additional financial information becomes known.

The MST Board adopted a 2-year budget in June 2023 which identified a deficit of $6,584,756 in FY 2024 and another deficit of $7,286,279 in FY 2025. Through November 2023, MST has realized a year-to-date surplus to budget of nearly $3.3M due to persistent recruitment challenges in the coach operator category.

When MST is sufficiently staffed to fully implement the Better Bus Network as directed by the Board, MST will begin to spend significantly more in salaries, benefits, fuel, and vehicle maintenance costs in support of additional transit service in our communities.

Preliminary November financial reports are attached. Final December financial information will be available for the February Board meeting.

Attachments:

1. Revenues & Disbursements – Cash Flow
2. Payroll & General Account
3. Disbursements Summary
4. Treasury Transactions

Prepared by: Carl G. Sedoryk
General Manager/CEO
# REVENUES & DISBURSEMENTS

## CASH FLOW

Beginning balance 11/01/2023  59,094,190.20

### Revenues

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
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<tbody>
<tr>
<td>Passenger Revenue</td>
<td>65,625.14</td>
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<tr>
<td>DOD Revenue</td>
<td>3,080.00</td>
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<tr>
<td>LTF / STA / SGR</td>
<td>1,861,854.94</td>
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<tr>
<td>Sales Tax</td>
<td>1,222,068.59</td>
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<tr>
<td>From Monterey County RTA</td>
<td>24,253.90</td>
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<tr>
<td>Grants</td>
<td>1,681,985.22</td>
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<tr>
<td>Interest Income</td>
<td>95,814.37</td>
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<tr>
<td>Non Transit Revenue</td>
<td>20,223.56</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>4,974,905.72</strong></td>
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</table>

### Disbursements

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Operations (See Attachment #2)</td>
<td>3,807,037.63</td>
</tr>
<tr>
<td>Capital</td>
<td>79,591.99</td>
</tr>
<tr>
<td><strong>Total Disbursements</strong></td>
<td><strong>(3,886,629.62)</strong></td>
</tr>
</tbody>
</table>

Ending balance 11/30/2023  60,182,466.30

## COMPOSITION OF ENDING BALANCE

Checking - Mechanics Bank  2,000,365.14
Local Agency Investment Fund (LAIF)  28,159,776.76
Money Market - Mechanics Bank MM  21,705,089.31
Money Market - Mechanics Bank  2,536,491.73
Money Market - LCTOP  3,517,210.35
Money Market - State of Good Repair  2,189,696.26
Money Market - FORA/Other  54,674.14
Bank of America - Escrow  8,990.11
Petty cash fund, STC Coin Machine, and 2 change funds  10,172.50

**Total**  60,182,466.30
### PAYROLL ACCOUNT

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<tr>
<th>Description</th>
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<tbody>
<tr>
<td>November 03 Payroll Expenses</td>
<td>623,116.48</td>
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<tr>
<td>November 17 Payroll Expenses</td>
<td>648,606.54</td>
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<tr>
<td>November 27 Payroll Expenses</td>
<td>7,980.06</td>
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<tr>
<td>PERS &amp; 457</td>
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<tr>
<td>Garnishments</td>
<td>5,919.84</td>
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<tr>
<td>PERS Health Insurance</td>
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Total: 2,091,597.10

### GENERAL ACCOUNT

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<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Disbursements (Attached Summary)</td>
<td>1,734,561.43</td>
</tr>
<tr>
<td>Paydown Loans</td>
<td>17,465.95</td>
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<tr>
<td>Workers Comp. Disbursements</td>
<td>38,286.23</td>
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<tr>
<td>Interest Expense</td>
<td>1,841.60</td>
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<tr>
<td>CDTFA Payments</td>
<td>600.00</td>
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<tr>
<td>Bank Service Charge</td>
<td>2,277.31</td>
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Total: 1,795,032.52

Total Disbursements: 3,886,629.62

Less Capital Disbursements & Transfers: (79,591.99)

Operating Disbursements: 3,807,037.63
## DISBURSEMENTS SUMMARY:
### GENERAL ACCOUNT DISBURSEMENTS
For November 01, 2023 - November 30, 2023

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<thead>
<tr>
<th>CHECK PRINT DATE</th>
<th>CHECKS</th>
<th>TOTAL</th>
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<tbody>
<tr>
<td>Accounts Payable 11/03/2023</td>
<td>69198 - 66264</td>
<td>262,733.66</td>
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<td>Accounts Payable 11/09/2023</td>
<td>69265 - 69648</td>
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<td>Accounts Payable 11/16/2023</td>
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<td>Accounts Payable 11/17/2023</td>
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<td><strong>TOTAL</strong></td>
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### CHECKS $100,000 AND OVER

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<tbody>
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<td>MV TRANSPORTATION</td>
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<td>11/9/23</td>
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<td></td>
<td>Contract Transportation</td>
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<td></td>
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<tr>
<td></td>
<td>Fuel Delivery/Purchase</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>SC FUELS</td>
<td>Board Approved 11/05/08</td>
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<tr>
<td></td>
<td>Multiple</td>
<td>Multiple</td>
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### PURCHASES BETWEEN $50,000 AND $99,999

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<tr>
<td>CALIF TRANSIT INS Pl</td>
<td>Insurance Liability</td>
<td>69370</td>
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### LAIF ACCOUNT

<table>
<thead>
<tr>
<th>Date</th>
<th>Account</th>
<th>Description</th>
<th>Deposit</th>
<th>Withdrawal</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Forward at 11/01/2023</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>28,159,776.76</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Quarterly interest earned</td>
<td></td>
<td></td>
<td>28,159,776.76</td>
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<tr>
<td></td>
<td></td>
<td>Local Agency Investment Fund:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>LAIF Treasury Balance at 11/30/2023</td>
<td></td>
<td></td>
<td>28,159,776.76</td>
</tr>
</tbody>
</table>

### MECHANICS BANK MM ACCOUNT

<table>
<thead>
<tr>
<th>Date</th>
<th>Account</th>
<th>Description</th>
<th>Deposit</th>
<th>Withdrawal</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance Forward at 11/01/2023</td>
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<td></td>
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<tr>
<td>11/02/23</td>
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<td>AP/Payroll</td>
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<td>11/08/23</td>
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<td>LCTOP</td>
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<td>11/09/23</td>
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<td>11/14/23</td>
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<tr>
<td>11/28/23</td>
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<td>LTF</td>
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<td>21,635,798.87</td>
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<tr>
<td>11/30/23</td>
<td></td>
<td>Interest</td>
<td>69,290.44</td>
<td>-</td>
<td>21,705,089.31</td>
</tr>
</tbody>
</table>

MECHANICS MM Balance at 11/30/2023: 21,705,089.31
To: Board of Directors

From: Carl Sedoryk, General Manager/CEO

Subject: Workshop Item B.1: MST Board Meeting Productivity

Since the end of the State of California COVID emergency in February 2023, many jurisdictions and special district boards and councils have returned to in-person meetings of their governing boards or councils. Since that time, MST has experienced some difficulty in either achieving or maintaining a quorum for conducting business at committee meetings and meetings of the full Board of Directors. The lack of a quorum, or pending lack of a quorum, can have the impact of reducing the time for deliberations and consideration of actions necessary for the conduct of MST business.

It has been suggested that some changes in the order of agenda items might improve board meeting productivity. These changes might include:

- Moving Closed Session items to the beginning of each meeting.
- Moving non-action items including Presentations and Recognitions, and Public Comments on Matters Not on the Agenda to after completion of Action Items.
- Increasing the use of board alternates when board members are unable to attend all, or part, of a scheduled meeting.
- Your Board may also consider the continued use of public video conference participation.

Your Board may wish to discuss these matters further during the Workshop.

Prepared by: Carl G. Sedoryk
To: Board of Directors
From: Carl Sedoryk, General Manager/CEO
Subject: Workshop Item B.2: MST Board Chair Communications

For the past several decades, MST staff have relied on and coordinated with the Board Chair to provide communication on behalf of MST to federal, state, or local policy makers. While these communications are not frequent, they are often important in achieving various funding and policy goals of the district when time is of the essence.

Staff works with the Board Chair to ensure that the technical details of communications are factual and supported by adopted Board policies, or direction or consensus provided at MST Board and committee meetings, as appropriate.

At your meeting of December 11, 2023, a board member request was made to review the practice of utilizing the Board Chair to provide written communications to various policy makers on behalf of the MST and its Board of Directors.

Your Board may wish to discuss this matter further during the Workshop.

Prepared by: Carl G. Sedoryk
To: Board of Directors

From: Carl Sedoryk, General Manager/CEO

Subject: Workshop Item B.3: Paperless MST Board Meeting Agenda

In 2022, your Board adopted an MST Brand Vision of “Connecting communities. Creating opportunity. Being kind to our planet”. With a nod to being kind to our planet, staff would like the Board to consider a paperless board agenda packet.

Currently, ten (10) board members continue to receive monthly board agenda packets consisting of 150 pages of paper each month. This equates to approximately 18,000 pages of paper each year.

Your Board may wish to discuss moving to a paperless board agenda to better realize your adopted vision.

Prepared by: Carl G. Sedoryk
To:          Board of Directors
From:        C. Sedoryk, General Manager/CEO
Subject:     Monthly Report – November 2023

On November 14-17, I attended the CTA Conference and EXPO which was held in Pasadena, CA.

The Monthly Report focuses on the areas of People, Planet, and Performance. Under the category of “Performance,” we have included data in the areas of operations, maintenance of fleet and facilities, and finance.

Fixed-Route Performance Summary:

<table>
<thead>
<tr>
<th>SERVICE DELIVERED</th>
<th>SERVICE QUALITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ridership</td>
<td>203,421</td>
</tr>
<tr>
<td>Passengers/vehicle revenue hour</td>
<td>12.2</td>
</tr>
<tr>
<td>Revenue miles</td>
<td>284,812</td>
</tr>
<tr>
<td>One-Way trips operated</td>
<td>24,014</td>
</tr>
</tbody>
</table>

Systemwide Service:

Boardings reported for the month of November show ridership to be 32.5% higher than in November of 2022, when 153,518 boardings were reported. Over that same timeframe, the amount of revenue hours operated increased by 11.8%, resulting in an 18.5% increase in productivity, from 10.3 Passengers Per Hour (PPH) last November to 12.2 PPH this November.

Seasonal Service:

None reported for the month of November.

MST Rides Performance Summary:

<table>
<thead>
<tr>
<th>SERVICE DELIVERED</th>
<th>SERVICE QUALITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ridership</td>
<td>9,834</td>
</tr>
<tr>
<td>Passengers/vehicle revenue hour</td>
<td>1.77</td>
</tr>
<tr>
<td>Revenue miles</td>
<td>4,127</td>
</tr>
<tr>
<td>One-Way trips operated</td>
<td>8,136</td>
</tr>
</tbody>
</table>

ATTACHMENT(S)


Prepared by: Carl G. Sedoryk
Dear Carl:

*Please accept our sincere apologies for the delay in getting this letter to you.*

THANK YOU for your incredibly generous gift of Fifty (50) Bus Passes. Your investment in our students' lives is appreciated.

Our 2023-2024 school year has begun! In June we celebrated graduation on campus and honored 34 students as they received their High School Diplomas. This is always the highlight of the school year to be able to watch our students meet the goals they have set for themselves. We’re so proud of their accomplishments and are eager to see them continue to succeed.

Our programs offer a wide range of vocational training and high school education to students between the ages of 15-24.

- **Ag Technology & Mechatronic** students are designing custom program signs using a simple resistor, LED circuit, connected in parallel on each letter, then connected in series to the mini breaker.

- **Auto & Diesel Repair** students are gearing up to get their hands dirty breaking down and rebuilding small engines.

- **Construction & Sustainable Design Academy** students are diving into architectural plans, structural carpentry, tool identification and knowledge as well as following general safety guidelines as they build a Tiny Home project.

- **Drummond Culinary Academy** students are focusing on proper food safety while navigating a commercial kitchen with an industry professional.

- **Silver Star Youth Program** is balancing diploma education with outdoor activities.

- **Welding & Fabrication** offers knowledge in metal design, manufacturing process, and concepts and procedures around welding and fabrication.

- **Youth Corps** participants are continuing to learn new skills while maintaining this incredible 100 acres.

All of our vocational program students spend half of their time in a classroom setting with a John Muir Charter School Instructor obtaining the remaining credits needed to achieve a High School Diploma.

Thank you for supporting our students on their journey to success. Your gift is priceless.

Sincerely,

Chris Devers, CEO

Rancho Cielo Youth Campus, a 501 (c)(3) non-profit organization as described by the IRS, received your contribution of Fifty (50) Bus Passes on 6/23/2023. No goods or services were provided in exchange for your contribution. You may use this letter of your donation for tax purposes. Rancho Cielo's Tax ID is Federal ID #77-0555859.