



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)  
BOARD OF DIRECTORS MEETING MINUTES\*  
MARCH 26, 2021 – 9:00AM  
MEETING HELD VIA TELECONFERENCE**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) convened on Friday, March 26, 2021, via teleconference.

The Board Meeting Agenda Packet can be found online at [www.SCMTD.com](http://www.SCMTD.com). \*Minutes are “summary” minutes, not verbatim minutes. Audio recordings of Board meeting open sessions are available to the public upon request.

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- 1 **CALL TO ORDER** at 900AM by Board Chair Lind.
- 2 **ROLL CALL:** The following Directors were **present** via teleconference, representing a quorum:

<b>Director Jimmy Dutra</b>	<b>City of Watsonville</b>
<b>Director Aurelio Gonzalez</b>	<b>City of Watsonville</b>
<b>Director Shebreh Kalantari-Johnson</b>	<b>City of Santa Cruz</b>
<b>Director Manu Koenig</b>	<b>County of Santa Cruz</b>
<b>Director Donna Lind</b>	<b>City of Scotts Valley</b>
<b>Director Bruce McPherson</b>	<b>County of Santa Cruz</b>
<b>Director Donna Meyers</b>	<b>City of Santa Cruz</b>
<b>Director Larry Pageler</b>	<b>County of Santa Cruz</b>
<b>Director Kristen Petersen</b>	<b>City of Capitola</b>
<b>Director Dan Rothwell</b>	<b>County of Santa Cruz</b>
<b>Director Mike Rotkin</b>	<b>County of Santa Cruz</b>
Ex-Officio Director Dan Henderson	UC Santa Cruz
<b>Ex-Officio Director Alta Northcutt</b>	<b>Cabrillo College</b>

Additional METRO staff:  
Alex Clifford  
Julie Sherman

CEO/General Manager  
General Counsel

- 3 **RECESS TO SCCIC MEETING**  
Director Rotkin explained the background and intended purpose of the Santa Cruz Civic Improvement Corporation (SCCIC) to the assembly. Chair Lind recessed the Board meeting at 9:02AM.

There were no public comments

**4 RECONVENE TO BOARD MEETING**

Chair Lind reconvened the METRO Board meeting at 9:10AM.

**5 ANNOUNCEMENTS**

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

**6 BOARD OF DIRECTORS COMMENTS**

Hearing none, Chair Lind moved to the next agenda item.

**7 ORAL AND WRITTEN COMMUNICATIONS TO THE BOARD**

7-1 Buzz Anderson March 9, 2021 email regarding bus stop service

7-3 Multiple video links were received from Buzz Anderson, Bill Cook & Debby Molina (sent separately to the METRO Board members)

Debra Molina expressed her appreciation for bus services, believing that METRO is part of the solution to traffic in Santa Cruz County. She expressed concerns about the Santa Cruz County Regional Transportation Commission (SCCRTC) diverting funds into the train plan; she would prefer further investments in the bus system, routes, etc.

Brian Peoples, TrailNow, reminded the assembly of the vote scheduled for April 1, 2021 at the SCCRTC Meeting regarding the Santa Cruz Coastal Corridor usage.

Buzz Anderson shared a YouTube video featuring Tyler Fox and referenced his recent commentary in the Watsonville Register Pajaronian newspaper.

Having nothing further, Chair Lind moved to the next agenda item.

**8 LABOR ORGANIZATION COMMUNICATIONS**

Joan Jeffries, SEA Chapter President, expressed the Union's concerns regarding several positions proposed to be unfunded in the draft preliminary budget on today's agenda, stating that losing these positions and/or jobs will have a huge impact on METRO's ability to provide service.

At Chair Lind's suggestion, Ms. Jeffries opted to postpone her comments until Agenda item 16, when the preliminary budget is presented.

Having nothing further, Chair Lind moved to the next agenda item.

**9 WRITTEN COMMUNICATIONS FROM THE METRO ADVISORY COMMITTEE (MAC)**

James Von Hendy March 3, 2021 email regarding Bus Stop Sign Improvements.

Having nothing further, Chair Lind moved to the next agenda item.

**10 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS**

Having nothing further, Chair Lind moved to the next agenda item.

**CONSENT AGENDA**

- 11.1 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF FEBRUARY 2021

- 11.2 ACCEPT AND FILE: MINUTES OF THE FEBRUARY 17, 2021 METRO ADVISORY COMMITTEE (MAC) MEETING, THE FEBRUARY 26, 2021 BOARD OF DIRECTORS MEETING, AND THE MARCH 12, 2021 FINANCE, BUDGET & AUDIT STANDING COMMITTEE MEETING
- 11.3 ACCEPT AND FILE: YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF JANUARY 31, 2021
- 11.4 APPROVE: CONSIDERATION OF DECLARING VEHICLES AND/OR EQUIPMENT AS EXCESS FOR PURPOSES OF DISPOSAL OR AUCTION
- 11.5 ACCEPT AND FILE: QUARTERLY PROCUREMENT REPORT FOR 4<sup>TH</sup> QUARTER OF FY21
- 11.6 APPROVE: CONSIDER A RESOLUTION DESIGNATING THE CEO AS THE AUTHORIZED AGENT TO SUBMIT A GRANT APPLICATION AND EXECUTE ACTIONS NECESSARY TO RECEIVE FORMULA FUNDS FROM THE FY21 LOW CARBON TRANSIT OPERATIONS PROGRAM
- 11.7 APPROVE: CONSIDER A RESOLUTION DESIGNATING THE CEO AS THE AUTHORIZED AGENT TO EXECUTE A MASTER AGREEMENT AND SUPPLEMENTAL AGREEMENTS WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR GRANT AWARDS
- 11.8 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO ATHENS ADMINISTRATORS FOR THIRD PARTY ADMINISTRATION OF WORKERS' COMPENSATION CLAIMS
- 11.9 APPROVE: CONSIDERATION OF DESIGNATION OF SAFETY, SECURITY AND RISK MANAGEMENT DIRECTOR TO THE CALIFORNIA TRANSIT INDEMNITY POOL (CALTIP) BOARD OF DIRECTORS
- 11.10 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A 2<sup>ND</sup> AMENDMENT EXTENDING THE CONTRACT FOR ONE YEAR WITH CLEAN ENERGY FOR MAINTENANCE SERVICES FOR THE LCNG FUELING STATION, INCREASING THE CONTRACT TOTAL BY \$215,000
- 11.11 APPROVE: RATIFICATION OF CHANGE IN FUNDING SOURCE FOR CENTER FOR TRANSPORTATION AND THE ENVIRONMENT'S (CTE) WORK ON METRO'S ZERO EMISSION BUS TRANSITION PLAN
- 11.12 ACCEPT AND FILE: RECEIVE AN UPDATE ON THE LONG-RANGE BUS REPLACEMENT PLAN

**ACTION: MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED**

**MOTION: DIRECTOR ROTKIN**

**SECOND: DIRECTOR MEYERS**

**MOTION PASSED WITH 11 AYES (Directors Dutra, Gonzalez, Kalantari-Johnson, Koenig, Lind, McPherson, Meyers, Pageler, Petersen, Rothwell and Rotkin)**

## REGULAR AGENDA

**12 PRESENTATION OF EMPLOYEE LONGEVITY AWARDS: JASON LoGIUDICE, 20 YEARS:**

Chair Lind read a short bio and thanked Mr. LoGuidice in absentia.

There was no public comment.

**13 RETIREE RESOLUTIONS OF APPRECIATION: RUFUS FRANCIS, DEBBIE KINSLOW AND GILBERTO LIMAS**

Chair Lind read short bios and thanked the recipients in absentia.

There was no public comment.

### **ACTION: MOTION TO APPROVE THE RETIREE RESOLUTIONS AS PRESENTED**

**MOTION: DIRECTOR ROTKIN**

**SECOND: DIRECTOR PAGELER**

**MOTION PASSED WITH 11 AYES (Directors Dutra, Gonzalez, Kalantari-Johnson, Koenig, Lind, McPherson, Meyers, Pageler, Petersen, Rothwell and Rotkin)**

**14 SANTA CRUZ COUNTY OPERATIONAL PLAN UPDATE**

Matt Machado, Deputy County Administrative Officer, Public Works Director, spoke to the presentation.

Board comment:

Signal prioritization projects were discussed briefly; e.g., cost per signal, connecting to METRO's Automatic Vehicle Locator (AVL) System, bus flow efficiency, etc. Mr. Machado noted that the County is addressing pedestrian safety at the impacted intersections.

Director Koenig informed the assembly that an RFP was issued for the SMART signal adapters and they are working to bring a contract to the Board of Supervisors in the near future.

Director Koenig asked if METRO is planning any improvements or changes to service in Routes 71, 69 and 69W. John Urgo, Planning & Development Director, replied service will be evaluated as METRO works through the design with the County.

Director McPherson commended the County Public Works Department for their attention to the high priority projects and thanked METRO and the SCCRTC for their collaborative efforts which resulted in obtaining a financial grant.

Public comment:

Mr. Peoples thanked Mr. Machado for his presentation and public outreach. TrailNow is promoting Highway 1 widening near Aptos and a connection of the trestle to a dedicated bike trail from Soquel to Highway 1.

**15 CEO ORAL REPORT / COVID-19 UPDATE**

CEO Clifford read short bios and introduced:

- Chuck Farmer, Chief Financial Officer
- Curtis Moses, Safety, Security and Risk Management Director

Mr. Farmer and Mr. Moses thanked the Board and METRO for the opportunity and are looking forward to working with the team at METRO and the Board.

He went on to provide the following:

- Funding updates from the various federal and state legislative bodies. President Biden signed the American Rescue Plan of 2021, which could result in approximately \$26M in COVID relief for METRO.
- The imbalance between expenses and revenue sources would have resulted in a structural deficit without the receipt of COVID emergency funding.
- COVID updates –
  - Effective March 15, 2021, transit workers now qualify for a vaccine. Thanks to the Board members, County Health Department, Sutter, Kaiser and the Monterey Bay Central Council who supplied numerous opportunities for transit workers in Salinas, Watsonville and Santa Cruz.
  - METRO was hoping to reach an 80% employee vaccination rate. To date, 55% of METRO's employees have opted to get the vaccine. We continue to educate and encourage employees to get the vaccine to achieve "herd immunity".
  - A webinar by UCSC Professor Kirkpatrick and a link to a Kaiser video with additional COVID vaccination information were provided to all METRO employees.
  - To date, there is no ethnic breakdown of the unvaccinated to target specific audiences.
  - METRO continues to offer free rides to vaccination sites.
  - An interactive map is available on the METRO website showing which routes will transfer to vaccination sites.
- Effective Monday, March 22<sup>nd</sup>, half price fares were put into effect. Customers who qualified for discount fares prior to this date now qualify for free fares for the duration of the program.
- We anticipate a new FlixBus contract; they operate an intercity/interstate concept similar to Greyhound and MegaBus.
- METRO's pilot on-demand service will go into effect on April 19<sup>th</sup>.
- METRO continues to move closer to implementation of a smart phone application and an Automatic Vehicle Locator (AVL) system that utilizes a GPS system.
- The second Proterra bus has been received.
- A new class of Bus Operators will begin mid-April.

There was no public comment.

**16 APPROVAL OF FY22 AND FY23 PRELIMINARY OPERATING BUDGETS AND FY22 CAPITAL BUDGET FOR REVIEW AND TDA/STA CLAIMS PURPOSES**

CFO Farmer spoke to the presentation, stressing this is a preliminary budget, subject to change. The intent behind this budget is to meet the TDA/STA deadline from the SCCRTC. A lot of work remains before the May 2021 Finance Committee and Board meetings.

Discussion regarding the authorized positions referenced on page 16A.11 of the agenda ensued. CEO Clifford noted the implementation of the 2021 Rescue Act allowed METRO to reduce the initial number of positions. Of the positions proposed, two are provisional employees who are expected to exceed the minimum amount of time permitted in FY22.

CEO Clifford provided a brief verbal history of METRO's structural deficit. In 2014, METRO faced a structural deficit of \$6.4M; today's anticipated fiscal cliff is \$11.4M. METRO needs to begin looking for means and methods to reduce costs as revenues are outpacing expenses.

The unions and METRO management will meet to review and discuss the budget in early May.

Director Koenig acknowledged the identification of an \$11M+ structural deficit, saying cost-cutting measures should not affect METRO's ability to adapt service needs. One of the challenges for organizations is basing staffing decisions on seniority rather than skill.

Director Dutra spoke of his experiences with METRO and the structural deficit. He asked how METRO can be a source of transportation that the public want to use.

CEO Clifford recalled difficult decisions were made in 2014 – 2016. In that timeframe, two important funding sources came to the rescue: SB1 and Measure D. Without that funding, METRO would have remained in a structural deficit. The return of in person classes will help increase ridership and funding. The great unknown is the remaining non-student 40% of riders. How many riders will continue working remote; and, as the vaccination rate increases, will ridership increase?

Public comment:

Mr. Peoples urged the board members to support METRO, rather than the expensive train option proposed by the SCCRTC.

Speaking of the six positions proposed for elimination in the preliminary budget, Cayla Hill, Secretary/Treasurer of SEA, said the Union was informed of three positions only: IT support, provisional planning and the Planning/Grants intern. These employees fulfill important roles involved in critical projects and unfunding these projects will make the timely completion of these projects impossible. Measure D funding increased last year. UCSC has approached METRO to increase service. METRO received \$20+M in CARESAct funding; the purpose of which was to maintain staff. Without staff, we cannot improve service.

James Sandoval, SMART General Chairperson, said they stand in solidarity with SEA. Eliminating positions requires other employees to carry more weight.

**ACTION: MOTION TO APPROVE THE FY22 AND FY23 PRELIMINARY OPERATING BUDGETS AND FY22 CAPITAL BUDGET FOR REVIEW AND TDA/STA CLAIMS PURPOSES AS PRESENTED**

**MOTION: DIRECTOR DUTRA**

**SECOND: DIRECTOR ROTKIN**

**MOTION PASSED WITH 11 AYES (Directors Dutra, Gonzalez, Kalantari-Johnson, Koenig, Lind, McPherson, Meyers, Pageler, Petersen, Rothwell and Rotkin)**

**17 ANNOUNCEMENT OF NEXT MEETING: APRIL 23, 2021**

Chair Lind announced the next meeting on April 23, 2021 and reminded the assembly to check the SCMTD website for venue updates, as we remain dependent upon the public health orders in place at the time.

**15 ADJOURNMENT**

Chair Lind adjourned the meeting at 11:00AM

Respectfully submitted,

Gina Pye  
Executive Assistant