



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS REGULAR MEETING MINUTES*
ADMIN OFFICE, 110 VERNON STREET, SANTA CRUZ, CA
FEBRUARY 27, 2026 – 9:00 AM
HYBRID MEETING**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) convened on Friday, February 27, 2026, as a hybrid meeting.

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

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1 CALLED TO ORDER at 9:03 AM by Board Chair Downing.

2 SAFETY DEBRIEF

Gregory Strecker, Safety, Security & Risk Management Director, provided a debriefing on safety, emphasizing METRO’s response to a fire, earthquake and/or medical emergency, and evacuation routes.

3 ACKNOWLEDGE APPOINTMENT OF DIRECTOR

Board Chair Downing acknowledged the appointments of Directors Kalantari-Johnson representing the City of Santa Cruz and Directors Koenig, Pageler and herself representing the County of Santa Cruz.

4 ROLL CALL

Director Orozco announced she is participating remotely for just cause under SB 707 to provide care for a family member. The following Directors were **present**, representing a quorum:

Director Rebecca Downing	County of Santa Cruz
Director Jimmy Dutra <i>AR 9:30 AM</i>	City of Watsonville
Director Shebreh Kalantari-Johnson	City of Santa Cruz
Director Manu Koenig	County of Santa Cruz
Director Fabian Leonor	County of Santa Cruz
Director Donna Lind	City of Scotts Valley
Director Monica Martinez	County of Santa Cruz
Director Scott Newsome <i>AR 9:06 AM</i>	City of Santa Cruz
Director Melinda Orbach	City of Capitola
Director Maria Orozco	City of Watsonville
Director Larry Pageler	County of Santa Cruz
Ex-Officio Director Alma Márquez	Cabrillo College
Ex-Officio Director Edward Reiskin	UC Santa Cruz
Corey Aldridge	CEO/General Manager
Julie Sherman	General Counsel

5 ANNOUNCEMENTS

- 5.1 Today's meeting was broadcast by Community Television of Santa Cruz County.
- 5.2 Maria Avila of Language Line Services provided Spanish interpretation services.

6 APPROVE: BOARD OFFICERS AND COMMITTEE ASSIGNMENTS

Board Chair Downing spoke to the slate presented in the agenda packet and opened the dialogue to the other Board Members. She and Director Lind encouraged other Board Members to consider joining the Finance and HR Standing Committee.

Brian Peoples, Trail Now, supported the slate and emphasized the importance of METRO Board Members appointed to the Santa Cruz County Regional Transportation Commission (RTC) to support METRO in that role.

Lisa Anderson, member of the public, asked how she could be on METRO's Board of Directors. Director Downing suggested she apply to our METRO Advisory Committee (MAC), which is comprised of members of the public, since the Board Members are appointed by their jurisdictions.

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

ACTION: MOTION TO APPROVE THE ENTIRE SLATE AS PRESENTED

MOTION: DIRECTOR PAGELER

SECOND: DIRECTOR LIND

MOTION PASSED WITH 10 AYES (Directors Downing, Kalantari-Johnson, Koenig, Leonor, Lind, Martinez, Newsome, Orbach, Orozco, and Pageler). Director Dutra was absent.

Board Chair Downing turned over the gavel to Director Koenig. He thanked the Board Members for choosing him as Board Chair and thanked Director Downing for all her work this past year and for doing a wonderful job representing METRO.

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

7 BOARD OF DIRECTORS COMMENTS

Director Martinez congratulated Chair Koenig on his appointment and showed appreciation for Director Pageler for accepting the County's nomination to serve on the Board again. She also commented on the letters of support received for Congressional earmarks regarding METRO projects. One is for the radio modernization project and she wanted to make sure METRO's leadership understood that the County, along with first responder agencies, is undergoing a significant radio modernization system called RING (Regional Interoperability Next Generation). It is a multi-year project in which the County is also seeking a Congressional earmark and suggested METRO collaborate with the County and first responder entities to decrease overhead costs. Director Orbach added that sharing these costs across the whole County for a project that connects all the jurisdictions and service providers is vital. Board Chair Koenig commented that he hopes we can move that project forward.

Director Downing commented that she attended one of the County's strategic plan town hall meetings. She noticed there were several comments about transportation and encouraged METRO staff to review the strategic plan and get more involved in the process.

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

8 ORAL AND WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

Brian Peoples, Trail Now, spoke to his email (posted as Item 10.2 in the agenda packet) regarding Item 23 on RTC's agenda for the March 5, 2026 meeting. He recommended that METRO's RTC representatives not support this item and prioritize funding for transportation solutions that serve the public today.

Portia Ramer, member of the public, commented that she feels there is only one person on the RTC Board that represents METRO. She also suggested that Ms. Anderson consider participating in the meetings of E&D TAC (Elderly & Disabled Transportation Advisory Committee). Board Chair Koenig clarified that METRO appoints three representatives to the RTC Board.

Eduardo Montesino, speaking as an RTC Commission Member, suggested METRO is currently sending Board Members to RTC meetings based on their availability and it seems that there is no direction coming from the Board to those members regarding METRO's interests. Over time, that can hurt METRO.

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

9 LABOR ORGANIZATION COMMUNICATIONS

Nate Abrego, Vice Chairperson for SMART, Local 23, provided an update on signature gathering for the ballot measure. He thanked all the elected officials who have endorsed the measure and volunteers who are helping out. The Friends of Santa Cruz METRO website launched yesterday (friendsofscmetro.org). It provides information on the measure and how to volunteer.

He also spoke on behalf of the Bus Operators of Fixed Route and ParaCruz to recognize the hard work that SEIU members do to keep METRO running. They may not get the same recognition as the frontline staff gets, but no job is too small or too unimportant. We are all needed to make the buses run. We are here in solidarity and hope the Board recognizes their contributions as well.

Eduardo Montesino, representing METRO's PSA (Professional Supervisory Association) employees, commented on the current radio system being unreliable and encouraged the Board Members to follow through on the letters of support. METRO is currently using a backup system and if it doesn't work, it becomes a safety concern and doesn't allow the agency to react to incidents or accidents in a timely fashion.

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

10 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

Board Chair Koenig announced four additional communications were sent to the Board on February 26, 2026 and will be added to the agenda packet.

Attachment

Fare Structure and Policies Update

METRO Board Meeting
February 27, 2026



scmetro.org



Attachment

Agenda

1. Review of Integrated Ticketing Project
2. Context for METRO Fare Policy Changes
3. Summary of Changes and Potential Impacts
4. Update on Fare Payment System Implementation
5. Future Steps



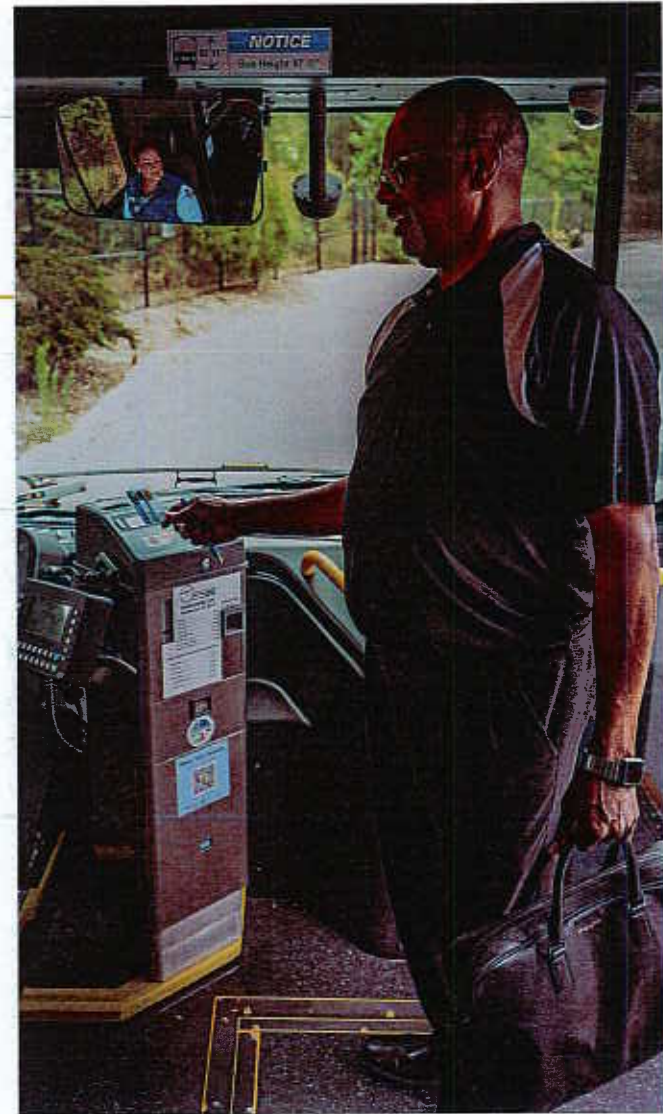
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Background

Attachment

Existing Fare Systems

- **Genfare** - Odyssey® fareboxes (TVMs retired)
 - Magnetic tickets and passes
 - Smart cards for institutional programs
- **Masabi** - mobile ticketing app
- **Square** - Card not present and walk-up
- **Garda** - cash handling/counting service



METRO Project Vision and Principles

With the Integrated Ticketing Project, METRO aims to:

- Improve the ease of paying for transit across all rider communities
- Ensure an equitable rider experience regardless of payment method
- Avoid vendor lock-in and modularize technology offering with interoperability
- Increase data access availability for planning and analysis purposes
- Reduce costs to Santa Cruz METRO for the fare collection system components
- Minimize timeline to deployment and launch

Attachment

METRO's contracts for open payments

Leveraging the state's Master Service Agreements for technology hardware and software, METRO contracted with the following to implement open-loop payments:

 KUBA



Onboard, on-platform, and mobile fare inspection devices that are equipped to read riders' contactless bank cards and smart devices.

littlepay



Software that instantly determines the correct fare for a trip based on distance, applicable discounts, and frequency of travel.

 Elavon.



Software embedded in fare validators that transmits money from a rider's bank card to METRO's bank account.

The Integrated Ticketing Project creates an opportunity to update METRO's fare policy.

- The policy needs to incorporate fare capping and acceptance of cEMV payment.
- The updates will transition discount program eligibility to align with statewide standards.
- Ultimately, these changes will streamline multiple existing fare policies into a coordinated, consolidated Fare Policy.

All content is informational at this stage – the Board will be able to take action on the policy changes at the March Board meeting.



Attachment

Context for Fare Changes

Attachment

Introducing Tap2Cruz



- **Tap2Cruz launching Summer 2026:** New contactless “tap to pay” fare payment on METRO buses.
- **Tap with what you already use:** Accepts contactless bank cards (Visa, Mastercard, Discover, American Express) and mobile wallets (Apple Pay, Google Pay, Samsung Pay, Fitbit Pay).
- **Fast, easy boarding:** Tap the reader as you board and look for the green “GO!” screen.
- **Same fare as today:** Tap payments cost the same as existing fares (ride up to **2 hours systemwide** for **\$2 regular** or **\$1 discount** when tapping).
- **Still accepts current options:** Cash and Splash Pass remain available.
- **Safe and secure:** Uses secure payment networks and does not store or sell personal data.

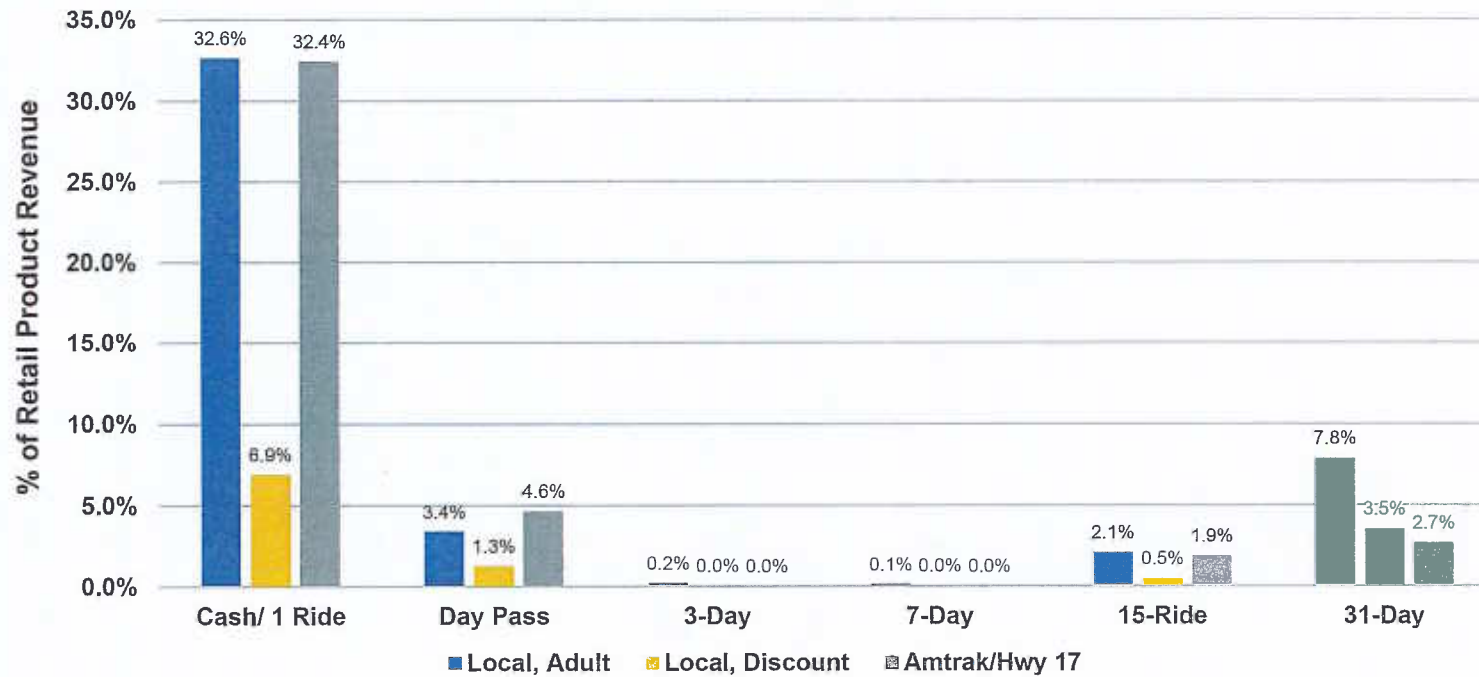
Fare Policy Guiding Principles

- 1 Increased Simplification**
Ensure fare products are intuitive, flexible, and accessible to improve the rider experience.
- 2 Greater Flexibility**
Avoid fare products requiring pre-purchase or long-term commitments to offer easier access and convenience for riders of all backgrounds.
- 3 Improved Cost-Effectiveness**
Take actionable steps now while building toward long-term fare simplification and regional coordination, where applicable.

Attachment

Simplified Fare Products to Match Usage

% Share of Revenue - Retail Products



Attachment

Summary of Proposed Changes

Summary of Fare Policy Changes

- Elimination of 3-Day, 7-Day, and 15 Ride fare passes
- Reduction of the Local Adult Day Pass price from \$6.00 to \$5.00, and the Local Discount Day Pass price from \$3.00 to \$2.50
- Introduction of a daily and 31-day rolling fare cap
- Incorporating Veteran status as eligible for discount program enrollment
- Raise the threshold for Senior fares from age 62 to age 65

Existing Fare Structure

	Local Service in Santa Cruz County						Amtrak/Highway 17 Express			
	Cash/ 1-Ride	Day Pass	3-Day Pass	7-Day Pass	31-Day Pass	15-Ride Pass	Cash/ 1-Ride	Day Pass	31-Day Pass	15-Ride Pass
Adult (age 18 and over)	\$2	\$6	\$15	\$32	\$65	\$27	\$7	\$14	\$145	\$94.50
Discount Fare (Must present Discount Photo ID)	\$1	\$3	\$7.50	\$16	\$32	\$13.50	\$3.50	\$14	\$145	\$94.50
Youth (Grades K-12)	<p>Youth Cruz Free pilot program allows K-12 Students to ride METRO for free.* Show your student ID to board (suggested for 9-12th grade). *Youth Cruz Free does not apply to Highway 17 Express service. Children up to 46" may ride free with a fare paying adult. Children over 46" will be charged Adult fare.</p>									

Cash Fares: Please have exact change ready when boarding the bus.
Dollars and larger bills are accepted, but Operators do not make change.
 For mobile payments use METRO's Splash Pass app, details at scmetro.org/apps



Proposed Fare Structure

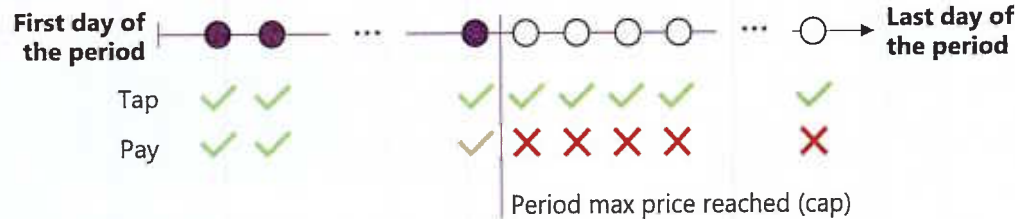
	Local Service in Santa Cruz County						Amtrak/Highway 17 Express			
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Introducing Fare Capping

ALTERNATIVE TO PASSES

Benefit from products for frequent riders: periodic (daily, weekly, monthly) fare capping



Example customer interaction with the payment system when fare capping is available

METRO customers riding local transit service will benefit from a daily cap of \$5 and a rolling 31-day cap of \$65.

Digital Verification for Discounts ^{Attachment}

Service to link open payment cards and receive discounts when you tap to pay

- Secure online enrollment that integrates with federal databases including Login.gov, VA, and Medicare to seamlessly verify eligibility
- Discount eligibility linked to customer's bank card
- Discounts automatically honored when riders tap to pay
- Standardized, statewide definitions of discount-eligible groups:
 - Older adults 65+
 - Veterans
 - Medicare cardholders



Receive your senior (65+) discount when you tap to ride!



Link your discount to your contactless card and pay the correct fare every time you tap.

1 Make sure you have:



- California driver's license or ID
- Contactless debit or credit card

2 Visit benefits.calitp.org/mst



Open the camera on your mobile device, and point it at this code to get there quickly!

We hope to add more discount groups soon.

Information and questions:
1-888-MST-BUS1 (678-2871)
TDD 831-393-8111
mst.org/benefits
customerservice@mst.org



Attachment

Summary of Potential Impacts

Reduced Cost of Fare Collection

	<u>Farebox</u> (Cash On-Bus)	<u>In-Person &</u> <u>Web (CNP)</u>	<u>SplashPass</u> (Mobile)	<u>Estimated</u> <u>Open Loop*</u>
Revenue	\$1,235,865	\$354,100	\$1,002,911	\$1,161,908
Expenses	\$250,411	\$9,976	\$104,492	\$61,246
Cost of Fare Collection	20%	3%	10%	5%

*Assumes that 100% of mobile users and 10% of cash, in-person and web sales channels will migrate to open loop payments in the first year following launch.

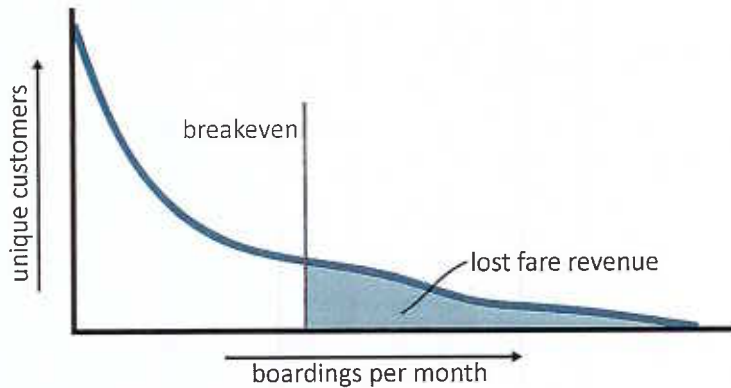
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Policy Change Impact Analysis

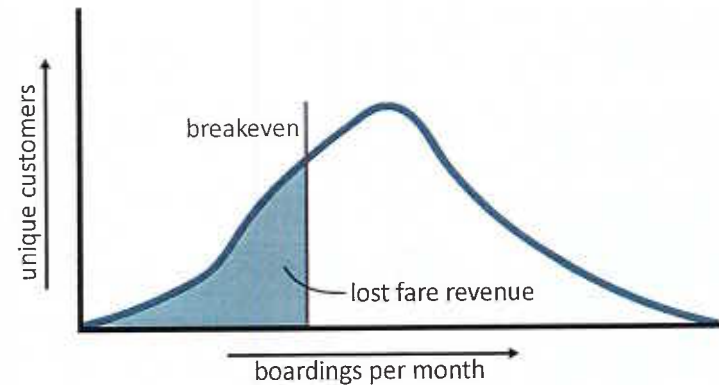
Potential Fare Revenue Impacts

The simplification of the fare structure and introduction of fare capping is anticipated to cause a reduction in annual fare revenue of approximately two percent (2%) or approximately \$182,000.

This stems from two factors:



Riders who currently pay for each trip, who would now travel for free once they reach a cap



Riders who currently purchase a pass but do not ride frequently enough to break even with the pass value



Attachment

Policy Change Impact Analysis

Potential Equity Impacts

	All Riders		Minority		Non-Minority	
	Existing	Proposed	Existing	Proposed	Existing	Proposed
Average Fare	\$1.77	\$1.73	\$1.78	\$1.75	\$1.74	\$1.69
% Change in Average Fare		-2.2%		-1.8%		-3.0%
Diff. in Average Fare for Protected Populations				-1.2%		

The benefits of the fare change are anticipated to be approximately 1.2% greater for non-minority customers than for minority customers.

	All Riders		Low-Income		Non-Low-Income	
	Existing	Proposed	Existing	Proposed	Existing	Proposed
Average Fare	\$1.77	\$1.73	\$1.83	\$1.79	\$1.68	\$1.64
% Change in Average Fare		-2.2%		-1.7%		-2.9%
Diff. in Average Fare for Protected Populations				-1.1%		

The benefits of the fare change are anticipated to be approximately 1.1% greater for non-low-income customers than for low-income customers.

While these changes are slightly less beneficial for protected groups, all customers will benefit from fare capping and a reduced Day Pass/Daily Cap price.



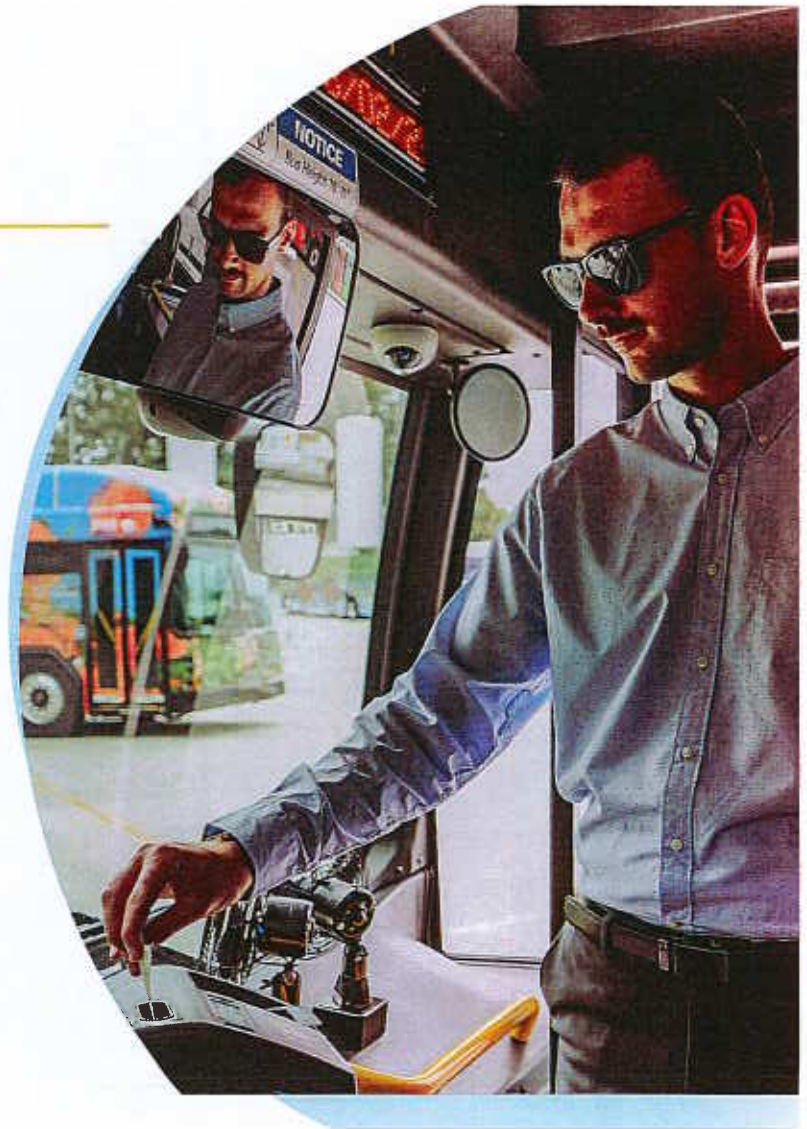
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Update on System Implementation and Future Steps

Attachment

Multi-year Project

- **First phase:** Introduce contactless bank card acceptance and fare capping in summer 2026
- **Second phase:** Transition riders from cash payment and institutional programs by 2027

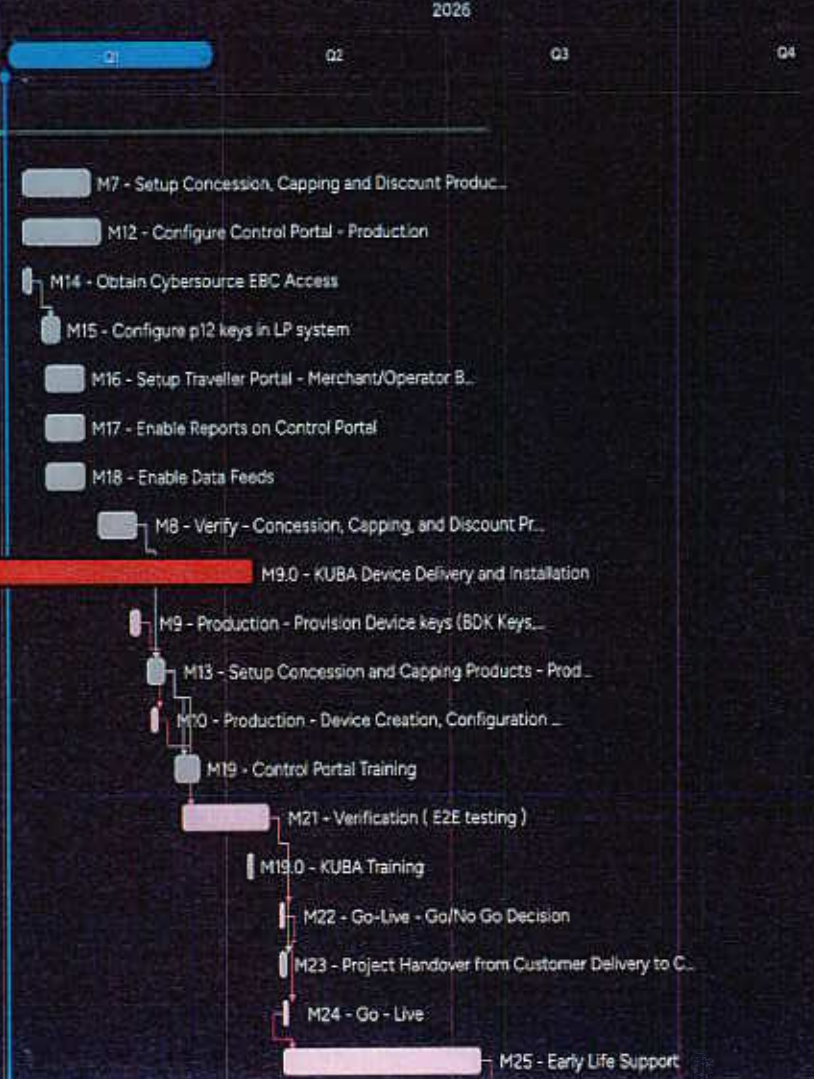


Project Timeline

Project Plan

M7 - Setup Concession, Cap	Mar 2 - 31
M12 - Configure Control Por	Mar 2 - Apr 3
M14 - Obtain Cybersource E	Mar 2 - 6
M15 - Configure p12 keys in I	Mar 9 - 18
M16 - Setup Traveller Portal -	Mar 10 - 27
M17 - Enable Reports on Cor	Mar 10 - 27
M18 - Enable Data Feeds	Mar 10 - 27
M8 - Verify - Concession, Ct	Mar 31 - Apr 17
M9.0 - KUBA Device Delive	Apr 1 - Jun 4
M9 - Production - Provision I	Apr 13 - 20
M13 - Setup Concession and	Apr 20 - 29
M10 - Production - Device C	Apr 21 - 27
M19 - Control Portal Training	Apr 30 - May 13
M21 - Verification (E2E testi	May 4 - Jun 10
M19.0 - KUBA Training	May 29 - Jun 3
M22 - Go-Live - Go/No Go E	Jun 11
M23 - Project Handover fron	Jun 11 - 17
M24 - Go - Live	Jun 12
M25 - Early Life Support	Jun 12 - Sep 3

2025
 Q2 Q1 Q4
 Project Plan - Jul 28, '25 - Sep 9, '26 - 293 days



Items for Future Consideration

- Implement a Transit Payment Card to shift cash collection off-board, participating in Monterey Salinas Transit's ongoing joint procurement
- Coordinate with UCSC and Cabrillo College to integrate student IDs with student transit passes that can be read by on-board validators



- Remove cash fareboxes from METRO bus fleet



Attachment

Questions?



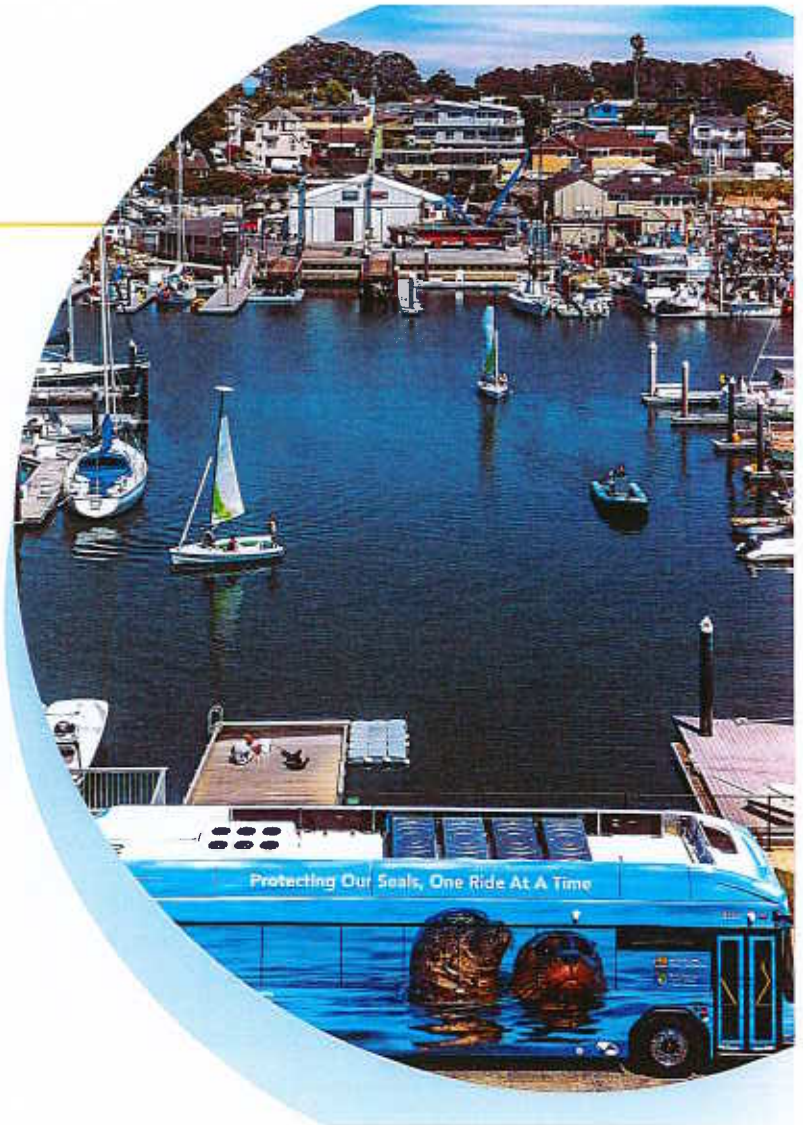
scmetro.org

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Acknowledgements

Funding for METRO's Integrated Ticketing Project is generously provided from a 2023 Transit and Intercity Rail Capital Program (TIRCP) grant.

METRO wishes to thank the following agencies and Project Advisors for their support:



CONSENT AGENDA

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

- 11.1 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK AND ACH JOURNAL
DETAIL FOR THE MONTH OF JANUARY 2026
Chuck Farmer, Chief Financial Officer
- 11.2 ACCEPT AND FILE MINUTES OF:
JANUARY 23, 2026 BOARD OF DIRECTORS REGULAR MEETING
Corey Aldridge, CEO/General Manager
- 11.3 ACCEPT AND FILE: THE FINANCIAL UPDATE DECEMBER 2025 RESULTS
Chuck Farmer, Chief Financial Officer
- 11.4 ACCEPT AND FILE: THE YEAR-TO-DATE KEY PERFORMANCE INDICATORS
(KPI'S) REPORT FOR FISCAL 2ND QUARTER ENDING DECEMBER 31, 2025
Chuck Farmer, Chief Financial Officer
- 11.5 ACCEPT AND FILE: THE METRO PARACRUZ OPERATIONS STATUS
REPORT FOR OCTOBER, NOVEMBER, AND DECEMBER 2025
Rina Solorio Gomez, Assistant Operations Manager, Paratransit Division
- 11.6 ACCEPT AND FILE: FISCAL YEAR 2026 SECOND QUARTER GRANTS
MANAGEMENT REPORT
Derek Toups, Planning and Innovation Deputy Director
- 11.7 APPROVE: UPDATED PUBLIC TRANSPORTATION AGENCY SAFETY PLAN
(PTASP) – REGULATORY COMPLIANCE UPDATE
Gregory Strecker, Safety, Security and Risk Management Director
- 11.8 APPROVE: CONSIDERATION OF DECLARING VEHICLES AND/OR
EQUIPMENT AS EXCESS FOR PURPOSES OF DISPOSAL OR AUCTION
Chuck Farmer, Chief Financial Officer
- 11.9 APPROVE: CONSIDERATION OF ADOPTING A RESOLUTION TO AUTHORIZE
THE CEO/GENERAL MANAGER TO EXECUTE A PROJECT BASELINE
AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION
(CALTRANS) FOR THE WATSONVILLE-SANTA CRUZ MULTIMODAL
CORRIDOR PROGRAM
John Urgo, Chief Planning and Innovation Officer

There were no public comments.

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

ACTION: MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED

MOTION: DIRECTOR ORBACH

SECOND: DIRECTOR OROZCO

MOTION PASSED WITH 10 AYES (Directors Downing, Kalantari-Johnson, Koenig, Leonor, Lind, Martinez, Newsome, Orbach, Orozco, and Pageler). Director Dutra was absent.

REGULAR AGENDA

**12 PRESENTATION OF EMPLOYEE LONGEVITY AWARD:
(25 YEARS) EULALIO ABREGO, BUS OPERATOR**

Mr. Abrego received his certificate in person and expressed his appreciation that he enjoyed working for METRO and serving this community, especially the regular riders on his route. Board Chair Koenig thanked him for his contributions to METRO.

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

**13 RETIREE RESOLUTIONS OF APPRECIATION FOR:
LES BECK, BUS OPERATOR
CATHY DOWNES, SENIOR FINANCIAL ANALYST**

Board Chair Koenig congratulated them on their retirement and thanked them for their years of service at METRO.

Nate Abrego commented that he used to ride the route that Mr. Beck drove before joining METRO and acknowledged the decades Mr. Beck had served METRO. When METRO treats its employees well, they feel heard, seen, and respected and that carries over to the community.

Ms. Anderson congratulated those receiving awards.

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

**ACTION: MOTION TO APPROVE THE RETIREE RESOLUTIONS OF APPRECIATION
FOR LES BECK AND CATHY DOWNES**

MOTION: DIRECTOR KALANTARI-JOHNSON SECOND: DIRECTOR PAGELER

**MOTION PASSED WITH 11 AYES (Directors Downing, Dutra, Kalantari-Johnson,
Koenig, Leonor, Lind, Martinez, Newsome, Orbach, Orozco, and Pageler).**

14 UPDATE ON CHANGES TO THE RALPH M. BROWN ACT (SB 707)

Julie Sherman, General Counsel, spoke to the presentation and acknowledged that SB 707 was a major rewrite of the Ralph M. Brown Act. She reviewed the traditional and alternative teleconferencing requirements, eligible subsidiary bodies (such as MAC), and eligible legislative bodies (does not apply to METRO).

Discussion followed on:

- Clarification on “Just Cause” limits per meeting (fiscal vs. calendar)
- Use of fake names from online participants and what can be done to prevent multiple comments by one person using pseudo names
- Blurring backgrounds of online Board Members
- Notice of posting regular and special meeting agendas

General Counsel Sherman responded to all questions/concerns.

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

15 APPROVE: AUTHORIZING REMOTE MEETINGS FOR THE METRO ADVISORY COMMITTEE UNDER SENATE BILL 707

Julie Sherman, General Counsel, spoke to this item and allowing the METRO Advisory Committee (MAC) to meet 100% remotely if the Board adopts this resolution. The Board would need to reaffirm this action every six months restating these findings. The next step will be to agendaize it at the next MAC meeting so the MAC Members can discuss it and decide if they want to adopt it.

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

ACTION: MOTION TO AUTHORIZE REMOTE MEETINGS FOR THE METRO ADVISORY COMMITTEE UNDER SENATE BILL 707

MOTION: DIRECTOR LIND

SECOND: DIRECTOR MARTINEZ

MOTION PASSED WITH 11 AYES (Directors Downing, Dutra, Kalantari-Johnson, Koenig, Leonor, Lind, Martinez, Newsome, Orbach, Orozco, and Pageler).

16 RECEIVE INFORMATION CONCERNING PROPOSED REVISED FARE STRUCTURE AND POLICIES

Derek Toups, Planning and Innovation Deputy Director, spoke to this item and provided a brief background on what led to the draft Fare Structure and Policies in the agenda packet. He asked the Board to receive the draft and open a public comment period and return at the next Board meeting on March 27, 2026 to adopt a resolution adopting the Fare Structure and Policies. He spoke to his presentation (attached) and reviewed METRO's existing fare systems, project vision and principles, and the agency's contracts for open-loop payments. He introduced Tap2Cruz, which is launching in the Summer of 2026. He spoke about the benefits to riders and summarized the proposed changes and the resources available through Cal-ITP (California Integrated Travel Project) to help streamline these changes. He explained fare capping, reviewed the project timeline, and future considerations.

Board Members thanked Mr. Toups for the detailed information.

Comments/Discussion followed on:

- The new process would speed up the boarding process and reduce dwell times
- Transition period and steps METRO is taking to achieve greater participation
- Providing a cash option while transitioning
- Engaging community partners and examining outreach opportunities (i.e., senior centers)
- Veterans' eligibility and raising the threshold for senior fares from 62-65
- Savings and costs of implementing this new structure
- Elimination of nonproductive fare choices
- Prepaid agreements with Cabrillo College and UCSC
- Transfer windows from METRO's system to Monterey-Salinas Transit (MST)
- Report on what MST is doing to help their ridership transition to contactless payments
- Incentives that can be adopted to help with the transition

Mr. Montesino cautioned about going cashless under the current Federal administration. People are fearful of making digital purchases with ICE's (Immigration and Customs Enforcement) presence.

Ms. Ramer expressed she was in favor of the new system and commented that VTA (Santa Clara Valley Transportation Authority) only takes cash payment on single rides.

Ms. Anderson expressed concern with access to some bus stops and asked how this new structure will impact ParaCruz fares.

Mr. Toups and staff answered all concerns.

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

17 **CEO ORAL REPORT**

Corey Aldridge, CEO/General Manager, thanked Directors Lind and Orbach for emailing him regarding the County's radio system project. He had a meeting with the County yesterday and will continue to meet with the County to see if METRO can be a part of that movement. He continued with the following updates:

- The current lease agreement for the temporary Pac Station premises located on Front Street is set to expire February 28, 2026. We have amended the lease with the City of Santa Cruz for an additional year with an option to terminate the lease if METRO moves into the Rotkin Transit Center prior to the lease expiring.
- Maintenance has released the first hydrogen articulated bus to the training department to begin training Bus Operators and Transit Supervisors.
- METRO partnered with the County Office of Response, Recovery & Resilience on February 19th and 20th to provide free rides to individuals seeking shelter during the official Cold Freeze Warnings. Complimentary fares were offered to passengers traveling from the Freedom Center stop and the Watsonville Transit Center to the County-sanctioned shelter at the Watsonville Community Hospital.
- On January 30th METRO's new website went live. It has a fresh look and improved navigation to better serve our riders and community.
- March 6th is Employee Appreciation Day. METRO will celebrate every member of the METRO team and the incredible contributions they make to keep our agency running strong every single day.
- March 18th is Transit Driver Appreciation Day. This day provides an opportunity to cheer on the amazing Bus and ParaCruz Operators who keep this community moving. To mark the occasion, METRO is launching an appreciation-focused campaign in the *Pajaronian*, *Lookout*, and *Sentinel*, encouraging the public to recognize the employees who keep Santa Cruz County connected. The campaign includes an online portal where community members can submit messages of gratitude. Our Operators' dedication to safety, service, and helping riders reach their destinations makes every journey possible—and we couldn't do it without them.
- After decades of production, *Headways* will be retired this spring as we move toward tools that are clearer, more flexible, and better aligned with how riders

travel today. Beginning this summer, each route will have its own updated brochure, and riders will continue to benefit from real-time arrivals and trip planning through the Transit app and METRO's website. This transition gives riders more accurate, easy-to-navigate information; keeps printed schedules available for those who prefer them; and supports METRO's environmental and cost-saving goals. It's a positive step toward a simpler, more responsive rider experience that helps everyone move through Santa Cruz County with confidence.

- METRO has had three promotions this past month: 1 Transit Supervisor, 1 Senior Full Stack Developer, and 1 Lead Vehicle Service Worker. There were no new hires.

Director Lind congratulated Mr. Aldridge on his recent appointment with the California Transit Association that will help both METRO and the County.

There were no public comments.

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

18 REVIEW OF ITEM TO BE DISCUSSED IN CLOSED SESSION

General Counsel Sherman announced the labor item to be discussed in closed session.

There were no public comments.

ADJOURNED TO CLOSED SESSION AT 10:54 AM.

CONFERENCE WITH LABOR NEGOTIATORS (GOVERNMENT CODE SECTION 54957.6)

Agency Negotiators: Corey Aldridge, CEO/General Manager
Patrick Glenn, Legal Counsel

Employee Organizations: SMART, Local 23 - Fixed Route
SMART, Local 23 - ParaCruz
SEIU, Local 521

RECONVENED TO OPEN SESSION AT 11:44

19 REPORT OF CLOSED SESSION

There was no reportable action taken during the closed session.

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

20 ANNOUNCEMENT OF NEXT MEETING

Board Chair Koenig announced the next regular Board meeting will be held on Friday, March 27, 2026 at 9:00 AM at the Admin Office, 110 Vernon Street, Santa Cruz, CA.

21 ADJOURNMENT

Board Chair Koenig adjourned the meeting at 11:45 AM.

Respectfully Submitted,

Donna Bauer
Sr. Executive Assistant