



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS REGULAR MEETING MINUTES*
CAPITOLA CITY COUNCIL CHAMBERS, 420 CAPITOLA AVE., CAPITOLA, CA
APRIL 24, 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, April 24, 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 9:05 AM by Board Chair Koenig.

2 SAFETY DEBRIEF

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

3 ROLL CALL

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

Director Rebecca Downing*	County of Santa Cruz
Director Jimmy Dutra**	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	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

* Attended virtually from 2120 4th Avenue, Seattle, WA

** Attended virtually from 100 N. 1st Street, Phoenix, AZ

*** Attended virtually from 275 Main Street, 4th Floor, Watsonville, CA

Corey Aldridge
Julie Sherman

CEO/General Manager
General Counsel

4 ANNOUNCEMENTS

4.1 Today's meeting was broadcast by Community Television of Santa Cruz County.

4.2 Language Line Services was unable to provide Spanish interpretation services.

5 BOARD OF DIRECTORS COMMENTS

Director Orbach shared that at the current rate of collecting signatures for the citizens' initiative, it is unlikely to meet the May 11th deadline to get on the November ballot in 2026 and suggested looking at a 2028 ballot measure instead.

Director Leonor spoke of a letter he received regarding ADA Rides through ParaCruz. His clients find the process difficult to navigate and he would like to sit down with METRO staff to see what else can be done for clients that ride ParaCruz. He would like METRO to consider making the two-week extension currently in place longer to help get applications processed.

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

6 ORAL AND WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

Brian Peoples, Trail Now, spoke to his letter in the agenda packet and concerns about the Santa Cruz County Regional Transportation Commission (SCCRTC) spending money on a billion-dollar trail from Aptos to Watsonville. He encouraged METRO representatives on the SCCRTC to advocate for a timely, cost-effective, and environmentally responsible approach to building this trail to Watsonville.

Ella Beck, Campaign Coordinator for Friends of Santa Cruz METRO, provided an update on the citizen-led ballot measure campaign and encouraged the community to volunteer to get the balance of the signatures needed. She provided an email address that can be used to reach out to Friends of Santa Cruz METRO: friendsofscmetro@gmail.com.

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

7 LABOR ORGANIZATION COMMUNICATIONS

Eduardo Montesino, PSA Representative of SEIU, raised concerns on the inconsistencies between the unions and management. The difference in treatment creates the perception of unequal access to leadership, respect, and undermines trust and raises concerns about fairness in decision making.

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

8 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

There was one additional written communication received and will be added to the agenda packet.

CONSENT AGENDA

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

- 9.1 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK AND ACH JOURNAL
DETAIL FOR THE MONTH OF MARCH 2026
Chuck Farmer, Chief Financial Officer
- 9.2 ACCEPT AND FILE MINUTES OF:
 - A. FEBRUARY 18, 2026 METRO ADVISORY COMMITTEE MEETING
 - B. MARCH 27, 2026 BOARD OF DIRECTORS REGULAR MEETING
 - C. APRIL 17, 2026 PLANNING & PROJECTS STANDING COMMITTEE
MEETINGCorey Aldridge, CEO/General Manager
- 9.3 ACCEPT AND FILE: THE FINANCIAL UPDATE FEBRUARY 2026 RESULTS
Chuck Farmer, Chief Financial Officer
- 9.4 ACCEPT AND FILE: THE METRO RIDERSHIP REPORTS FOR THE FOURTH
QUARTER OF FY25
John Urgo, Chief Planning and Innovation Officer
- 9.5 APPROVE: CONSIDER A RESOLUTION DESIGNATING THE CEO/GENERAL
MANAGER AS THE AUTHORIZED AGENT TO SUBMIT A GRANT
APPLICATION AND EXECUTE ACTIONS NECESSARY TO RECEIVE
FORMULA FUNDS FROM THE FY26 LOW CARBON TRANSIT OPERATIONS
PROGRAM
Derek Toups, Planning and Innovation Deputy Director
- 9.6 APPROVE: RECOMMENDED ACTION ON TORT CLAIMS
Gregory Strecker, Safety, Security and Risk Management Director
- 9.7 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO PALAMERICAN
SECURITY, LLC FOR SECURITY GUARD SERVICES IN AN AMOUNT NOT TO
EXCEED \$2,906,671
Gregory Strecker, Safety, Security and Risk Management Director
- 9.8 APPROVE: RESOLUTION AUTHORIZING THE EXECUTION OF AN OPTION
AGREEMENT FOR THE DEVELOPMENT OF AN AFFORDABLE HOUSING
DEVELOPMENT AT THE WATSONVILLE TRANSIT CENTER
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 LIND

SECOND: DIRECTOR ORBACH

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

REGULAR AGENDA

**10 PRESENTATION OF EMPLOYEE LONGEVITY AWARDS:
(5 YEARS) JOHNNY RAMIREZ, BUS OPERATOR
(5 YEARS), MANASI SABNIS, HR ANALYST II*
(30 YEARS) MICHELLE FITZPATRICK, BUS OPERATOR***

*Denotes those in attendance to receive their certificates.

Board Chair Koenig recognized and thanked all for their years of service.

Ms. Sabnis expressed gratitude for recognizing this milestone. She thanked her mentors and HR management, Dawn Crummié and Monik Delfin, for their friendliness, support, trust and guidance.

Ms. Fitzpatrick mentioned that she has learned a lot about transit over the past 30 years and had great teachers along the way. She appreciates the family atmosphere at METRO. She's met a lot of people throughout her career. This job has allowed her to have flexibility in raising her family and being a world traveler.

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

11 PRELIMINARY BUDGET AND SERVICE REDUCTION SCENARIOS IF TIRCP REPLACEMENT FUNDING IS NOT SECURED

Chuck Farmer, Chief Financial Officer, and John Uργο, Chief Planning and Innovation Officer spoke to the presentation. CFO Farmer emphasized that what is being presented is a scenario and not actual reductions of service and the workforce. He reviewed the key wins for METRO, service growth, and the outside funding secured. He explained how the end of TIRCP funding in FY27, without additional revenues, will cause a structural deficit. He explained how the capital projects require matching funds from METRO's cash reserves. The expenses will continue to outpace the revenue without replacement funding. He and Mr. Uργο provided scenario assumptions for service and workforce reductions under a balanced budget scenario for FY28. Mr. Uργο reminded the Board of how Reimagine METRO expanded access and mobility and how all those gains will be reversed with service cuts. CFO Farmer provided additional actions (not included in the scenario) that can be considered if needed. He concluded with a timeline if no replacement funding is secured by July 2027.

Discussion followed on:

- Cash flow thresholds
- METRO's ability to draw from restricted cash reserves if needed
- Steps taken to reduce expenses and recognize savings now
- Taking ridership productivity and revenue into account with service reductions
- Create a simplified version of the presentation for METRO's website so the public can understand the challenges that lie ahead
- Increase in free ridership (Youth Cruz Free)
- Paratransit on-demand service
- Maintaining hydrogen fleet
- Ability to sell capital assets to increase cash flow

- Make public aware that the revenues from the original sales tax measures and Measure D are not keeping up with inflation
- Grant funding
- Lag time between a ballot measure passing and receiving those monies
- Prepare a scenario on additional actions listed and their impacts (e.g., eliminating training and travel, reduction in security services, etc.)
- Only hiring for essential positions
- Pausing projects that are not completely necessary
- Impacts to affordable housing projects
- Strategy if ballot measure is moved to March 2028

Staff addressed all concerns. Dawn Crummié, Chief Human Resources Officer, informed METRO Board Members that provisional hiring has been used over the past two years and emphasized that METRO clearly communicates to provisional hires in advance that their positions may end at any point between six months and two years with the goal of transparency.

Board Members thanked CFO Farmer and Mr. Urgo for the presentation. Board Members discussed the hard decisions that will be necessary and asked staff to start planning for those decisions now.

Mr. Montesino thanked the Board for their comments and agreed corrections can be made now.

Jaime Renteria, Chairperson for SMART, Local 23, commented that Friends of Santa Cruz METRO needs help. He suggested that in addition to headcount reductions, a scenario to cut salaries should be considered as well.

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

12 CEO ORAL REPORT

Corey Aldridge, CEO/General Manager, reported:

- METRO has taken part in several school-based events, including the Scotts Valley Middle School Wellness Fair, Harbor High School Career Day, Rolling Hills Middle School Open House, E.A. Hall Middle School Open House, and Lakeview Middle School Career Day. These events provided an opportunity to connect with students and families, share youth rider resources, and introduce students to career pathways in public transit. In addition, METRO continued its regular outreach at both the Santa Cruz Farmers Market and Watsonville Farmers Market.
- Staff conducted a Board Orientation for its two newest Board Members, Director Orozco and Ex-Officio Director Márquez, on April 15, 2026. The session included an overview of each department, a briefing on current projects, and a guided tour of our Operations and Fleet/Facilities Maintenance buildings.
- METRO marked Earth Day with free, countywide rides across all fixed-route, ParaCruz, and Hwy 17 Express services, making it easier than ever for riders to choose a greener way to travel. METRO also connected with the community at the Downtown Santa Cruz Earth Day celebration on April 18 and hosted its

own Earth Day event at the Watsonville Transit Center—held in partnership with the City of Watsonville—on April 22.

- METRO’s Marketing Department was named a finalist in the CAPIO (California Association of Public Information Officials) EPIC Awards for “Inside METRO: The People Behind Transit Employee Spotlight” interview series.
- As part of our Transit Employee Appreciation Day recognition efforts, METRO received 135 kudos, showing strong appreciation from our community for our employees and the service they provide.
- On April 10, CEO Aldridge traveled to Washington, DC for the APTA Legislative Conference which included participation in the APTA Board of Directors and legislative committee meetings, chairing The Bus Coalition’s all-member meeting, federal funding advocacy, and meeting with Congressional staff to advocate for METRO’s federal priorities and funding needs.
- On April 15, CEO Aldridge traveled to Sacramento to testify before the Assembly Local Government Committee in support of Assembly Bill (AB) 1919 along with Assemblymember Gail Pellerin and SMART Union Representative, James Sandoval.
- CEO Aldridge met with Tamara Vides, City Manager of Watsonville, on April 21 to continue METRO’s engagement with community partners.

There were no public comments.

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

13 ANNOUNCEMENT OF NEXT MEETING

Board Chair Koenig announced the next regular Board meeting will be held on Friday, May 15, 2026 at 9:00 AM at the METRO Admin Office, 110 Vernon Street, Santa Cruz, CA.

14 ADJOURNMENT

Board Chair Koenig adjourned the meeting at 10:36 AM.

Respectfully Submitted,

Donna Bauer
Sr. Executive Assistant