



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS MEETING MINUTES*
AUGUST 26, 2022 – 9:00 AM
MEETING HELD VIA TELECONFERENCE**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) convened on Friday, August 26, 2022, via teleconference.

The Board Meeting Agenda Packet can be found online at www.SCMTD.com. *Minutes are “summary” minutes, not verbatim minutes. Audio recordings Board meeting open sessions are available to the public upon request.

This document was created with accessibility in mind. With the exception of certain third party and other attachments, it passes the Adobe Acrobat XI Accessibility Full Check. If you have any questions about the accessibility of this document, please email your inquiry to accessibility@scmttd.com.

1 CALLED TO ORDER at 9:02 AM by Board Chair Pageler.

2 ROLL CALL: The following Directors were **present** via teleconference, representing a quorum:

Director Kristen Brown	City of Capitola
Director Rebecca Downing	County of Santa Cruz
Direct Jimmy Dutra	City of Watsonville
Director Shebreh Kalantari-Johnson	City of Santa Cruz
Director Manu Koenig	County of Santa Cruz
Director Donna Lind	City of Scotts Valley
Director Bruce McPherson	County of Santa Cruz
Director Donna Meyers	City of Santa Cruz
Director Larry Pageler	County of Santa Cruz
Director Ari Parker.	City of Watsonville
Director Mike Rotkin	County of Santa Cruz
Ex-Officio Director Dan Henderson	UC Santa Cruz
Ex-Officio Director Alta Northcutt	Cabrillo College
Michael Tree	CEO/General Manager
Julie Sherman	General Counsel

3 ANNOUNCEMENTS

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

4 BOARD OF DIRECTORS COMMENTS

Director Lind gave a commendation to all METRO employees who helped with the employee picnic; it was a wonderful event. Director Rotkin added that a lot of retirees attended. It was great seeing the people who had driven for METRO over the years. Chair Pageler appreciated the pictures shared.

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

5 ORAL AND WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

Brian Peoples, Trail Now, spoke to his written communication about the three main corridors--Highway 1, Soquel Avenue and the Coastal Corridor--being open as transportation resources. He referenced the links to the California Coastal Commission (CCC) and California Transportation Commission (CTC). He also expressed concern about an electric train replacing the Roaring Camp train at the Boardwalk. He feels it necessary to continue to invest in and support METRO.

Lani Faulkner, Equity Transit, thanked METRO's CEO Michael Tree, Wondimu Mengistu, Capital Planning and Grants Program Manager, and John Urgo, Planning and Development Director, for supporting Equity Transit's efforts in supporting AB1919. She supports providing a robust public transportation to the community in order to move cars off the roads and more people into transit.

Tate Baugh, member of the public, supports light rail and the bus on shoulder lane. He suggested METRO provide passenger service from a future light rail station to Pajaro and the Watsonville Transit Center for connectivity in the system.

Chair Pageler mentioned communications received from Mark Mesiti-Miller after the agenda was posted (attached).

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

6 LABOR ORGANIZATION COMMUNICATIONS

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

7 WRITTEN COMMUNICATIONS FROM THE METRO ADVISORY COMMITTEE

Having none, Chair Pageler moved to the next agenda item.

8 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

Having none, Chair Pageler moved to the next agenda item.

CONSENT AGENDA

9.1 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTHS OF JUNE AND JULY 2022

Chuck Farmer, CFO

9.2 ACCEPT AND FILE MINUTES OF THE:

A. JUNE 24, 2022 BOARD OF DIRECTORS MEETING

B. JULY 22, 2022 BOARD OF DIRECTORS SPECIAL MEETING

C. AUGUST 12, 2022 FINANCE, BUDGET & AUDIT STANDING COMMITTEE MEETING

Michael Tree, CEO/General Manager

9.3 ACCEPT AND FILE: THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF JUNE 30, 2022

Chuck Farmer, CFO

9.4 ACCEPT AND FILE: THE YEAR TO DATE KEY PERFORMANCE INDICATORS (KPI) REPORT FOR QUARTER FOUR AS OF JUNE 30, 2022

Kristina Mihaylova, Finance Deputy Director

- 9.5 APPROVE: RECOMMENDED ACTION ON TORT CLAIMS
Curtis Moses, Safety, Security & Risk Management Director
- 9.6 APPROVE: CONSIDERATION OF A RESOLUTION MAKING CERTAIN FINDINGS AND DIRECTING THAT THE BOARD AND ITS COMMITTEE MEETINGS WILL CONTINUE TO BE HELD VIA TELECONFERENCE
Michael Tree, CEO/General Manager
- 9.7 ACCEPT AND FILE: QUARTERLY STATUS REPORT OF GRANT APPLICATIONS, ACTIVE AND PENDING GRANTS FOR THE FOURTH QUARTER OF FY22
Wondimu Mengistu, Capital Planning and Grants Program Manager
- 9.8 ACCEPT AND FILE: THE METRO PARACRUZ OPERATIONS STATUS REPORT FOR APRIL, MAY AND JUNE 2022
Daniel Zaragoza, Operations Manager, Paratransit Division
- 9.9 ACCEPT AND FILE: THE METRO SYSTEM RIDERSHIP REPORTS FOR THE FOURTH QUARTER OF FY22
John Urgo, Planning and Development Director
- 9.10 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO/GENERAL MANAGER TO EXECUTE A 1ST CONTRACT AMENDMENT WITH CLEAN ENERGY TO INCREASE THE CONTRACT TOTAL BY \$10,291,225 FOR PURCHASE AND DELIVERY OF LIQUEFIED NATURAL GAS
Eddie Benson, Maintenance Manager
- 9.11 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO/GENERAL MANAGER TO EXECUTE A 1ST CONTRACT AMENDMENT WITH GARDAWORLD TO INCREASE THE CONTRACT TOTAL BY \$368,646 FOR SECURE MOBILE VAULT SERVICING AND CURRENCY PROCESSING
Kristina Mihaylova, Finance Deputy Director
- 9.12 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO/GENERAL MANAGER TO EXECUTE A 4TH CONTRACT AMENDMENT WITH RI ENGINEERING AND INCREASE THE PROJECT VALUE BY \$63,000 FOR ADDITIONAL ENGINEERING SERVICES AT THE METRO MAINTENANCE FACILITY
Freddy Rocha, Facilities Maintenance Manager
- 9.13 APPROVE: FY23 RENEWAL OF EXCESS WORKERS' COMPENSATION INSURANCE THROUGH PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT (PRISM), FORMERLY KNOWN AS CALIFORNIA STATE ASSOCIATION OF COUNTIES EXCESS INSURANCE AUTHORITY (CSAC EIA)
Dawn Crummié, Human Resources Director
- 9.14 APPROVE: A RESOLUTION TO AUTHORIZE THE CEO/GENERAL MANAGER TO ACT AS THE AUTHORIZED AGENT FOR RECEIVING STATE AND/OR FEDERAL ASSISTANCE AS REQUIRED BY THE CALIFORNIA OFFICE OF EMERGENCY SERVICES
Wondimu Mengistu, Capital Planning and Grants Program Manager

- 9.15 APPROVE: CONSIDER A RESOLUTION DESIGNATING THE CEO/GENERAL MANAGER AS THE AUTHORIZED AGENT TO SUBMIT A PROJECT LIST AND EXECUTE AGREEMENTS TO RECEIVE CALIFORNIA STATE OF GOOD REPAIR FUNDS
Wondimu Mengistu, Capital Planning and Grants Program Manager
- 9.16 ACCEPT AND FILE: THE SEMI-ANNUAL REPORT ON THE STATUS OF METRO'S DISADVANTAGED BUSIENSS ENTERPRISE PROGRAM
Chuck Farmer, DBE Liaison Officer
- 9.17 APPROVE: FY23 RENEWAL OF PROPERTY INSURANCE COVERAGE WITH ZURICH AMERICAN INSURANCE COMPANY AND EMPLOYMENT PRACTICES LIABILITY COVERAGE WITH QBE SPECIALTY INSURANCE COMPANY
Chuck Farmer, CFO
- 9.18 APPROVE: CONSIDERATION OF DESIGNATING THE SAFETY, SECURITY, AND RISK MANAGEMENT DIRECTOR TO THE CALIFORNIA TRANSIT IMDEMNITY POOL (CALTIP) BOARD AS THE DESIGNATED ALTERNATE REPRESENTATIVE
Michael Tree, CEO/General Manager
- 9.19 APPROVE: CONSIDERATION OF AUTHORIZING THE USE OF THE WASHINGTON STATE PURCHASING COOPERATIVE CONTRACT FOR THE PURCHASE OF FIVE ELECTRIC BATTERY BUSES FROM GILLIG, LLC
Margo Ross, COO
- 9.20 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO STEAM CLEANERS LLC FOR INDUSTRIAL PARTS WASHER REPLACEMENTS
Freddy Rocha, Facilities Maintenance Manager
- 9.21 APPROVE: CONSIDERATION OF AWARDDING A CONTRACT TO KIMLEY-HORN AND ASSOCIATES, INC. FOR CALTRANS RELIABILITY STUDY NOT TO EXCEED \$324,185.04
John Urgo, Planning and Development Director

There were no public comments.

ACTION: MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR DUTRA

MOTION PASSED WITH 10 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Lind, McPherson, Meyers, Pageler, Parker, and Rotkin). Director Koenig was absent.

REGULAR AGENDA

- 10 **EMPLOYEE LONGEVITY AWARDS PRESENTATION: (10 YEARS: BRANDON FREEMAN, JESUS GONZALEZ, ALICIA GRIFFIN, JESUS HEREDIA, ERIC NEGRETE, AND ERIC PEREZ), (15 YEARS: RICKIE-ANN KEGLEY, KRISTINA MIHAYLOVA, CLINT NABOR, MARY SELLS, AND SERGIO TABAG), (25 YEARS: BYRON WATSON) AND (35 YEARS: ANNA MARIE GOUVEIA)**

Chair Pageler read the bios of the above employees and thanked them for their years of service at METRO. He was pleased to see so many employees who have worked for decades at METRO. Director Rotkin added that the Board realizes what makes this agency work is the employees. METRO is well known for the courtesy and customer service that our Bus Operators provide.

There were no public comments.

11 SAFETY CERTIFICATES OF ACHIEVEMENT PRESENTATION FOR 4TH QUARTER ENDING JUNE 30, 2022: FACILITIES MAINTENANCE – CAL OSHA 3362 “SAFE WORK AREA”; FLEET MAINTENANCE – SAFETY FIRST “MOST IMPROVED”; AND PARTS & MATERIALS – ZERO INCIDENTS

Chair Pageler requested Curtis Moses, Safety, Security and Risk Management Director, to provide some background for these awards. Mr. Moses explained that the Federal Transit Administration has changed its methodology on transit agency safety and has rolled out a new safety plan for all agencies to follow. Monitoring the requirements of the policy, Mr. Moses was able to evaluate and choose three departments that have met the criteria for certificates. These certificates were awarded yesterday with a dedication ceremony. Chair Pageler announced the safety awards for above three departments and congratulated all involved and thanked Mr. Moses for his guidance in this area.

There were no public comments.

12 RETIREE RESOLUTIONS OF APPRECIATION: HERBERT DEAN BROWN AND JOHN THOMAS

Larry Pageler, Board Chair, read the bios of the retirees and thanked them for their service.

There were no public comments.

ACTION: MOTION TO APPROVE THE RETIREE RESOLUTIONS AS PRESENTED

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR MCPHERSON

MOTION PASSED WITH 10 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Lind, McPherson, Meyers, Pageler, Parker, and Rotkin). Director Koenig was absent.

13 CEO ORAL REPORT / COVID-19 UPDATE

Michael Tree, CEO/General Manager, congratulated those employees recognized earlier and expressed METRO’s employees are the agency’s biggest asset.

He provided an update on the following:

- Ridership: METRO is about 60% of pre-COVID ridership levels. We have set a goal as an agency to get that to 75% by the end of this fiscal year.
- Santa Cruz County Fair on September 14 – 18, 2022: We’re extending Route 79 to get attendees to the fair and increasing ParaCruz service. We will have a booth, games and will be showing people how to use the transit system.
- Santa Cruz County Chamber of Commerce: The Business Expo is on September 8, 2022 and METRO will have a presence there.

- Fall Service Changes: The service changes will go into effect September 15, 2022. Due to the shortage of Bus Operators, we have to implement some temporary service reductions.
- Free Fares: The system will be fare free from September 15 – 29, 2022 providing an opportunity for people to try transit and reward our current ridership.
- New Bus Operators: Two Bus Operators have graduated and are now driving. We have ten Bus Operators currently in class. We already have four applicants for the next round of classes to start. Margo Ross, COO, Dawn Crummié, HR Director, and Anna Marie Gouveia, Operations Manager – Fixed Route are working hard to keep those classes going so that we have a constant flow of Bus Operators coming in. That's a huge accomplishment.
- COVID-19 – We are still in a minor outbreak in our Operations Department but anticipate leaving that status soon.
- October 14, 2022 Board Workshop: We will be looking at:
 1. Battery-Electric and Hydrogen Buses - the pros and cons of each technology and the funding available.
 2. Growing the Ridership - we have the best planning expert in the nation attending to discuss the potential for increased ridership and moving forward in a healthy way with ridership in the next 10-20 years.
 3. Automated Passenger Counter (APC) – providing an update on METRO's implementation to its fleet.
 4. Automatic Vehicle Location (AVL) – providing an update on the installation and discussing the payoff at the agency level as well as the customer level.
 5. New Marketing Program – unveil a noteworthy change to the community.
 6. Pacific Station South Redevelopment: We are working with the City of Santa Cruz and other partner agencies on affordable housing units and a new space for our Customer Service Department at the Pacific Station.
 7. Soquel Park and Ride: We plan to implement a mixed-use building that will house METRO's ParaCruz Division.
 8. Ten-Year Strategic Plan
- SB457: This bill is a tax credit for qualified households that have zero registered vehicles. The tax credit is \$1,000 per household for the years of 2023 – 2028.
- AB1919: This is the free fares program for students K-12 and college aged. It has gone to the Governor for signature and \$115 million has been identified in the general fund to set up a discretionary (meaning a competitive) grant program for agencies that want to participate in the program. Staff is reviewing to see how we can bring those funds into the district and getting a pass in the hands of students.

- We received a grant award from a discretionary grant program with CalTrans in the amount of \$2.1 million towards three new buses. CEO Tree thanked Mr. Mengistu for his hard work on this grant.
- Staff has been working with the Santa Cruz County Regional Transportation Commission (RTC), CalTrans, and the County of Santa Cruz in assembling a congested corridors grant application for the California Transportation Commission's Cycle 3 Program. That grant includes signal priority at intersections within the project area on Soquel, new bus shelters that would have real time technology for our passengers, and many of those stops would have a docking platform for boarding and alighting.

Director Downing thanked CEO Tree for his report and requested he repeat the free fare days in September for the public's benefit. CEO Tree complied by reiterating the free fare days will be system wide from September 15 – 29, 2022.

Several Directors expressed concern on pass ups with the academic school year starting soon at both USCS and Cabrillo College. Discussion ensued on preparations the colleges are making to integrate new students to their campuses and how the bus system works. The goal is to avoid and mitigate the pass ups during the first few weeks of school to provide a positive experience for students so they will be regular riders of the transit system.

Discussion followed on the details of AB1919 and how METRO can position itself to be competitive for the grant funding. Mr. Mengistu responded that he would provide the Board with an update once CalTrans develops and issues the guidelines for the implementation of the program.

Ex-Officio Director Northcutt thanked Mr. Urgo for his diligence in getting the 91X back in place for the Cabrillo College students and that service area.

Director Lind requested more information on the signal priority at intersections. CEO Tree explained how that technology will work and emphasized that it's virtually imperceptible to motorists and only works when the buses are running behind schedule. METRO does not have the capability to override the system like first responders do in emergency situations.

David, member of the public, added that the AVL will be a great addition to the agency.

14 ANNOUNCEMENT OF NEXT MEETING: FRIDAY, SEPTEMBER 23, 2022 AT 9:00 AM VIA TELECONFERENCE

Chair Pageler announced the next regular board meeting is on September 23, 2022 at 9:00 AM via teleconference.

15 ADJOURNMENT

Chair Pageler adjourned the meeting at 10:03 AM.

Respectfully submitted,

Donna Bauer
Executive Assistant

Attachment

From: [Mark Mesiti-Miller](#)
To: [Larry Pageler](#); [Michael Tree](#)
Cc: boardinquiries@scmted.com
Subject: Please Support S.B. 457 - \$2,500 tax credit for not owning a car
Date: Tuesday, August 23, 2022 9:16:53 PM
Attachments: [Support S.B. 457 - \\$2500 tax credit for not owning a car.eml.msg](#)

This Message Is From an External Sender

This message came from outside your organization.

Please exercise caution when clicking links or opening attachments.

Greetings Chair Pageler and General Manager Tree,

When S.B.457 first came to our attention in June, we didn't think the idea of paying citizens for not owning a car would go very far. But last week, this bill was unanimously supported by the last committee to vote on it. Who knew?

From the article linked below:

"S.B. 457 would create a tax credit of \$2,500 for each household member sixteen years or older above the number of registered vehicles in that household, beginning in January 2023. The bill would limit the total amount of the credit per household to \$7,500."

Here is a link to the article:

<https://cal.streetsblog.org/2022/06/06/new-bill-would-create-an-incentive-to-go-car-free-in-california/>

\$2,500 is about \$200/month - far more than the price of an "all-access" bus transit pass. Should this bill pass, it seems many beneficiaries will find themselves able and willing to buy an all-access transit pass. If so, this bill may generate significant revenue for METRO while incentivizing travel modes other than cars.

Given the potential upside, FORT respectfully requests you join us in writing letters of support and instructing your legislative representatives to support this bill. A copy of our request for support to the Honorable Senator John Laird is attached.

Should you choose to take action in support of this bill or not, please let us know of your decision.

Thank you,

Mark

Mark Mesiti-Miller

Board Member, Santa Cruz County Friends of the Rail & Trail (FORT)

Chair, FORT's Civic Engagement Committee

Attachment

From: [Mark Mesiti-Miller](#)
To: Senator.Laird@senate.ca.gov
Subject: Support S.B. 457 - \$2,500 tax credit for not owning a car

Greetings Honorable John Laird,

When S.B.457 first came to our attention in June, we didn't think the idea of paying citizens for not owning a car would go very far. But recently, this bill was unanimously supported by the last committee to vote on it. Who knew?

From the article linked below:

"S.B. 457 would create a tax credit of \$2,500 for each household member sixteen years or older above the number of registered vehicles in that household, beginning in January 2023. The bill would limit the total amount of the credit per household to \$7,500."

Here is a link to the article:

<https://cal.streetsblog.org/2022/06/06/new-bill-would-create-an-incentive-to-go-car-free-in-california/>

\$2,500 is about \$200/month - far more than the price of a typical "all-access" public transit pass. Should this bill pass, it seems many beneficiaries may find themselves able and willing to buy an all-access transit pass. If so, this bill may generate significant revenue for the Santa Cruz County Metropolitan Transit District while incentivizing travel modes other than cars.

Given the potential upside, FORT respectfully requests you strongly support this bill.

Thank you,

Mark

Mark Mesiti-Miller

Chair, Civic Engagement Committee

Santa Cruz County Friends of the Rail & Trail

(831) 818-3660