



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)  
BOARD OF DIRECTORS MEETING MINUTES\*  
OCTOBER 28, 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, October 28, 2022, 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 Board meeting open sessions are available to the public upon request.

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- 1 CALLED TO ORDER** at 9:01 AM by Board Chair Pageler.
- 2 ROLL CALL:** The following Directors were **present** via teleconference, representing a quorum:

<b>Director Kristen Brown</b>	<b>City of Capitola</b>
<b>Director Rebecca Downing</b>	<b>County of Santa Cruz</b>
<b>Direct Jimmy Dutra</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 AR 9:06</b>	<b>City of Santa Cruz</b>
<b>Director Larry Pageler</b>	<b>County of Santa Cruz</b>
<b>Director Ari Parker</b>	<b>City of Watsonville</b>
<b>Director Mike Rotkin</b>	<b>County of Santa Cruz</b>
<b>Ex-Officio Director Dan Henderson</b>	<b>UC Santa Cruz</b>
<b>Ex-Officio Director Alta Northcutt</b>	<b>Cabrillo College</b>
<b>Michael Tree</b>	<b>CEO/General Manager</b>
<b>Julie Sherman</b>	<b>General Counsel</b>

- 3 ANNOUNCEMENTS**  
Today’s meeting is being broadcast by Community Television of Santa Cruz County.
- 4 BOARD OF DIRECTORS COMMENTS**  
Hearing none, Chair Pageler moved to the next agenda item.
- 5 ORAL AND WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS**  
Hearing none, Chair Pageler moved to the next agenda item.

**6 LABOR ORGANIZATION COMMUNICATIONS**

Brandon Freeman, Vice Chair of SMART Local 0023, spoke to changing the Highway 17 route schedule in the upcoming winter bid. In reevaluating the route, METRO's coverage past the San Jose Diridon Station (Diridon) replicates routes in place by Santa Clara Valley Transportation Authority (VTA). SMART is in support of eliminating this redundancy past Diridon, which will allow METRO the ability to add frequency to the Highway 17 trips. METRO has programs in place with VTA to accept METRO's passes to transfer to the VTA system.

John Urgo, METRO's Planning and Development Director, followed up with a proposed change of combining routes 69A, 69W and 91X, which currently travel once an hour between Watsonville and Santa Cruz. The new route would serve Main Street, Watsonville Hospital and Cabrillo College and then continue on to the normal 69 routing to downtown Santa Cruz. Again, this will provide an increase in frequency. He added that METRO is bringing this to the Board now to get ahead of any concerns the public may have when they hear the 91X is being suspended.

Several Directors commented that it is great to see management and employees collaborating to find solutions to these issues.

Ex-Officio Director Northcutt thanked Mr. Urgo for notifying Cabrillo College.

Director Dutra furthered the discussion on the current ridership on these three routes and asked how long would the 91X be placed on hold. Mr. Urgo replied that it is dependent on Bus Operator hiring, recruiting and training. Any change that lasts longer than 12 months will trigger a Title VI analysis and include a public process. If it is less than that, METRO may add it back when it has the additional Bus Operators.

Director Parker was pleased that Mr. Urgo made sure that there would be regular frequency coverage from Crestview to Watsonville High School. Discussion followed on the success rate of hiring the recruitments.

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

**7 METRO ADVISORY COMMITTEE (MAC) WRITTEN COMMUNICATION**

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

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

Chair Pageler mentioned a revised resolution to Item 9.5 on the Consent Agenda was provided on October 27, 2022 for the Board of Directors' review; and if approved, will be included in the agenda packet.

**CONSENT AGENDA**

- 9.1 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF SEPTEMBER 2022  
Chuck Farmer, CFO

- 9.2 ACCEPT AND FILE MINUTES OF:
  - A. SEPTEMBER 23, 2022 BOARD OF DIRECTORS MEETING
  - B. SEPTEMBER 30, 2022 BOARD OF DIRECTORS SPECIAL MEETING
  - C. OCTOBER 14, 2022 BOARD OF DIRECTORS SPECIAL MEETINGMichael Tree, CEO/General Manager
- 9.3 ACCEPT AND FILE: THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF SEPTEMBER 30, 2022  
Chuck Farmer, CFO
- 9.4 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
- 9.5 APPROVE: CONSIDERATION OF ADOPTING A RESOLUTION TO AUTHORIZE THE CEO/GENERAL TO SUBMIT A GRANT APPLICATION AND EXECUTE AN AGREEMENT TO RECEIVE FUNDS FROM THE CALIFORNIA TRANSPORTATION COMMISSION (CTC) SENATE BILL 1 (SB1) SOLUTIONS FOR CONGESTED CORRIDORS PROGRAM (SCCP) FOR IMPLEMENTING RAPID BUS ENHANCEMENTS ALONG THE SOQUEL DRIVE/MAIN STREET CORRIDOR  
Wondimu Mengistu, Capital Planning & Grants Program Manager
- 9.6 APPROVE: CONSIDERATION OF INCREASING THE TORT LIABILITY SETTLEMENT AUTHORITY OF THE CEO/GENERAL MANAGER OR HIS DESIGNEE AND GENERAL COUNSEL TO \$100,000  
Curtis Moses, Safety, Security & Risk Management Director
- 9.7 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO/GENERAL MANAGER OR THEIR DESIGNEE, AND GENERAL COUNSEL TO ALLOW, COMPROMISE, AND/OR SETTLE ANY WORKERS' COMPENSATION CLAIM OR CASE FILED AGAINST SANTA CRUZ METRO  
Dawn Crummié, Human Resources Director
- 9.8 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO CLEVER DEVICES LTD. FOR AN AUTOMATED PASSENGER COUNTER (APC) SYSTEM NOT TO EXCEED \$687,503  
Isaac Holly, IT and ITS Director
- 9.9 ACCEPT AND FILE: THE METRO PLANNING AND DEVELOPMENT ANNUAL STATUS REPORT  
John Urgo, Planning and Development Director
- 9.10 APPROVE: CONSIDER A RESOLUTION DESIGNATING THE CEO/GENERAL MANAGER AS THE AUTHORIZED AGENT TO APPLY FOR AND SIGN CERTAIN ASSURANCES WITH RESPECT TO APPLICATIONS FOR LOCAL, STATE AND FEDERAL PROGRAMS, PROJECTS OR GRANTS  
Wondimu Mengistu, Capital Planning & Grants Program Manager

Director Koenig expressed support for Item 9.5 to submit a grant for significant improvements along the Soquel Drive Corridor for Bus Rapid Transit. He feels it is the best place for efficient transit in the community and is supportive of adding housing along that corridor to support more ridership.

Director Lind added that she had attended a government affairs meeting and pitched the Santa Cruz County Regional Transportation Commission (RTC) project that is ready to move forward in that area.

There were no public comments.

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

**MOTION: DIRECTOR ROTKIN**

**SECOND: DIRECTOR KOENIG**

**MOTION PASSED WITH 11 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Koenig, Lind, McPherson, Meyers, Pageler, Parker and Rotkin).**

## **REGULAR AGENDA**

**10 EMPLOYEE LONGEVITY AWARDS PRESENTATION: HOLLY ALCORN**

Chair Pageler acknowledged and thanked Ms. Alcorn for her 10 years of service at METRO.

There were no public comments.

**11 RETIREE RESOLUTIONS OF APPRECIATION FOR: BONITA CRAMER**

Chair Pageler acknowledged and thanked Ms. Cramer for her years of service at METRO and congratulated her on her retirement.

There were no public comments.

**ACTION: MOTION TO APPROVE THE RETIREE RESOLUTION AS PRESENTED**

**MOTION: DIRECTOR ROTKIN**

**SECOND: DIRECTOR MCPHERSON**

**MOTION PASSED WITH 11 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Koenig, Lind, McPherson, Meyers, Pageler, Parker and Rotkin).**

**12 APPROVE: REQUEST FOR AUTHORIZATION AND FUNDING OF A SAFETY AND TRAINING COORDINATOR**

Margo Ross, COO, spoke to this item requesting funding for a Safety and Training Coordinator to help with METRO's Bus Operator classes in the upcoming year. This position will also provide verification of transit training (VTT) and assist with the increased training needs on the new Proterra and Gillig vehicles.

**ACTION: MOTION TO APPROVE THE FUNDING OF A SAFETY AND TRAINING COORDINATOR**

**MOTION: DIRECTOR MCPHERSON**

**SECOND: DIRECTOR ROTKIN**

**MOTION PASSED WITH 11 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Koenig, Lind, McPherson, Meyers, Pageler, Parker and Rotkin).**

**13 ACCEPT AND FILE: STATE LEGISLATIVE UPDATE FROM MICHAEL PIMENTEL OF SHAW, YODER, ANTWIH, SCHMELZER & LANG**

Wondimu Mengistu, Capital Planning & Grants Program Manager, introduced Michael Pimentel of Shaw, Yoder, Antwih, Schmelzer & Lang as METRO's state legislative advocate. Mr. Pimentel spoke to his presentation and gave a recap of the 2021-2022 regular legislative session and the most significant bills (SB 922, SB 942, AB 1919, AB 2011, AB 2097, and AB 2622) impacting public transportation and that align with the priorities of METRO. He also mentioned changes to the 2023-24 legislative session and changes to our local districts. He reviewed the transportation funding package that was approved for the 2022-23 budget year.

Director Rotkin noted that only \$100 million of the \$3.53 billion allocated in the FY2022-23 budget to fund ZEVs and charging/refueling infrastructure is going to public transit. Mr. Pimentel clarified that it is \$100 million over the next three fiscal years for a total of \$300 million. There is an additional \$500 million that will be sub-allocated by the California Air Resource Board and some of that will flow to public transit.

Director Koenig thanked Mr. Pimentel for the update and pointed out that while we are losing Assemblymember Stone, his district has been split into two districts, increasing the advocates for METRO. Mr. Pimentel assured him that his agency will engage with the new delegates so they are familiar with METRO's priorities.

Director McPherson informed the assembly that the Central Coast Community Energy (3C Energy) has matching grant opportunities for zero emission vehicles and public transportation.

Director Rotkin thanked Mr. Pimentel for his important service to the district and community of Santa Cruz County.

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

**14 ACCEPT AND FILE: FEDERAL LEGISLATIVE UPDATE FROM CHRIS GIGLIO OF CAPITAL EDGE**

Mr. Mengistu introduced Chris Giglio of Capital Edge, METRO's legislative advocate at the federal level. Mr. Giglio spoke to his presentation and discussed the Inflation Reduction Act (IRA) passed by Congress with highlights on transportation, FY 2023 Department of Transportation Budget, and the upcoming elections.

Director McPherson thanked Mr. Giglio for attending the recent event in Pajaro Valley regarding the Pajaro River Flood Risk Management Project. He added that even though Congresswoman Anna Eshoo will not be representing us any more, she will still be an advocate for Santa Cruz County. Mr. Giglio agreed that she has been a great advocate for METRO.

Director Rotkin and Director Kalantari-Johnson thanked Mr. Giglio for his work and providing this valuable service to METRO.

Director Parker pointed out that Congresswoman Zoe Lofgren has been a friend to Watsonville and hopes that carries over to METRO. Mr. Giglio added that Congresswoman Lofgren has a great reputation, is a hard worker, and a compassionate member of Congress.

There was no public comment.

**15 ADOPT A SOCIAL EQUITY AND COMMUNITY FUNDING POLICY**

Michael Tree, CEO/General Manager, recapped the One Ride At A Time program introduced at the October 14, 2022 Workshop. This program will allow METRO riders to be in a customer rewards program and make financial contributions to a nonprofit organization of their choice. He introduced Julie Sherman, METRO's General Counsel, to further the conversation on how to engage contractors/consultants in METRO's mission of preserving and improving the environment and promoting METRO's services to the community.

General Counsel Sherman explained that this is primarily a procurement policy with two components—community funding and social equity, each of which may be incorporated into best value procurements under METRO's enabling legislation (using criteria such as price, experience, qualifications, references, key personnel, etc.). In an effort to encourage contractors to be partners with METRO and good corporate citizens in the community, the agency can now award points in the best value procurements for participating in the community funding program. This is an optional program; METRO is not mandating that vendors participate.

The second piece is the corporate social equity policy and that encourages companies to show METRO what kind of social equity practices they have (e.g., Are you hiring in our community? Do you have fair pay practices? Are you using sustainable products and sustainable supply chains?, etc.).

Director Pageler asked if there were other jurisdictions or public agencies that have this type of policy in place. General Counsel Sherman shared her experience with her other clients and said METRO is on the cutting edge as far as transit agencies go. Legally, METRO is fine to proceed and it is just a matter of seeing how it works in practice.

Brandon Freeman responded that SMART is in support of the program. He expressed that it is an opportunity for METRO to be more involved with the community and show that METRO is stepping up and doing more than just getting a bus on the road.

Director Kalantari-Johnson agreed with Mr. Freeman's statement and reiterated that METRO should be part of a larger network in being climate responsible.

CEO Tree added that as METRO applies this policy, staff will provide the Board an update.

**ACTION: MOTION TO ADOPT A SOCIAL EQUITY AND COMMUNITY FUNDING POLICY AS PRESENTED**

**MOTION: DIRECTOR KALANTARI-JOHNSON    SECOND: DIRECTOR ROTKIN**

**MOTION PASSED WITH 11 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Koenig, Lind, McPherson, Meyers, Pageler, Parker and Rotkin).**

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

Michael Tree, CEO/General Manager, covered the following topics:

Ridership - Staff has the goal of getting ridership up 100% over the next five years. The free fare program METRO provided in September helped to boost ridership. Total ridership was 91% of pre-COVID in September and 71% of pre-COVID levels over the last three months.

Bus Operators – we have nine new Bus Operators in the current class that went to the DMV this week to get their licenses. We have 15 recruitments in the incoming class. He thanked COO Ross and Dawn Crummié, HR Director, for their continued efforts to increase the throughput of people in the process.

COVID – METRO had three positives over the last month but no departments are in a minor breakout status.

Zero-Emission Buses – We outlined at the Board Workshop twelve different funding sources that we had assembled for zero-emission buses and near future purchases. This week we are working hard to assemble the funding for infrastructure because that is the missing ingredient for ordering the buses and taking delivery of them. 3C Energy and Guy Preston, Executive Director at RTC, are playing a key role in helping us with those efforts.

Housing - Staff has a goal of 175 new housing units in the next decade on METRO property. We are continuing to move those concepts forward but in the interim, we're looking at ways to redevelop the Watsonville Transit Center where we have two new tenants.

Supply Chain Issues – Our Maintenance Department is still struggling with supply chain issues (e.g., chip-related parts for transmissions). COO Ross and Eddie Benson, Maintenance Manager, have done amazing work to keep vehicles moving while we work through these challenges.

Procurements - There are a couple of procurements we will be bringing to you before the end of the year—consultant for our long-range planning and marketing proposals to revise and renovate the METRO website and other prominent rider interface tools.

Automated Passenger Counting (APC) – This system is a fantastic tool for riders and the agency. METRO has started installations on the buses this week and thanked Isaac Holly, IT and ITS Director, and Mr. Freeman for their work on this project. The goal is to have this project completed by February 2023.

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

**17 ANNOUNCEMENT OF NEXT MEETING**

Chair Pageler announced the next regular board meeting is on November 18, 2022 at 9:00 AM via teleconference

**18 ADJOURNMENT**

Chair Pageler adjourned the meeting at 10:27 AM.

Respectfully submitted,

Donna Bauer  
Executive Assistant