



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)  
BOARD OF DIRECTORS MEETING MINUTES\*  
SEPTEMBER 24, 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, September 24, 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 9:03 AM by Board Vice Chair McPherson.

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

Director Jimmy Dutra	City of Watsonville	<b>Absent</b>
Vacant	City of Watsonville	
<b>Director Shebreh Kalantari-Johnson</b>	<b>City of Santa Cruz</b>	
<b>Director Manu Koenig</b>	<b>County of Santa Cruz</b>	
Director Donna Lind	City of Scotts Valley.	<b>Absent</b>
<b>Director Bruce McPherson</b>	<b>County of Santa Cruz</b>	
<b>Director Donna Meyers</b>	<b>City of Santa Cruz</b>	<b>Joined 9:06 AM</b>
<b>Director Larry Pageler</b>	<b>County of Santa Cruz</b>	
<b>Director Kristen Petersen</b>	<b>City of Capitola</b>	<b>Departed 9:30 AM</b>
<b>Director Dan Rothwell</b>	<b>County of Santa Cruz</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>	
Additional METRO staff:		
Alex Clifford	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**

Hearing none, Vice Chair McPherson moved to the next agenda item.

**5 ORAL AND WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS**

Hearing none, Vice Chair McPherson moved to the next agenda item.

**6 LABOR ORGANIZATION COMMUNICATIONS**

Hearing none, Vice Chair McPherson moved to the next agenda item.

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

Hearing none, Vice Chair McPherson moved to the next agenda item.

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

Hearing none, Vice Chair McPherson moved to the next agenda item.

**CONSENT AGENDA**

9.1 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF AUGUST 2021

9.2 ACCEPT AND FILE: MINUTES OF THE AUGUST 18, 2021 METRO ADVISORY COMMITTEE (MAC) MEETING, THE AUGUST 27, 2021 BOARD OF DIRECTORS MEETING, THE SEPTEMBER 10, 2021 FINANCE, BUDGET & AUDIT STANDING COMMITTEE MEETING, THE SEPTEMBER 10, 2021 CAPITAL PROJECTS STANDING COMMITTEE MEETING, AND SEPTEMBER 10, 2021 PERSONNEL/HR STANDING COMMITTEE MEETING

9.3 ACCEPT & FILE: QUARTERLY PROCUREMENT REPORT FOR 2<sup>ND</sup> QUARTER OF FY22

9.4 ACCEPT AND FILE:

A. THE FISCAL YEAR END MONTHLY BUDGET STATUS REPORTS FOR JUNE 30, 2021; AND, ADOPTION OF THE PRELIMINARY SCHEDULE OF RESERVE ACCOUNT BALANCES

B. THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF AUGUST 31, 2021

9.5 APPROVE: CONSIDERATION OF DECLARING VEHICLES AND/OR EQUIPMENT AS EXCESS FOR PURPOSES OF DISPOSAL OR AUCTION

9.6 APPROVE: CONSIDERATION OF RESOLUTION APPROVING THE FY22 REVISED CAPITAL BUDGET/PORTFOLIO

9.7 APPROVE: AUTHORIZE AND FUND A REVENUE ACCOUNT PROGRAM MANAGER POSITION

9.8 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO USE THE CALIFORNIA ASSOCIATION FOR COORDINATED TRANSPORTATION (CALACT)/MORONGO BASIN TRANSIT AUTHORITY (MBTA) PURCHASING COOPERATIVE CONTRACT 18-01 FOR THE PURCHASE OF TWO BUSES FROM GILLIG, LLC

9.9 APPROVE: AUTHORIZE THE CEO TO EXECUTE A SOLE SOURCE CONTRACT WITH N/S BUS WASHER CORPORATION

9.10 ACCEPT AND FILE: THE METRO PLANNING AND DEVELOPMENT ANNUAL STATUS REPORT

There were no public comments.

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

**MOTION: DIRECTOR ROTKIN**

**SECOND: DIRECTOR PAGELER**

**MOTION PASSED WITH 8 AYES (Directors Kalantari-Johnson, Koenig, McPherson, Meyers, Pageler, Petersen, Rothwell & Rotkin) Directors Dutra and Lind were not present.**

## REGULAR AGENDA

### 10 RETIREE RESOLUTION OF APPRECIATION: MARTIN GILBERT

Vice Chair McPherson read a short bio, recognizing Mr. Gilbert's contributions to METRO in absentia.

There was no public comment.

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

**MOTION: DIRECTOR ROTKIN**

**SECOND: DIRECTOR ROTHWELL**

**MOTION PASSED WITH 8 AYES (Directors Kalantari-Johnson, Koenig, McPherson, Meyers, Pageler, Petersen, Rothwell & Rotkin) Directors Dutra and Lind were not present.**

**Director Petersen left at 9:30 AM.**

### 11 APPROVE: CONSIDERATION OF APPROVING THE AUTHORIZATION TO ENGAGE A MUNICIPAL ADVISOR, BOND COUNSEL AND BOND UNDERWRITER TO MOVE FORWARD WITH THE ISSUANCE OF A PENSION OBLIGATION BOND

Chuck Farmer, Chief Financial Officer, gave an overview of METRO's current pension and Other Post-Employment Benefits (OPEB) unfunded obligations and the difference between the two. After analysis, METRO is focusing on covering the unfunded pension liability. Discussion ensued on how CalPERS works and what can be done to make the biggest impact on the unfunded liabilities. Alternatives were reviewed and the advantages and disadvantages of each were discussed. CFO Farmer recommended that METRO pursue a pension obligation bond to cover the full, outstanding pension balance and reduce the interest rate currently being paid. He presented the steps to move forward and requested approval from the Board to proceed in hiring a Municipal Advisor, Bond Counsel and Underwriter.

There was no public comment.

#### **ACTION: MOTION TO AUTHORIZE METRO TO ENGAGE A MUNICIPAL ADVISOR, BOND COUNSEL AND BOND UNDERWRITER TO MOVE FORWARD WITH THE ISSUANCE OF A PENSION OBLIGATION BOND**

**MOTION: DIRECTOR ROTKIN**

**SECOND: DIRECTOR KALANTARI-JOHNSON**

**MOTION PASSED WITH 7 AYES (Directors Kalantari-Johnson, Koenig, McPherson, Meyers, Pageler, Rothwell & Rotkin) Directors Dutra, Lind and Petersen were not present.**

### 12 COMMITTEE ASSIGNMENTS

Vice Chair Bruce McPherson spoke to the staff report. CEO Clifford added that with the resignation of Watsonville City Councilmember Aurelio Gonzalez, two METRO committee seats are left vacant—one on the Santa Cruz County Regional Transportation Commission (SCCRTC) and the other on the Santa Cruz Civic Improvement Corporation (SCCIC). METRO is requesting the approval to start the process in filling those two committee seats.

There was no public comment.

#### **ACTION: MOTION TO OPEN A NOMINATION PERIOD TO ELECT A DIRECTOR TO FILL EACH COMMITTEE VACANCY ON THE SCCIC AND SCCRTC**

**MOTION: DIRECTOR ROTKIN**

**SECOND: DIRECTOR MCPHERSON**

**MOTION PASSED WITH 7 AYES (Directors Kalantari-Johnson, Koenig, McPherson, Meyers, Pageler, Rothwell & Rotkin) Directors Dutra, Lind and Petersen were not present.**

### 13 CEO ORAL REPORT / COVID-19 UPDATE

CEO Clifford welcomed the new hires:

- James Seilenbinder, Mechanic 1
- Abigahil Lazaro, VSW

CEO Clifford went on to provide the following updates:

- COVID updates:
  - No new positive cases since September 10, 2021.
  - Agency vaccination rate is now 83%.
  - In August, METRO implemented a hybrid mandatory vaccination directive where unvaccinated employees must submit to onsite COVID testing and provide METRO with a copy of their vaccination card. To date, all employees have cooperated with the directive with the exception of two unvaccinated Bus Operators.
  - CDPH Branch Laboratory (CDPH) has been providing test kits for COVID since last year and METRO had pending bills of over \$115,000 for their services. Margo Ross, Chief Operations Officer, and CFO Farmer were able to negotiate and retract the entire amount. As required, METRO will provide CDPH with a copy of the vaccination cards for all employees tested since December 2020 and invoice the insurance company for those tests.
  - METRO is reviewing a new mandatory vaccination policy where unvaccinated employees will be given a certain amount of time to provide proof of full vaccination. We will reach out to the unions for their input.
- Governor Newsom has signed AB 361 (Assemblymember Rivas' Bill) which will allow the METRO Board of Directors and Standing Committees to continue to meet via teleconference rather than in person. Julie Sherman, General Counsel, gave an overview of the bill and requirements to be in compliance. Vice Chair McPherson directed METRO staff to write a letter to Assemblymember Rivas thanking him for AB 361.
- On August 22, 2021, several staff members met with FTA, Region 9, Administrator Ray Tellis regarding METRO's request of a 2016 federal Io/no grant. Administrator Tellis showed support for METRO's proposal to use the grant to purchase Proterra battery electric buses for Hwy. 17 service. Administrator Tellis will reach out to Washington, DC for approval.
- The FTA is currently reviewing METRO's COVID drawdowns and performing an audit. The process will take approximately three months to conclude.
- The 30-day notice to cure regarding the Syncromatics contract has expired. Isaac Holly, IT and ITS Director, along with General Counsel Sherman, are reviewing what has been accomplished in the last 30 days to determine the next steps.
- METRO had a Ribbon Cutting Ceremony for the Watsonville Circulator on September 7, 2021. Speakers were Directors Lind and Dutra, Mark Hollenbeck from Proterra, and Congressman Panetta. Director Rotkin gave credit to Danielle Glagola, Marketing, Communications and Customer Service Director, for pulling together this well-attended event.
- On September 8, 2021, METRO staffed a booth at the Chamber of Commerce Business Expo. We displayed our Proterra bus at the event and KSCO interviewed Director Glagola and John Urgo, Planning and Development Director.
- METRO attended the Santa Cruz County Fair on September 15-19, 2021 and displayed our Proterra bus and a paratransit vehicle. Information was provided on the Watsonville Circulator and various recruitment opportunities.

- Human Resources will have a booth at the Access 2 Employment Job Fair held on October 13, 2021, to promote current job openings.
- Temporary reduction in fare ended on September 15, 2021.
- The [scmtd.square.site](http://scmtd.square.site) is now available for purchasing METRO bus passes.
- METRO's Customer Service windows at the Pacific Station and Watsonville Transit Center opened fulltime on September 16, 2021. They will be open Monday - Friday, 8:00 AM – 5:00 PM.
- METRO is staffing a table today at Pacific Station for Downtown Day which welcomes back the area's students.
- METRO's recruitment television commercial is being finalized and will be broadcast on Comcast, both English and Spanish channels in October 2021. There will be three different topics—hiring Bus Operators and the hiring bonus; other employment opportunities; and welcoming back riders. Discussion ensued on the qualifications, salary and hiring bonus for the Bus Operator recruitments. Vice Chair McPherson thanked the Bus Operators on how kind and courteous they are to the public and expressed appreciation from the whole Board.
- FTA issued the 5339(b) Grants for Bus and Bus Facilities Infrastructure Investment Program. METRO is preparing to apply for building a new paratransit facility. CEO Clifford thanked The Bus Coalition for the work they did in acquiring the plus-up funding.
- Eddie Benson, Fleet Maintenance Manager, and CEO Clifford attended the three-day Zero Emission Bus Conference in Denver, CO. We learned a lot about the current state of both battery electric and fuel cell bus technology.
- We are watching for the outcomes on the federal Fixing America's Surface Transportation Act (FAST Act) and the Human Infrastructure Bill.
- The first year of the 2021/2022 California legislative biennium ended September 10, 2021. The Governor has until October 10, 2021 to sign or veto AB 418, which METRO supports. The bill would require special districts to be allocated funds on a competitive basis to help local communities improve a resiliency against power outage events.

There was no public comment.

**14 ANNOUNCEMENT OF NEXT MEETINGS:**

Vice Chair McPherson announced the Special Meeting on October 8, 2021 and regular Board Meeting on October 22, 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**

Vice Chair McPherson adjourned the meeting at 10:10 AM.

Respectfully submitted,

Donna Bauer  
Administrative Specialist