



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS MEETING MINUTES*
JUNE 24, 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, June 24, 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.

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- 1 CALLED TO ORDER** at 9:03 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. AR 9:10	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**
Hearing none, Chair Pageler moved to the next agenda item.
- 5 ORAL AND WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS**
Brian Peoples, Trail Now, spoke of the Santa Cruz County Coastal Corridor being opened as a trail and transit corridor. He expressed the importance of moving this project forward in a cost-effective way and timely manner for the community.

Tate Baugh, member of the public, asked how to get more information on the Coastal Corridor. Director Rotkin referred Tate to the Santa Cruz County Regional Transportation Commission (SCCRTC) website.

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

6 LABOR ORGANIZATION COMMUNICATIONS

James Sandoval, Chairperson of SMART, Local 23, expressed appreciation in working together with CEO Michael Tree and engaging with the work force. He touched briefly on the upcoming company picnic, the recent bus roadeo, and the new referral incentive program.

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

7 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

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

CONSENT AGENDA

- 8.1 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF MAY 2022
Chuck Farmer, CFO
- 8.2 ACCEPT AND FILE MINUTES OF THE:
 - A. MAY 13, 2022 FINANCE, BUDGET & AUDIT STANDING COMMITTEE MEETING
 - B. MAY 20, 2022 BOARD OF DIRECTORS MEETING
 - C. JUNE 10, 2022 FINANCE, BUDGET & AUDIT STANDING COMMITTEE MEETING
 - D. JUNE 10, 2022 PERSONNEL/HR STANDING COMMITTEE MEETING
Michael Tree, CEO/General Manager
- 8.3 ACCEPT AND FILE: THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF MAY 31, 2022
Chuck Farmer, CFO
- 8.4 APPROVE: RECOMMENDED ACTION ON TORT CLAIMS
Curtis Moses, Safety, Security & Risk Management Director
- 8.5 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
- 8.6 APPROVE: CONSIDERATION OF AWARDING CONTRACT TO CLEAN ENERGY FOR LCNG FUEL STATION MAINTENANCE NOT TO EXCEED \$2,989,938 WHICH INCLUDES A CONTINGENCY AMOUNT OF \$251,532
Freddy Rocha, Facilities Maintenance Manager
- 8.7 APPROVE: REVIEW REQUEST TO AUTHORIZE FUNDING THE MOBILITY TRAINING COORDINATOR POSITION AND DEFUNDING AN ACCESSIBILITY COORDINATOR POSITION
Danielle Glagola, Marketing, Communications and Customer Service Director

- 8.8 ACCEPT AND FILE THE QUARTERLY PROCUREMENT REPORT FOR 1ST QUARTER OF FY23
Joan Jeffries, Purchasing Manager
- 8.9 APPROVE: CONSIDER AUTHORIZING THE CEO/GM TO EXECUTE THE MASTER FUNDING AGREEMENT BETWEEN THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION AND THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT FOR MEASURE D FUNDING
Wondimu Mengistu, Capital Planning and Grants Program Manager
- 8.10 ACCEPT AND FILE: RENEWAL OF LIABILITY AND VEHICLE PHYSICAL DAMAGE INSURANCE PROGRAM COVERAGE WITH CALTIP FOR FY23
Curtis Moses, Safety, Security & Risk Management
- 8.11 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A 1ST CONTRACT AMENDMENT WITH EAST BAY TIRE CO. TO INCREASE THE CONTRACT TOTAL BY \$181,000 FOR PURCHASE, DELIVERY AND SERVICING OF REVENUE AND NON-REVENUE TIRES
Eddie Benson, Maintenance Manager
- 8.12 APPROVE: RENEWAL OF AGREEMENT WITH COUNTY OF SANTA CRUZ FOR PAYROLL SERVICES
Chuck Farmer, CFO

There were no public comments.

ACTION: MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED

MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR MCPHERSON

MOTION PASSED WITH 8 AYES (Directors Brown, Downing, Kalantari-Johnson, Koenig, McPherson, Pageler, Parker, and Rotkin). Directors Dutra, Lind, and Meyers were absent.

REGULAR AGENDA

- 9 RETIREE RESOLUTIONS OF APPRECIATION: JANE NG**
Larry Pageler, Board Chair, expressed appreciation for Ms. Ng's service at METRO.

There was no public comment.

ACTION: MOTION TO APPROVE THE RETIREE RESOLUTION AS PRESENTED

MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR DOWNING

MOTION PASSED WITH 8 AYES (Directors Brown, Downing, Kalantari-Johnson, Koenig, McPherson, Pageler, Parker, and Rotkin). Directors Dutra, Lind, and Meyers were absent.

- 10 METRO ADVISORY COMMITTEE (MAC) SEMI-ANNUAL ORAL UPDATE**
James Von Hendy, MAC Chair, reported on the first half of 2022. MAC met in February and April and continues to represent and advocate for METRO's ridership. MAC appreciates how METRO has strived to provide public transit

service to Santa Cruz County, especially in these lingering and ongoing COVID-19 times.

Mr. Von Hendy detailed communications to MAC with staff responses regarding bus service to the Enterprise Technology Center in Scotts Valley, adding weekend service to Route 20, reinstating text messages on the beginning/ending of school terms, arranging transportation to voting booths, 2016 Measure D stickers on METRO's vehicles, providing change to paratransit riders, and the dissolved bus stop committee.

Communications from MAC to the Board included a request to create a centralized section on METRO's website to share the actions that METRO is taking for sustainability and protecting the environment. Although the Board acknowledged receipt of the request in February, it did not direct staff to act on it. Director Rotkin requested staff to review this and see if it is feasible.

MAC is grateful for the communications from METRO regarding updates on COVID-19, ITS, ridership reports, Braille signage, Pacific North Redevelopment Project, and service routes.

Chair Pageler asked Mr. Von Hendy to express the Board's appreciation to MAC for their hard work.

There were no public comments.

11 PUBLIC HEARING: FINAL ADOPTION OF SANTA CRUZ METRO'S FY23 AND FY24 BUDGET – TO COMMENCE AT 9:00 AM OR AS SOON THEREAFTER AS POSSIBLE

The Chair opened the Public Hearing at 9:25 AM.

Chuck Farmer, CFO, provided commentary to the presentation and highlighted what has changed since the last budget discussions. He gave an overview of the operating surplus/deficit adjustments, capital spends portfolio/budget changes, a breakdown in the FY23 capital budget projects, and operating reserve funds.

Director Rotkin asked for a brief explanation of the UAL & OPEB reserves for the public's benefit. CFO Farmer explained that the UAL (Unfunded Actuarial Liability) is METRO's pension liability. OPEB (Other Post-Employment Benefits) represents health insurance benefits that METRO pays its retirees. We know that these costs will increase so we build up a balance in that fund to minimize future risk to the agency.

Director McPherson asked if three months of the operations sustainability reserve fund is what METRO has historically done. CFO Farmer confirmed this is correct.

Director Rotkin mentioned that this budget was recommended for approval by the Finance, Budget, and Audit Standing Committee two weeks ago and thanked staff for their hard work in preparing it.

The Chair invited public comment, but there was none.

The Chair closed the Public Hearing at 9:38 AM.

ACTION: MOTION TO ADOPT THE SANTA CRUZ METRO FY23 & FY24 BUDGET AS PRESENTED

MOTION: DIRECTOR ROTKIN SECOND: DIRECTOR KALANTARI-JOHNSON

MOTION PASSED WITH 8 AYES (Directors Brown, Downing, Kalantari-Johnson, Koenig, McPherson, Pageler, Parker, and Rotkin). Directors Dutra, Lind, and Meyers were absent.

12 CONSIDERATION OF ADOPTION OF SANTA CRUZ METRO'S AMENDED CONFLICT OF INTEREST CODE AND APPROVAL OF THE RESOLUTION CONFIRMING THIS ACTION

Julie Sherman, General Counsel, spoke to this item, noting METRO has a requirement to update and make any changes to the Conflict of Interest Code every two years. It is a document that tells METRO personnel, who are listed in the code, what disclosure categories they must disclose on their Form 700. It is also updated with any changes in the law and position titles. Once approved by the Board, the updated Code will be provided to Santa Cruz County for its records.

There was no public comment.

ACTION: MOTION TO ADOPT SANTA CRUZ METRO'S AMENDED CONFLICT OF INTEREST CODE AND APPROVE THE RESOLUTION CONFIRMING THIS ACTION AS PRESENTED

MOTION: DIRECTOR MCPHERSON SECOND: DIRECTOR DOWNING

MOTION PASSED WITH 8 AYES (Directors Brown, Downing, Kalantari-Johnson, Koenig, McPherson, Pageler, Parker, and Rotkin). Directors Dutra, Lind, and Meyers were absent.

13 CEO ORAL REPORT / COVID-19 UPDATE

Michael Tree, CEO/General Manager, expressed appreciation for the opportunity to continue to get to know the employees and union representatives at METRO.

He presented the attached slides:

- June 11, 2022 – METRO Bus Operators (Mario Espinoza and Bonnie Farris) and Maintenance Workers (Cesar Alvarez, Ivan Ballesteros, and Chris Leonard) competed in the SamTrans Rodeo.
- June 16, 2022 - Candis Almanza graduated from Leadership Santa Cruz County.
- METRO took delivery of the first of four new Gillig buses and the last slide shows the new METRO design that was created by Danielle Glagola, our Marketing, Communications and Customer Service Director.

He continued with the following updates:

- CalTIP renewal – CalTIP is a pool of 32 agencies and provides insurance that is 15% cheaper as compared to the private sector. METRO's safety rating in that pool is outstanding and ranks in the top 10 agencies.

- METRO has five electric buses on order and has submitted the grant for 20 hydrogen buses.
- The Board authorized a pilot recruitment program where METRO increased its starting wage for Bus Operators from \$19.97 to \$23.75.
- METRO has implemented the employee referral bonus program with very positive results. In one week, we've had 23 new applicants.
- COVID-19 – METRO is still in the minor outbreak category.
- METRO is having a picnic on July 30th; details will follow.
- State budget and the \$10.9 billion earmarked for public transportation.
- Conduct a Board Workshop this fall to discuss:
 - 1) Operations - Hire a consulting team to perform an operational analysis.
 - 2) AVL (Automated Vehicle Locator) and APC (Automated Passenger Counter) technology.
 - 3) Battery-Electric and hydrogen buses' implementation plan.
 - 4) SCCRTC's planning efforts on the rail, Hwy. 1, and Soquel corridors.
 - 5) Marketing program to pitch METRO in a new light to the public and get the Board's input.

Director McPherson gave a warm welcome to CEO Tree and thanked him for his efforts in meeting with everyone and for the positive impact he has had. He also expressed that he likes the new bus design.

Director Rotkin commended the METRO staff, especially Danielle Glagola, Dawn Crummié, Human Resources Director, James Sandoval and SMART for their efforts on recruitment. Staff and the unions have done a fantastic job in advertising that driving a bus can be a great career chose. The whole Board appreciates these efforts.

Director Pageler echoed those sentiments and appreciated seeing the photos of the bus roadeo.

There were no public comments.

14 ANNOUNCEMENT OF NEXT REGULAR BOARD MEETING

Chair Pageler announced the next regular board meeting is on August 26, 2022 at 9:00 AM via teleconference.

15 ADJOURNMENT

Chair Pageler adjourned the meeting at 9:57 AM.

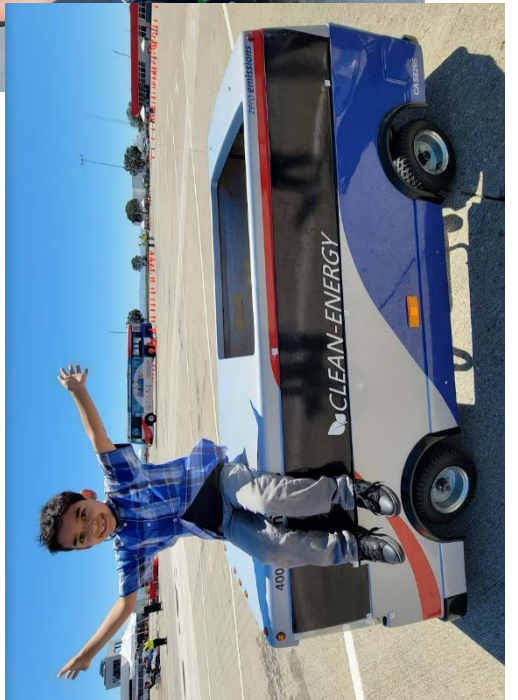
Respectfully submitted,

Donna Bauer
Executive Assistant

Attachment



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