



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)  
FINANCE, BUDGET AND AUDIT STANDING COMMITTEE MEETING MINUTES\*  
MARCH 13, 2020 – 8:00AM  
METRO ADMIN OFFICES  
110 VERNON STREET  
SANTA CRUZ, CA 95060**

A regular meeting of the Finance, Budget and Audit Standing Committee of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, March 13, 2020 at the METRO Admin Offices, 110 Vernon Street, Santa Cruz, CA.

The Committee Meeting Agenda Packet can be found online at [www.SCMTD.com](http://www.SCMTD.com) and is available for inspection at Santa Cruz METRO's Administrative offices at 110 Vernon Street, Santa Cruz, California. \*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 8:08 AM by Board Chair Rotkin.

Chair Rotkin explained Governor Newsom's recent relaxation of Brown Act regulations to conduct public meetings.

CEO Clifford provided an update to METRO's testing of online meeting software. We anticipate moving the March 27, 2020 Board meeting to METRO's Admin offices.

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

**Director Trina Coffman-Gomez**  
Director Donna Lind  
**Director Donna Meyers**  
**Board Chair Mike Rotkin**

**City of Watsonville** (via phone)  
City of Scotts Valley  
**City of Santa Cruz**  
**County of Santa Cruz**

Alex Clifford  
Julie Sherman

METRO CEO/General Manager  
METRO General Counsel (via phone)

Director Lind was absent.

METRO EMPLOYEES AND MEMBERS OF THE PUBLIC WHO VOLUNTARILY INDICATED THEY WERE PRESENT (IN ALPHABETICAL ORDER) WERE:

James Sandoval, SMART Local 23  
Vicki Trent, SMART Local 23

**3 ADDITIONS OR DELETIONS FROM AGENDA/ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS**

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

**4 ORAL AND WRITTEN COMMUNICATIONS TO THE FINANCE, BUDGET AND AUDIT STANDING COMMITTEE**

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

**5 MONTHLY FINANCIAL UPDATE AS OF JANUARY 31, 2020**

Debbie Kinslow, Finance Deputy Director, provided commentary to the presentation.

Director Coffman-Gomez inquired as to the fiscal impact of the SEIU retro pay. Kristina Mihaylova, Sr. Financial Analyst, responded there are 17 pay periods to process; she is unsure of the completion date. However, the initial pay period estimate is \$14K which would imply a total impact of approximately \$250K.

Chair Rotkin requested Ms. Mihaylova send an email to the committee members with a status update when available.

Ms. Kinslow added that it appears METRO will be unable to fully meet the UAL obligation this year as a result of these retro payments. CEO Clifford reminded the assembly that METRO used the funds originally designated for OPEB payments to pay for the negotiated salary increases. The fallback strategy is to continue managing our budget and use any carryover to fund the OPEB.

The fiscal and other impact of COVID-19, e.g., impact to the sales tax revenue, is unknown at the present time.

There were no public comments.

**6A FY21 AND FY22 PRELIMINARY OPERATING AND FY21 PRELIMINARY CAPITAL BUDGET PRESENTATION**

Ms. Kinslow added commentary to the presentation, stressing the final budget will be presented in June; this is a preliminary glance and an essential step to the TDA SCCRTC process.

CEO Clifford added clarity to the capital budget assumptions.

In response to Director Meyers' inquiry, CEO Clifford provided an update regarding Pacific Station and the MOU with the City of Santa Cruz (City). He hopes to bring an MOU to the March 27, 2020 METRO board meeting. METRO and the City are working together to submit an AHSC grant by the first of the year. METRO remains committed to a contribution of \$4 Million.

Chair Rotkin asked about the option to replace or repair the facility. CEO Clifford clarified that given the grant/construction timeline, we will most likely be repairing the facility until we reach the final decision. The present budget contains \$3M for bus replacement and \$1M for Pacific Station. The present budget reflects a \$1M deficit in the next year. CEO Clifford is optimistic the passage of an increased STIC would result in a non-deficit spending budget.

Ms. Kinslow brought the assembly's attention to the budget timeline on page 6A.15.

Chair Rotkin asked that the timeline be highlighted at the next board meeting

**ACTION: MOTION TO RECOMMEND APPROVAL OF THE FY21 AND FY22 PRELIMINARY OPERATING AND FY21 PRELIMINARY CAPITAL BUDGET TO THE FULL BOARD**

**MOTION: DIRECTOR MEYERS**

**SECOND: CHAIR ROTKIN**

**The motion was unanimous.**

There was no public comment.

**6B FY21 AND FY22 PRELIMINARY OPERATING BUDGET DETAIL**

There was no discussion or public comment.

**6C FY21 PRELIMINARY CAPITAL BUDGET DETAIL FOR REVIEW AND TDA/STA CLAIMS PURPOSES**

There was no discussion or public comment.

**7 ADJOURNMENT**

Board Chair Rotkin adjourned the meeting at 8:40 AM.

Pursuant to Section 54954.2(a)(1) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day. The agenda packet and materials related to an item on this Agenda submitted after distribution of the agenda packet are available for public inspection in the Santa Cruz METRO Administrative Office (110 Vernon Street, Santa Cruz) during normal business hours. Such documents are also available on the Santa Cruz METRO website at [www.scmted.com](http://www.scmted.com) subject to staff's ability to post the document before the meeting.