



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS MEETING MINUTES*
MARCH 28, 2025 – 9:00 AM**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) convened on Friday, March 28, 2025, as a hybrid meeting.

The Board Meeting agenda packet can be found online at 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 CALLED TO ORDER at 9:03 AM by Board Chair Downing.

2 SAFETY DEBRIEF

Gregory Strecker, Safety, Security & Risk Management Director, provided a debriefing on safety, emphasizing the evacuation routes in response to a fire, earthquake, medical emergency, and active shooter.

3 ROLL CALL

Director Martinez announced she is participating remotely for just cause under AB 2449 due to the need to provide care for an ill child.

The following Directors were **present**, representing a quorum:

Director Rebecca Downing	County of Santa Cruz
Director Jimmy Dutra	City of Watsonville
Director Shebreh Kalantari-Johnson	City of Santa Cruz
Director Manu Koenig	County of Santa Cruz
Director Fabian Leonor	County of Santa Cruz
Director Donna Lind	City of Scotts Valley
Director Martinez	County of Santa Cruz
Director Scott Newsome	City of Santa Cruz
Director Melinda Orbach	City of Capitola
Director Quiroz-Carter	City of Watsonville
Director Mike Rotkin	County of Santa Cruz
Ex-Officio Director Alta Northcutt	Cabrillo College
Ex-Officio Director Edward Reiskin	UC Santa Cruz
Corey Aldridge	CEO/General Manager
Nicole Witt	General Counsel

4 RECESS TO SCCIC MEETING at 9:12 AM by Board Chair Downing.
SCCIC President Kalantari-Johnson presided over the annual meeting.

5 RECONVENED TO BOARD OF DIRECTORS MEETING at 9:15 AM by Board Chair Downing.

6 ANNOUNCEMENTS

- 6.1 Today's meeting was broadcast by Community Television of Santa Cruz County.
- 6.2 Hector Guzman of Language Line Services provided Spanish interpretation services.

7 BOARD OF DIRECTORS COMMENTS

Director Lind thanked METRO for cooperating with Scotts Valley law enforcement when several cars were broken into at the Cavallaro Transit Center. She appreciated staff providing camera footage.

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

8 ORAL AND WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

Brian Peoples, Trail Now, spoke to his and Jack Brown's communications in the agenda packet and suggested bullying took place at the last Santa Cruz County Regional Transportation Commission (RTC) meeting on March 20, 2025. Director Rotkin spoke to the accusations and remarked that he apologized to Jack Brown and resolved their difference of opinion.

Martha Vega, teacher at Pajaro Valley Unified School District, and Ana Nabor-Catarino, Pajaro Valley student and candidate for the State Seal of Civic Engagement, spoke to their written communications and advocated for a bus shelter at the high school and Clifford Avenue neighborhood.

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

9 LABOR ORGANIZATION COMMUNICATIONS

Jaime Renteria, SMART General Chairperson, Local 0023, commented that he visited the Pajaro Valley High School and spoke to Martha Vega's class. One of the topics that came up is that the high school does not have a bus shelter and requested METRO to consider placing a shelter there.

Olivia Martinez, SEIU Region 2 Director, announced she is attending online to represent SEIU employees at METRO.

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

10 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

Board Chair Downing announced additional communications and supporting documentation were sent to the Board on March 27, 2025 and will be added to the agenda packet.

CONSENT AGENDA

All items appearing on the Consent Agenda are recommended actions which are considered to be routine and will be acted upon as one motion. All items removed will be considered later in the agenda. The Board Chair will allow public input prior to the approval of the Consent Agenda items.

- 11.1 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK AND ACH JOURNAL
DETAIL FOR THE MONTH OF FEBRUARY 2025
Chuck Farmer, Chief Financial Officer

- 11.2 ACCEPT AND FILE MINUTES OF:
A. FEBRUARY 19, 2025 METRO ADVISORY COMMITTEE MEETING
B. FEBRUARY 28, 2025 BOARD OF DIRECTORS REGULAR MEETING
C. MARCH 14, 2025 FINANCE, BUDGET AND AUDIT STANDING COMMITTEE MEETING
Corey Aldridge, CEO/General Manager
- 11.3 ACCEPT AND FILE: THE YEAR-TO-DATE MONTHLY FINANCIAL REPORT AS OF FEBRUARY 28, 2025
Chuck Farmer, Chief Financial Officer
- 11.4 ACCEPT AND FILE: THE SEMI-ANNUAL REPORT ON THE STATUS OF METRO'S DISADVANTAGED BUSINESS ENTERPRISE PROGRAM
Chuck Farmer, DBE Liaison Officer, CFO
- 11.5 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO KRUEGER TRANSPORT LLC FOR ON-CALL HYDROGEN INFRASTRUCTURE CONSTRUCTION MANAGER SERVICES NOT TO EXCEED \$500,000
Derek Toups, Planning and Innovation Deputy Director
- 11.6 APPROVE: REQUEST AUTHORIZATION AND FUNDING TO HIRE ONE (1) DISPATCH/SCHEDULER FOR THE PARACRUZ DEPARTMENT
Margo Ross, Chief Operations Officer
- 11.7 APPROVE: CONSIDERATION OF AWARD OF A SINGLE SOURCE CONTRACT TO UCI CONSTRUCTION, INC. FOR THE INSTALLATION OF A MOBILE HYDROGEN FUEL SOLUTION AT THE JUDY K. SOUZA OPERATIONS FACILITY IN AN AMOUNT NOT TO EXCEED \$250,243 AND APPROVE A CONTRACT CONTINGENCY OF \$24,757, FOR A TOTAL AMOUNT NOT TO EXCEED \$275,000
Derek Toups, Planning and Innovation Deputy Director

There were no public comments.

Hearing nothing further, Board Chair Downing called for a roll call vote.

ACTION: MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR KOENIG

MOTION PASSED WITH 9 AYES (Directors Downing, Kalantari-Johnson, Koenig, Leonor, Lind, Martinez, Newsome, Orbach, and Rotkin). Directors Dutra and Quiroz-Carter were absent.

REGULAR AGENDA

**12 RETIREE RESOLUTION OF APPRECIATION FOR:
DAVID HERNANDEZ, BUS OPERATOR**

Board Chair Downing congratulated Mr. Hernandez on his retirement and thanked him for his years of service at METRO.

There were no public comments.

Hearing nothing further, Board Chair Downing called for a roll call vote.

ACTION: MOTION TO APPROVE THE RETIREE RESOLUTION OF APPRECIATION FOR DAVID HERNANDEZ

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR KOENIG

MOTION PASSED WITH 9 AYES (Directors Downing, Kalantari-Johnson, Koenig, Leonor, Lind, Martinez, Newsome, Orbach, and Rotkin). Directors Dutra and Quiroz-Carter were absent.

13 APPROVE: CONSIDERATION OF ACCEPTING METRO'S UPDATED TITLE VI PROGRAM REPORT AND AUTHORIZING ITS SUBMISSION TO THE FEDERAL TRANSIT ADMINISTRATION

Nicole Witt, General Counsel, spoke to the item and explained that Title VI of the Civil Rights Act of 1964 prohibits discrimination based on race, color, or national origin, including limited English proficiency. Federal Transit Administration (FTA) grantees are required to adopt and submit Title VI Program updates every three years with METRO's updates due next week to the FTA. She provided a brief update on the changes being reported and thanked METRO staff for their work in compiling the report.

Several Board Members thanked Ms. Witt for the report and noted the importance of the program.

Discussion followed by Board Members on:

- Current funding being in jeopardy
- Ensuring the report is made public

Staff addressed these concerns.

Ms. Martinez, SEIU Region 2 Director, requested Board Members to reach out to employees for input on practices and suggested acts of racism and discrimination were taking place.

Hearing nothing further, Board Chair Downing called for a roll call vote.

ACTION: MOTION TO ACCEPT METRO'S UPDATED TITLE VI PROGRAM REPORT AND AUTHORIZING ITS SUBMISSION TO THE FEDERAL TRANSIT ADMINISTRATION

MOTION: DIRECTOR KALANTARI-JOHNSON

SECOND: DIRECTOR ROTKIN

MOTION PASSED WITH 9 AYES (Directors Downing, Kalantari-Johnson, Koenig, Leonor, Lind, Martinez, Newsome, Orbach, and Rotkin). Directors Dutra and Quiroz-Carter were absent.

14 APPROVE: FY26 AND FY27 PRELIMINARY OPERATING BUDGETS AND FY26 CAPITAL BUDGET-PORTFOLIO

Chuck Farmer, Chief Financial Officer, spoke to the presentation. He emphasized this is preliminary data needed by the RTC for TDA/STA claims purposes and needs to be approved by the Board. He walked through the preliminary budget focusing on operating/non-operating revenues and expenses and changes to each. He reviewed METRO's funding sources and the preliminary capital

budget/portfolio. Over the next two months, decisions and adjustments will be made before presenting the final budget in June 2025.

Discussion followed on:

- Return on investments for pension plan related to the stock market and how that affects everyone
- COVID Recovery Fund
- Workers' Compensation Insurance
- Marketing headcount increases and sales tax measure budget
- Concern for potential headcount reductions in future

Staff responded to all concerns.

Ben Finke, Bus Operator, asked if the increase in medical/dental insurance is related to the increase in staffing. CFO Farmer explained that some of it is due to increased staffing but the majority is due to the medical and dental plan providers raising their rates. Mr. Finke asked if METRO's passenger fares will offset these costs. CFO Farmer responded that the passenger fares won't make a huge impact. Mr. Finke asked if the grant funding is based on headcount. CFO Farmer said they are population based and not related to METRO's headcount.

Hearing nothing further, Board Chair Downing called for a roll call vote.

ACTION: MOTION TO ADOPT THE FY26 AND FY27 PRELIMINARY LINE-ITEM OPERATING BUDGETS AND FY26 CAPITAL BUDGET-PORTFOLIO TO ALLOW SUBMITTAL OF METRO'S TDA/STA CLAIMS TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION

MOTION: DIRECTOR ROTKIN

SECOND: DIRECTOR LIND

MOTION PASSED WITH 9 AYES (Directors Downing, Kalantari-Johnson, Koenig, Leonor, Lind, Martinez, Newsome, Orbach, and Rotkin). Directors Dutra and Quiroz-Carter were absent.

15 UPDATE ON THE METRO SYSTEM RIDERSHIP REPORTS FOR THE SECOND QUARTER OF FY25

John Urgo, Chief Planning and Innovation Officer, spoke to his presentation (attached). He reminded the Board that METRO usually considers the quarterly ridership reports on the consent agenda; but given this was the fourth full quarter of Reimagine METRO, it would be a good opportunity to remind everyone where METRO has been, the service changes implemented and how it has performed to date. He reiterated the key goals of Reimagine METRO and reviewed the Phase 1 and 2 improvements to service. He also covered the ridership growth and service trends throughout the district.

Discussion followed on:

- Youth Cruz Free program ridership increase, the positive impact on lives, and future funding
- Additional marketing and outreach are needed for the increase in service and social media campaigns
- Reliability is needed to improve pass ups

- Recruiting mechanics
- UCSC ridership lagging in recovery
- Parents encouraging youth to ride the bus
- Riders are more receptive to positive/negative messaging when they understand the changes being proposed

Board Members thanked Mr. Urgo and staff for the report and the Facilities staff for the installation of the new bus shelters.

Nico, member of the public, mentioned UCSC's long-range plan and the projected increase in student enrollment and how that will affect METRO's ridership. He requested consistent communication on stop notices and route cancellations.

Mr. Finke asked how the buses from Orange County Transportation Authority (OCTA) will be retired after the hydrogen buses are integrated into the fleet and how the service plans will be impacted. Mr. Urgo explained that the OCTA buses were acquired to help METRO bridge the gap while acquiring and getting the hydrogen buses online. Mr. Finke asked if METRO would keep any of the OCTA buses for standby situations. Mr. Urgo responded that METRO hopes to do so after it gets the 53 hydrogen buses placed in service. Mr. Finke added that additional communications are needed to reach UCSC students explaining student IDs are not required to board buses. This would facilitate a better onboarding process.

David, member of the public, likes the 15 minute service and new bus shelters. He thinks additional marketing is needed to keep transit on everyone's radar.

Lani Faulkner, Equity Transit, thanked METRO for increasing service to the community because robust public transit is critical to equitable access of opportunities. She added that METRO is key to addressing climate change and marketing is key in getting more people to ride. She also requested the Board Members to ride the bus to understand how the lack of reliability impacts community members.

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

Director Martinez left the meeting at 10:48 AM.

16 CEO ORAL REPORT

Corey Aldridge, CEO/General Manager spoke to the following items:

- METRO is performing rider surveys to better understand current ridership and what other improvements are needed in METRO's service.
- On March 18th, METRO celebrated National Transit Driver Appreciation Day at our Judy K. Souza facility to express our heartfelt gratitude to all our dedicated operators and staff for their commitment to our riders and community. Directors Koenig, Lind and Leonor stopped by to celebrate with us and we appreciate that support.
- METRO staff are tabling at both the Aptos and Watsonville Cabrillo College campuses over the next few weeks to promote the benefits of METRO and the Transportation Fee to students which will be voted on in late April.

- I'm excited to share that METRO has been named a finalist in the CAPIO (California Association of Public Information Officials) EPIC Awards for our Reimagine METRO Digital Communications - Social Media Campaign! The winner will be announced at the CAPIO Conference next week. This achievement is a testament to the incredible collaboration across various departments.
- METRO will be offering free fares for Earth Day on Tuesday, April 22nd, countywide on all services. Additionally, METRO will also be participating in Earth Day events throughout Santa Cruz County on Saturday, April 19th.
- METRO will also be participating in the Santa Cruz City Schools Transition Program's Resource Fair at Harbor High School on April 24th.
- METRO has secured a line of credit through Santa Cruz County Bank. CFO Farmer is currently working through all the paperwork; however, I do have some details to share. The line of credit is up to \$25 million with a variable interest rate (currently around 6.35%). The loan will be unsecured so the bank will have no claim against property in case of default, which METRO will not let happen. There is no minimum draw and only a loan origination fee of 0.25% plus bank fees will be charged (loan origination fee and bank fees expected to be ~\$75,000).
- The Highway 17 Express was included in the Good Times "Best of Santa Cruz County 2025" editor's pick list.
- Since the last Board meeting, METRO has four new hires: 1 Parts & Materials Clerk, 1 Mechanic, and 2 Vehicle Service Workers.
- Last week I attended the APTA CEO Seminar in San Antonio, TX. It was a great way to connect and discuss management, policies, and practices with other agencies.

Director Lind thanked staff for putting together the excellent event for the National Transit Driver Appreciation Day.

There were no public comments.

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

17 ANNOUNCEMENT OF NEXT MEETING

Board Chair Downing announced the next regular Board meeting will be held on Friday, April 25, 2025 at 9:00 AM at the Admin Office, 110 Vernon Street, Santa Cruz, CA.

18 ADJOURNMENT

Board Chair Downing adjourned the meeting at 10:58 AM.

Respectfully Submitted,

Donna Bauer
Sr. Executive Assistant

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Quarterly Ridership Report and Reimagine METRO Update

Board of Directors Meeting – 3/28/25

John Urgo
Chief Planning and Innovation Officer

JARRETT WALKER + ASSOCIATES

What is Reimagine METRO?

- Santa Cruz METRO is re-envisioning **where** buses should go, and **how often** they should run.
- Key goals include:
 - Increase the amount of service provided.
 - Make transit more reliable, and relevant to the community's needs.
 - Adapt to post-COVID travel patterns.
 - **Create a network that is useful and attractive for many people's trips.**

What have we done?

We implemented changes to the network in two phases:

- **Phase 1 - December 2023**, with the operating resources available by the end of 2023.
- **Phase 2 – over the course of 2024**, based on additional funding and operators.

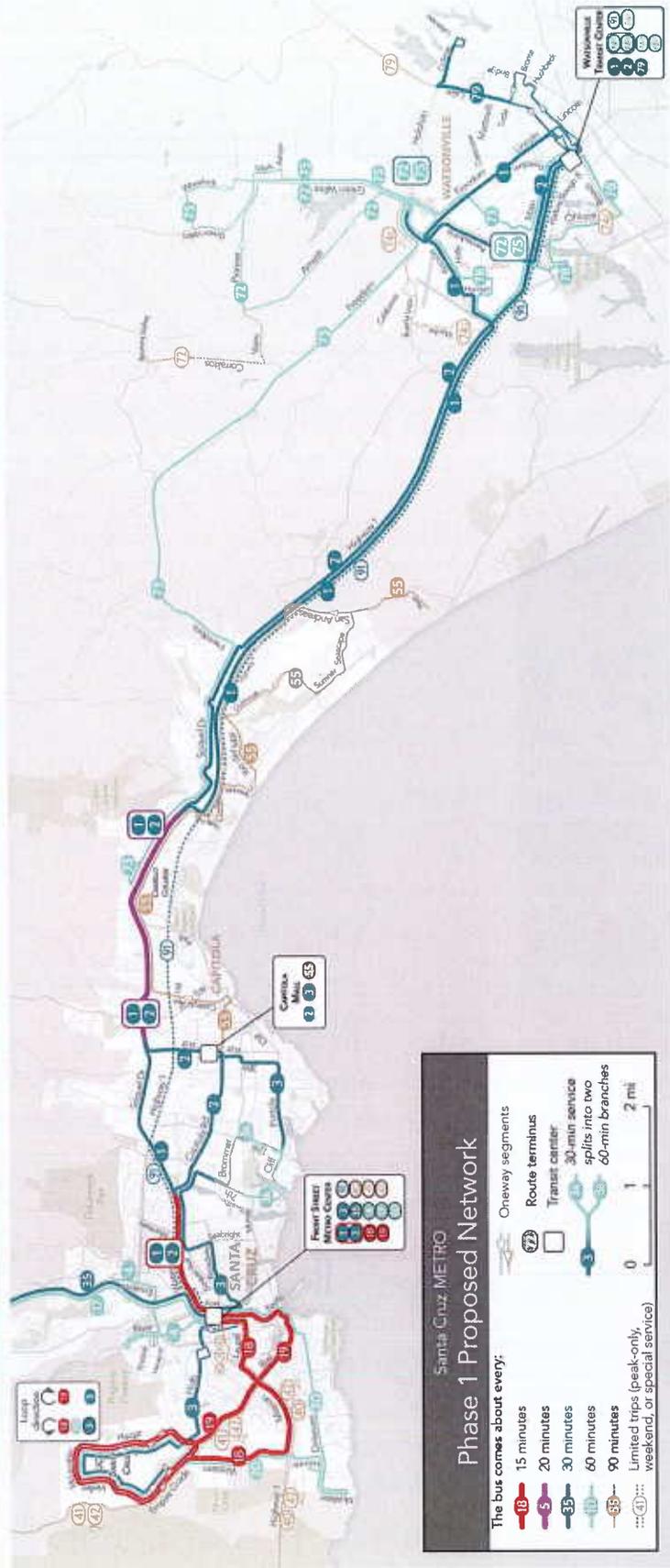
Phase 1 included:

- **More service.** ~10% increase overall.
- **Higher frequency** in areas with higher demand.
- **Simpler and more direct routes**, especially in Watsonville.
- **Better transfers.** Shorter waits, no second fare.
- **Some different route numbers and names.**
- **In some areas, change which streets** have bus service.

Existing METRO Service



Phase 1 Network – December 2023



Phase 1 Network – December 2023

Routes 18 and 19, both every 15 minutes

Routes 1 and 2 provide overlapping 15-minute service

Higher frequency on local routes in Watsonville.

Route 90X AM and PM peak-hour express to Santa Cruz



Santa Cruz METRO Phase 1 Proposed Network

The bus comes about every:

- 15 minutes
- 20 minutes
- 30 minutes
- 40 minutes
- 60 minutes
- 90 minutes

Limited trips (peak-only, weekend, or special service)

Oneway segments

- Route terminus
- Transit center
- 30-min service splits into two 60-min branches

0 1 2 mi

Other Improvements in Phase 1

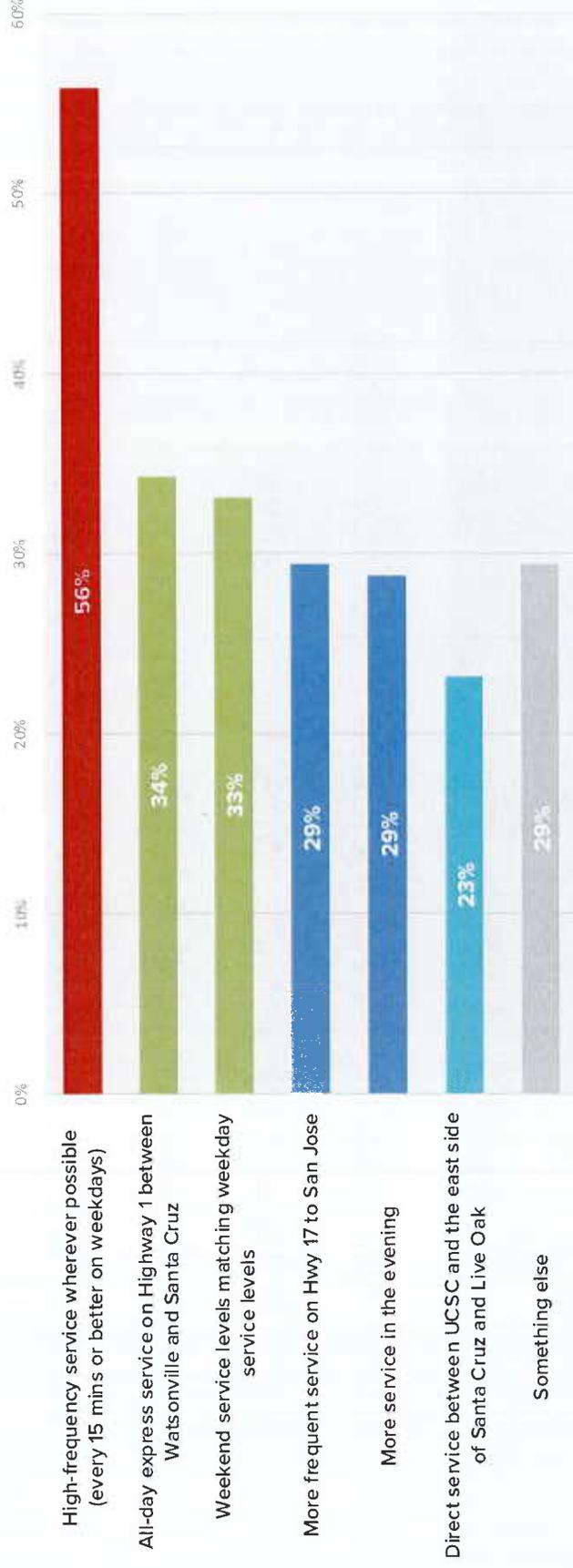
- Routes 1, 2 and 3 each operate:
 - Every 30 minutes until 9 PM
 - Every 60 minutes until midnight.
- In other words, until 9 PM, in both directions:
 - A bus every 15 minutes between Santa Cruz and Watsonville.
 - A bus every 10-20 minutes at Cabrillo College
 - A bus every 30 minutes or better on all of Soquel Drive

Phase 2 included:

- **More service.** A ~40% increase in service overall.
- **High frequency** service, wherever possible
- **Better weekend and evening** service
- **More express service** on Highway 1 and Highway 17
- **Better east-west connections** in Santa Cruz

Why make these changes? We've heard high frequency is the public's highest priority.

Among the following improvements, which three are most important to you?



n = 622 responses

JARRETT WALKER + ASSOCIATES

The full Phase 2 package relied on:

- **One-time state funding** (SB 125/TIRCP) to increase countywide service.
- Progress on hiring and training **new drivers, transit supervisors and mechanics.**

Phase 1

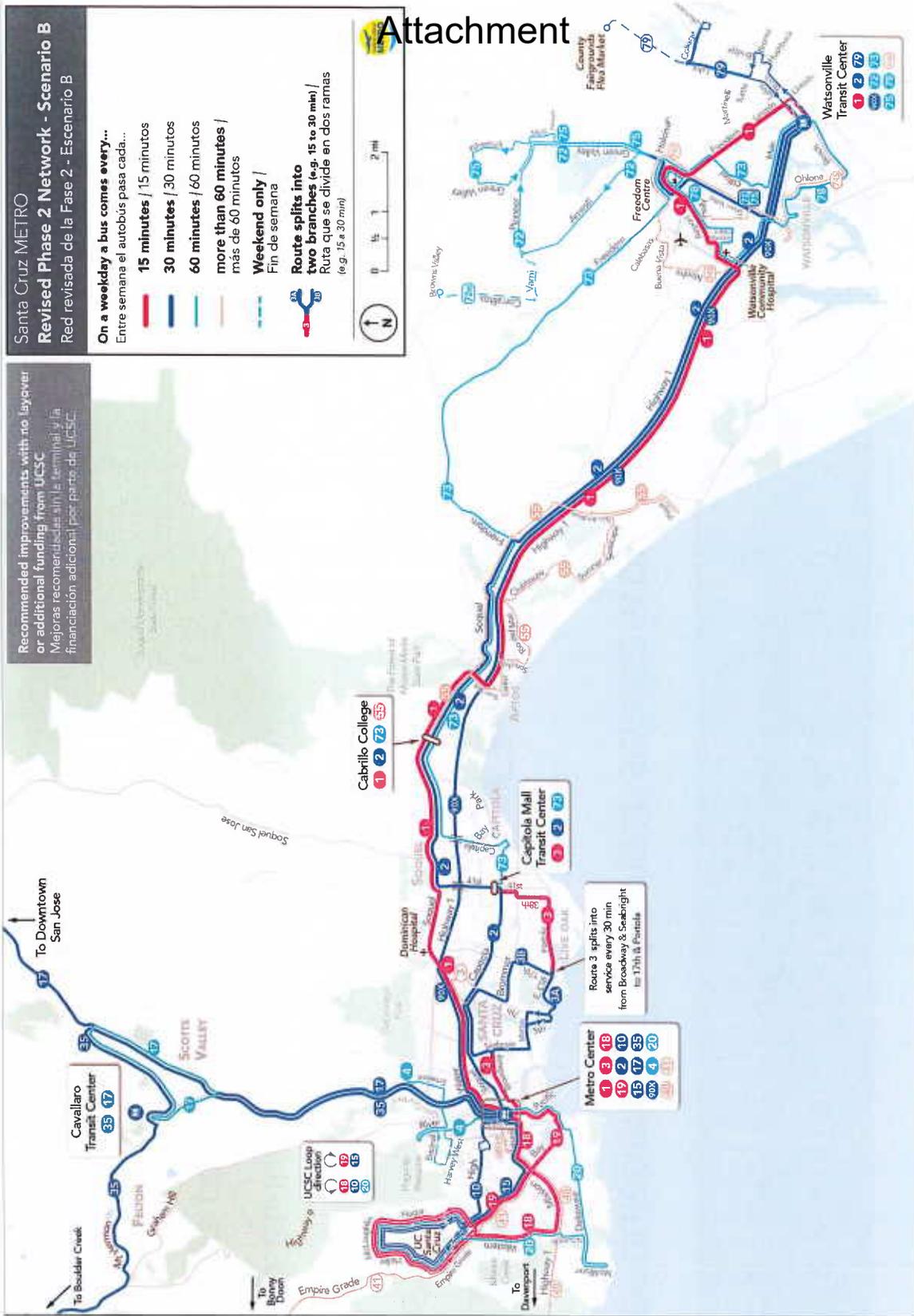


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Phase 2

This scenario included:

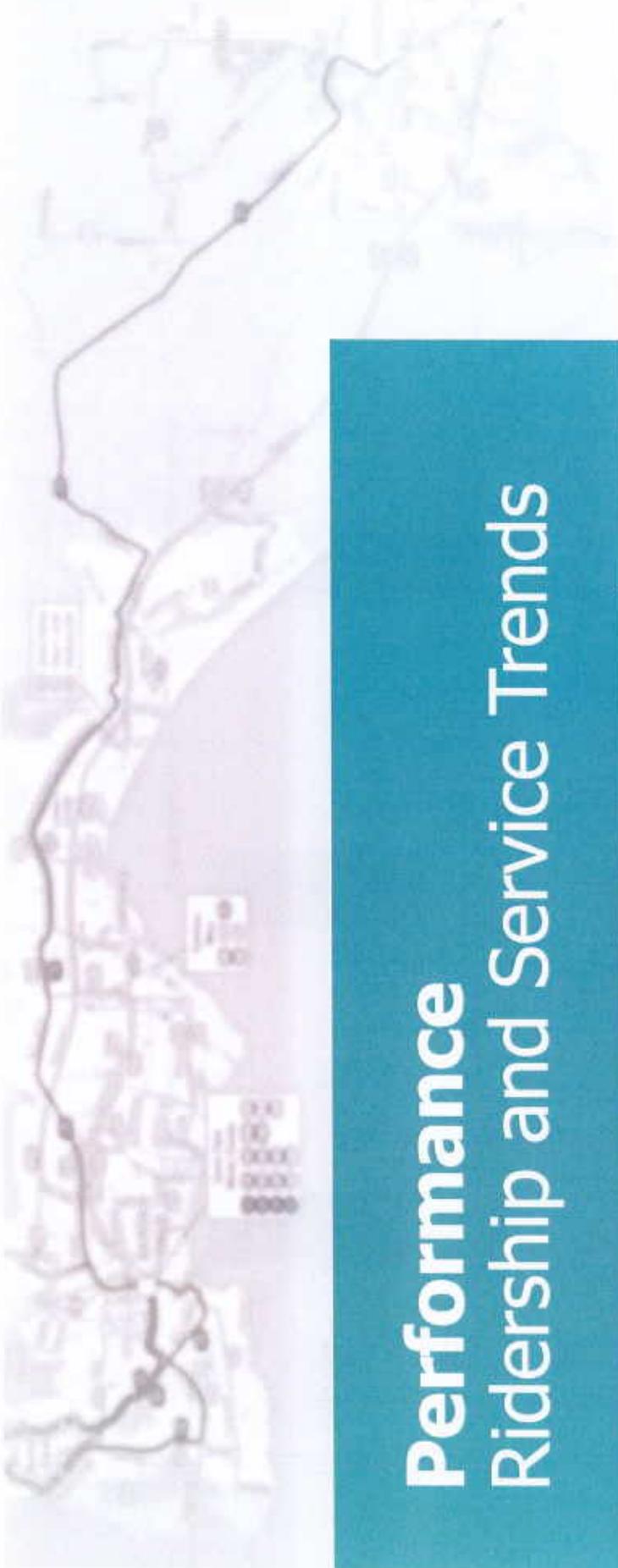
- **Route 1** every 15-minutes.
- **Routes 90X** all day service.
- **Route 16** peak period trips to UCSC.



Attachment

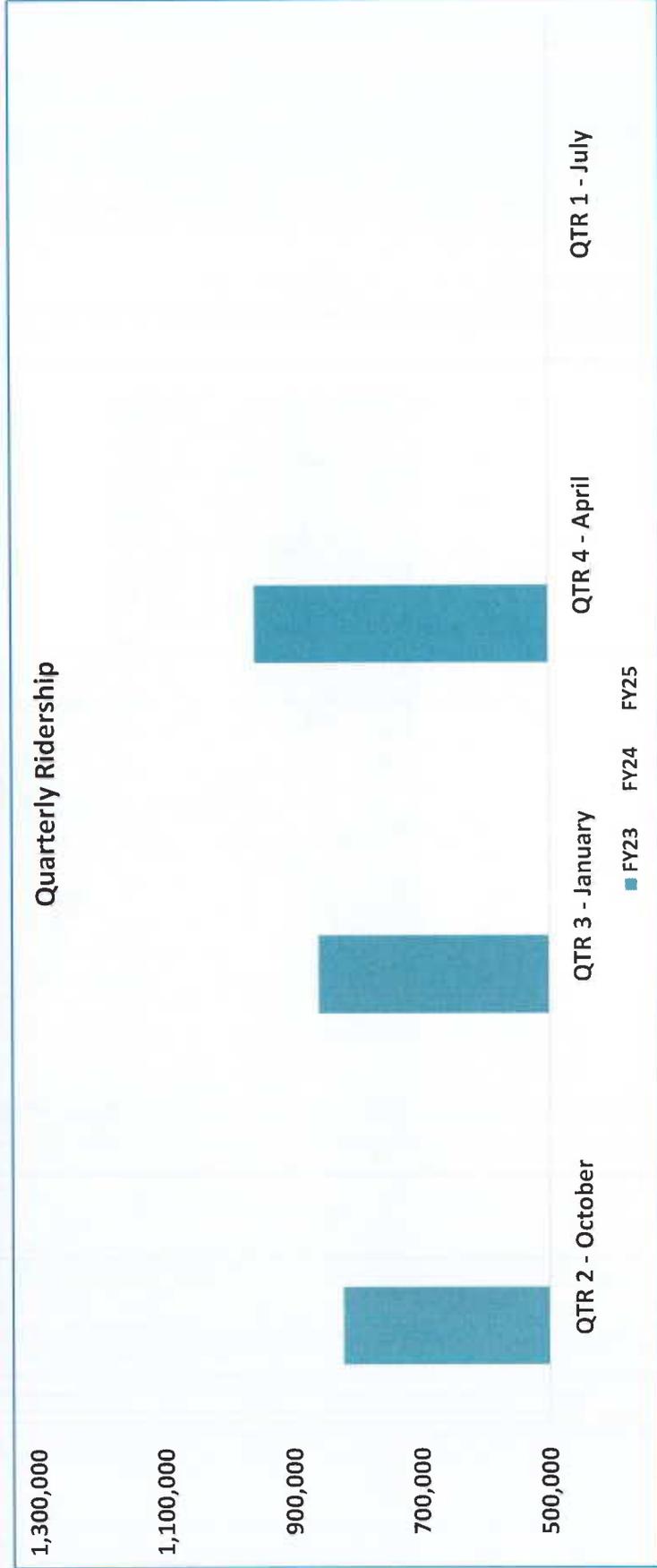
These changes brought many more people near frequent service.

- Overall population and jobs near service would stay the same.
- **Nearly 100,000 residents and 40,000 jobs** near service that runs:
 - every 15 minutes in the daytime
 - every 30 minutes after 9 PM to midnight
 - seven days per week.

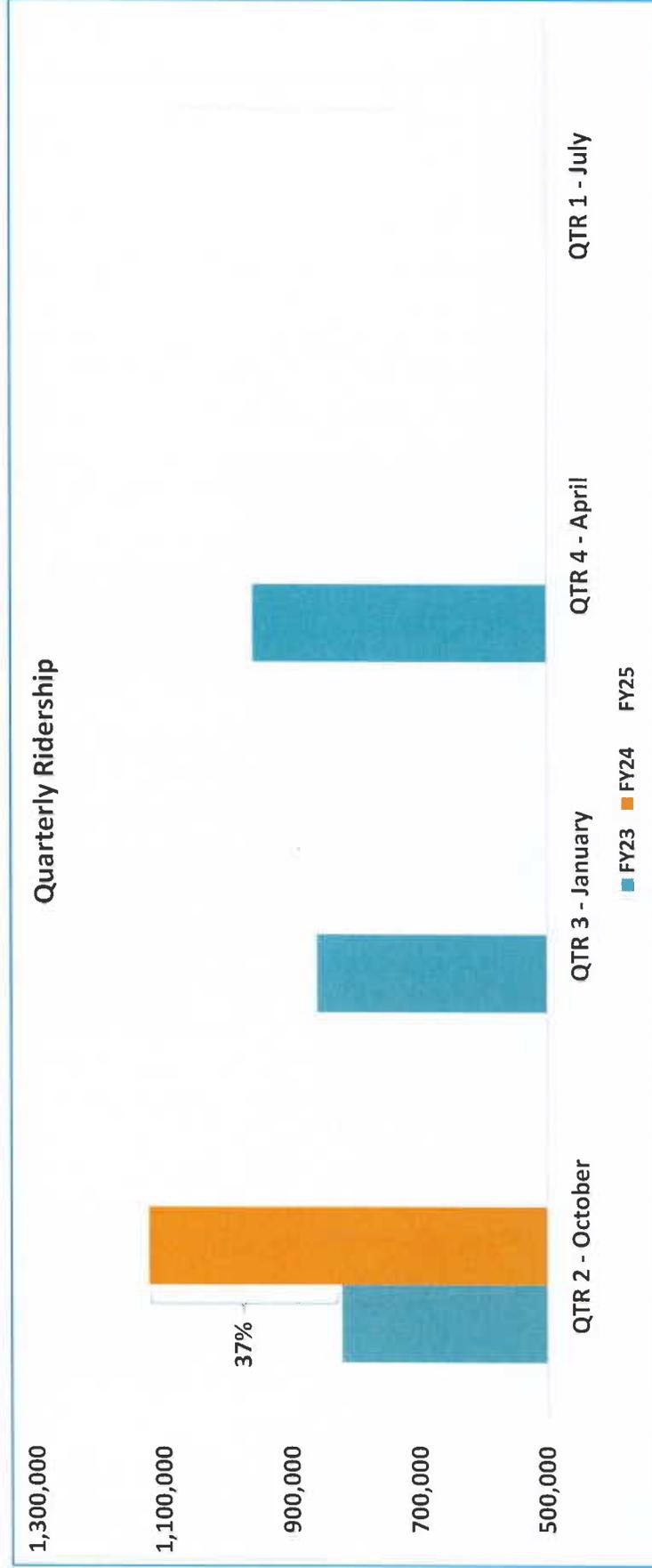


Performance Ridership and Service Trends

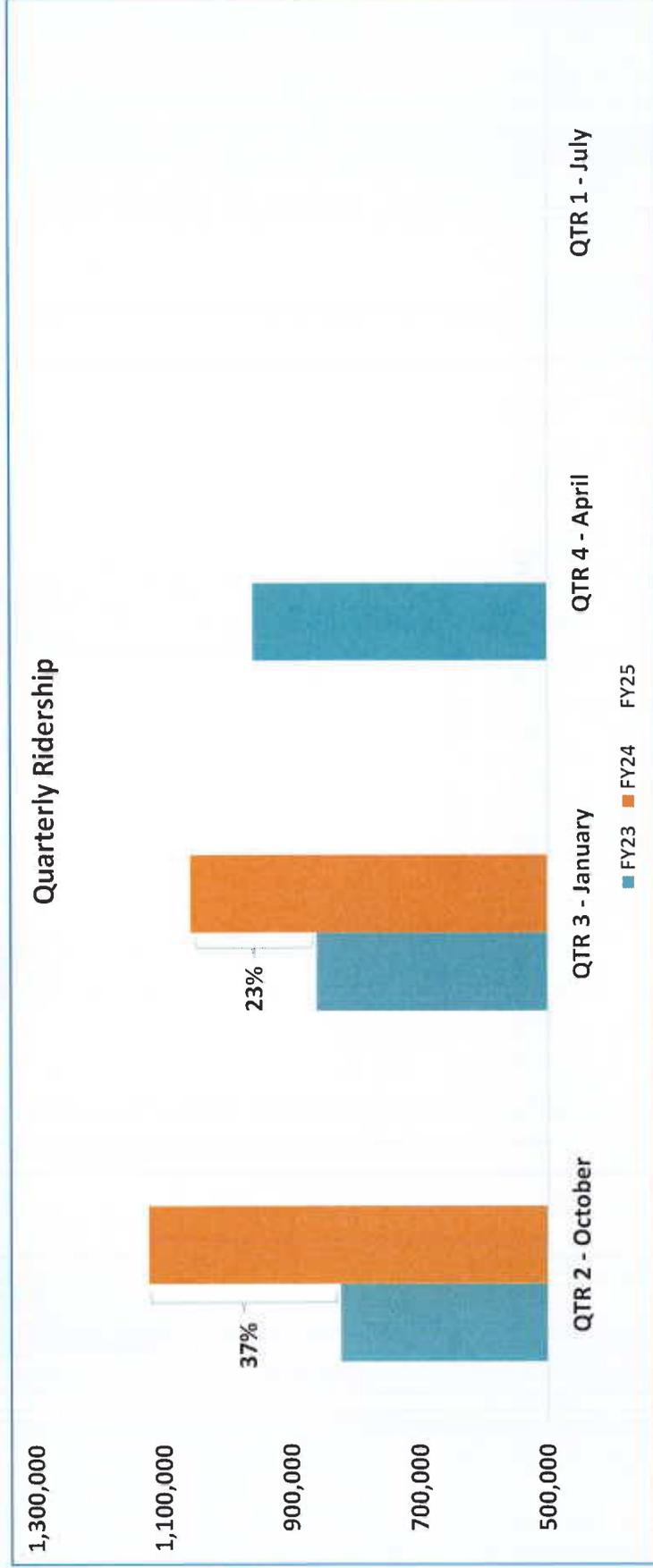
Ridership growth since Reimagine METRO



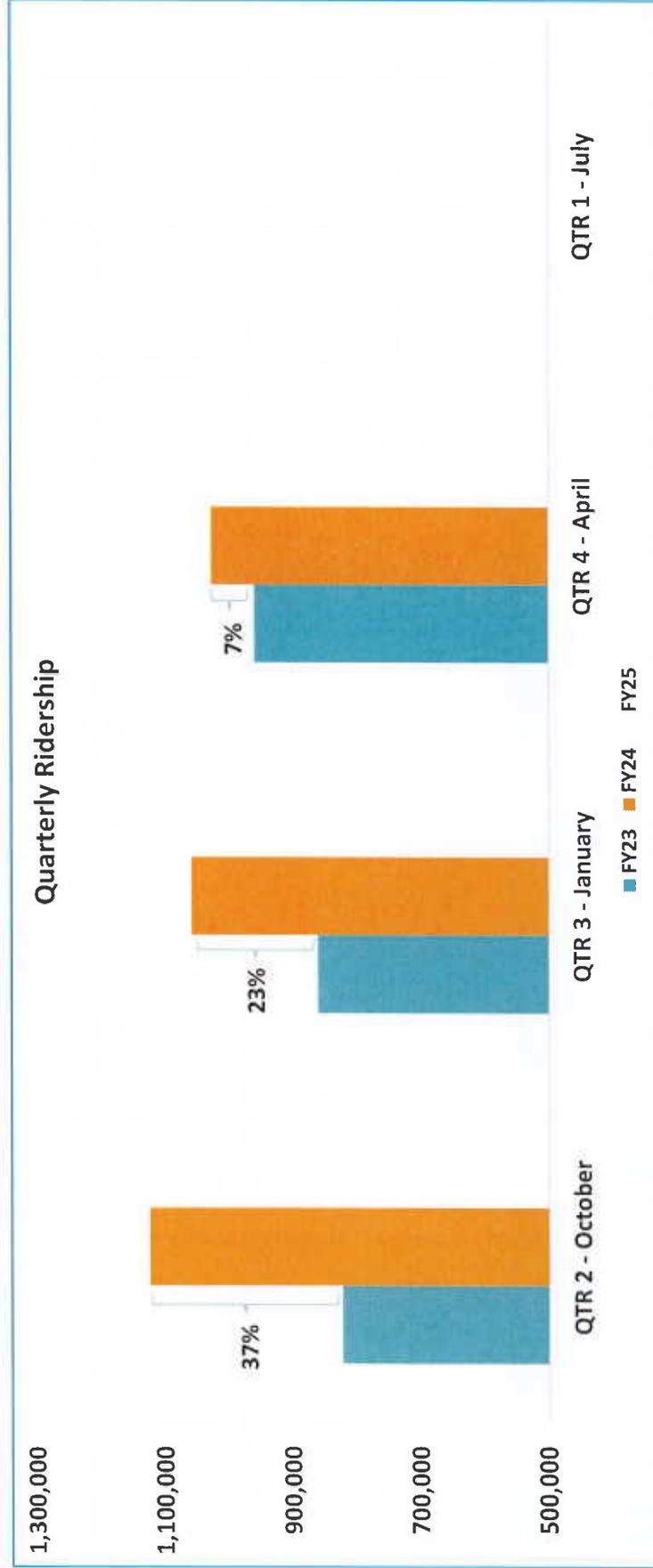
Ridership growth since Reimagine METRO



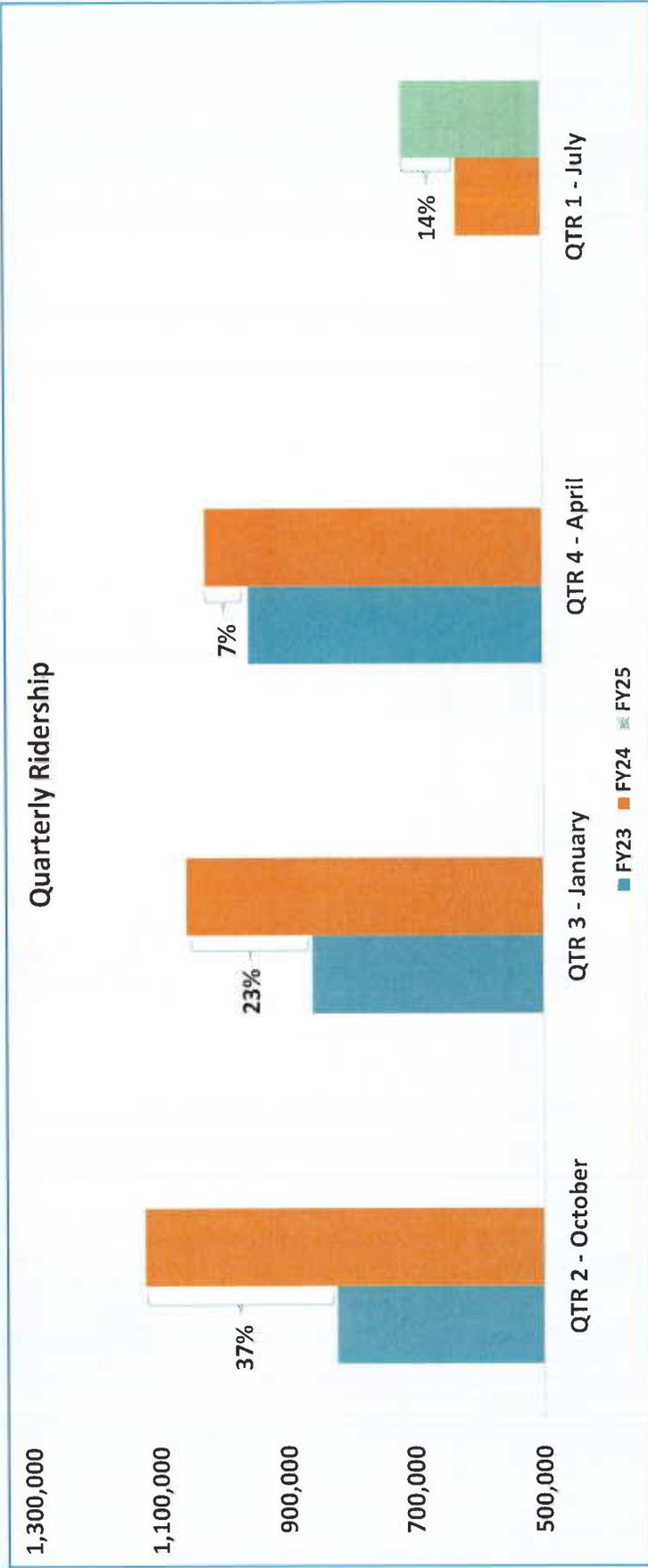
Ridership growth since Reimagine METRO



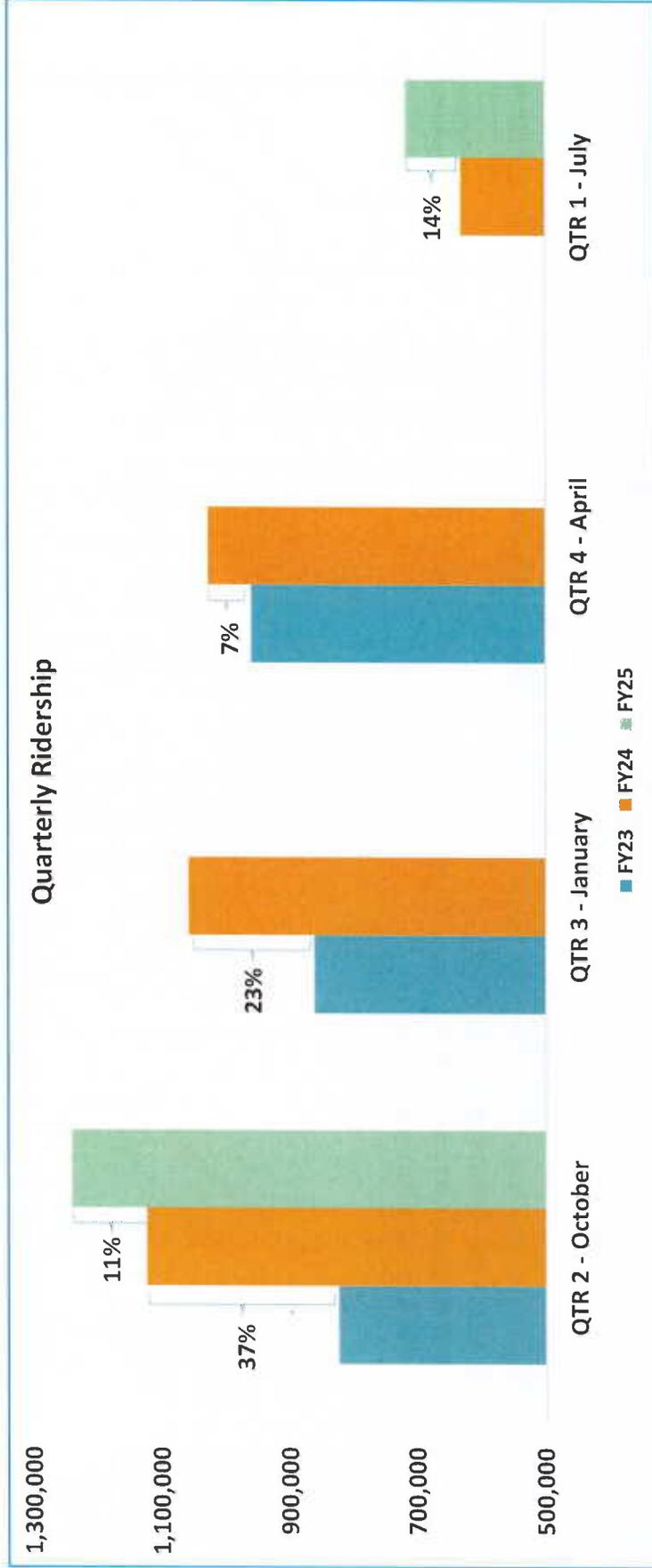
Ridership growth since Reimagine METRO



Ridership growth since Reimagine METRO



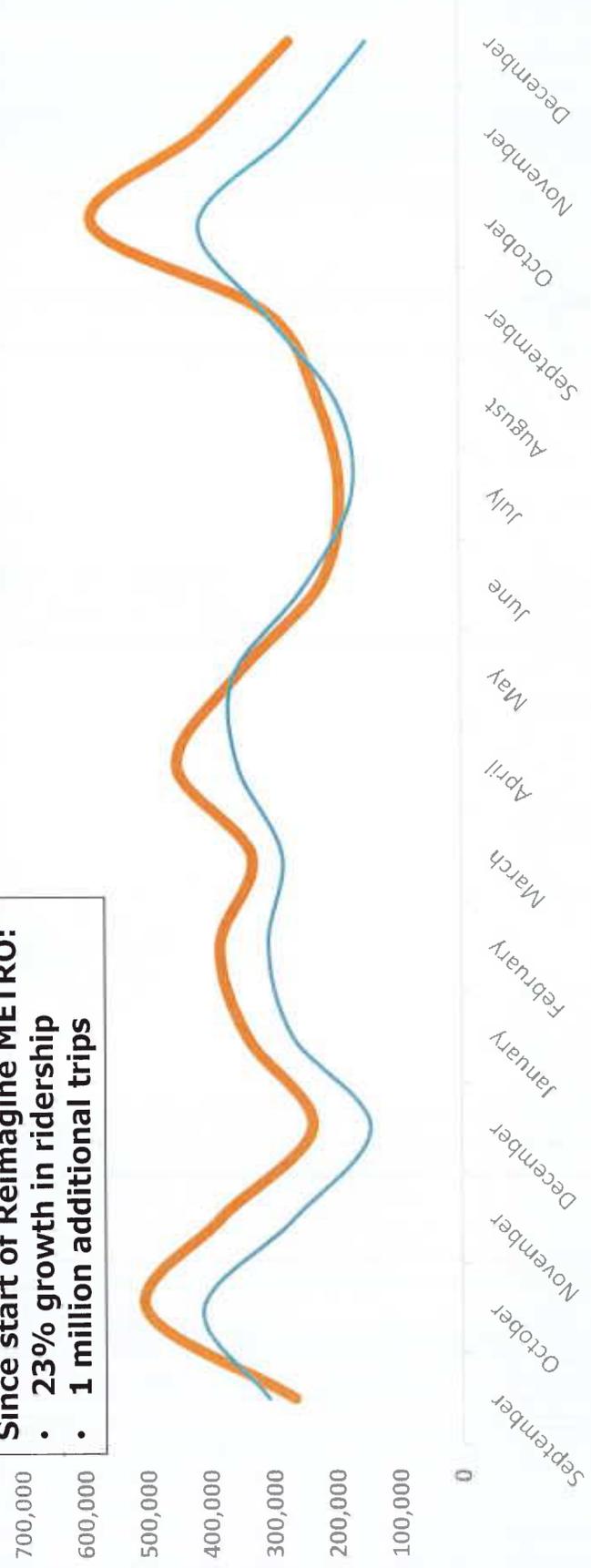
Ridership growth since Reimagine METRO



Ridership growth since Reimagine METRO

Since start of Reimagine METRO:

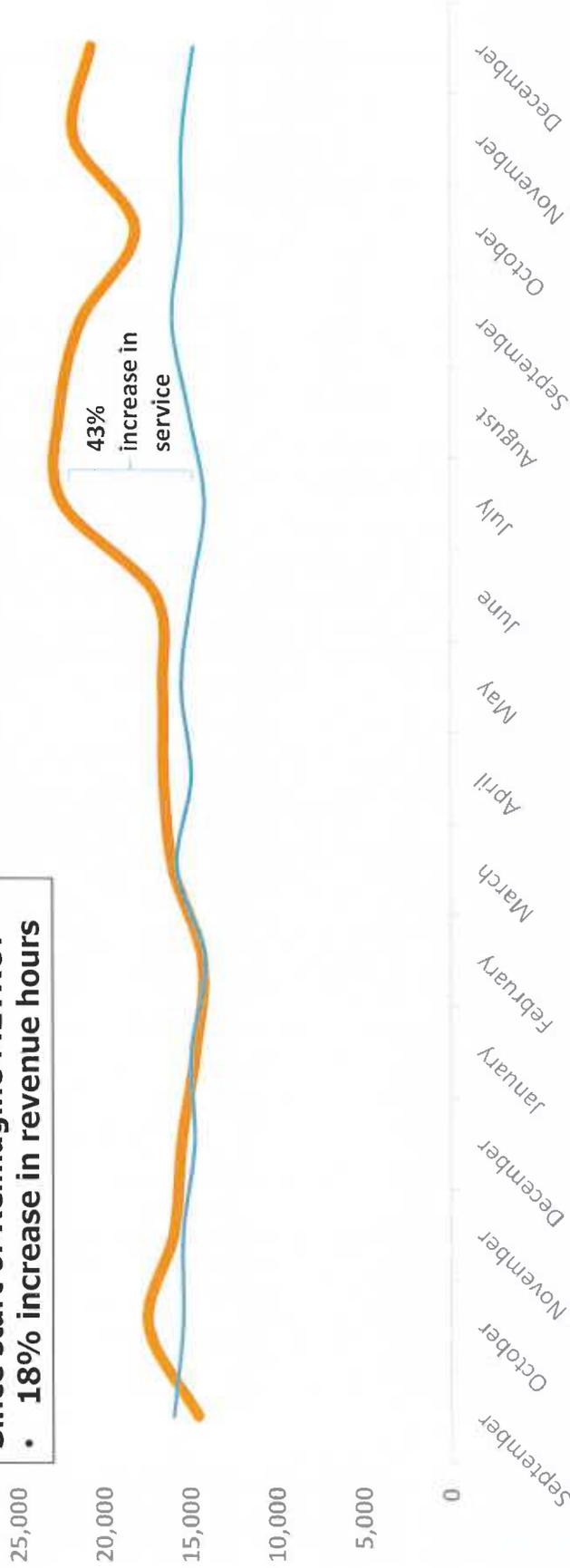
- 23% growth in ridership
- 1 million additional trips



Post-Reimagine METRO (Orange line) vs Pre-Reimagine METRO (Blue line)

Service growth since Reimagine METRO

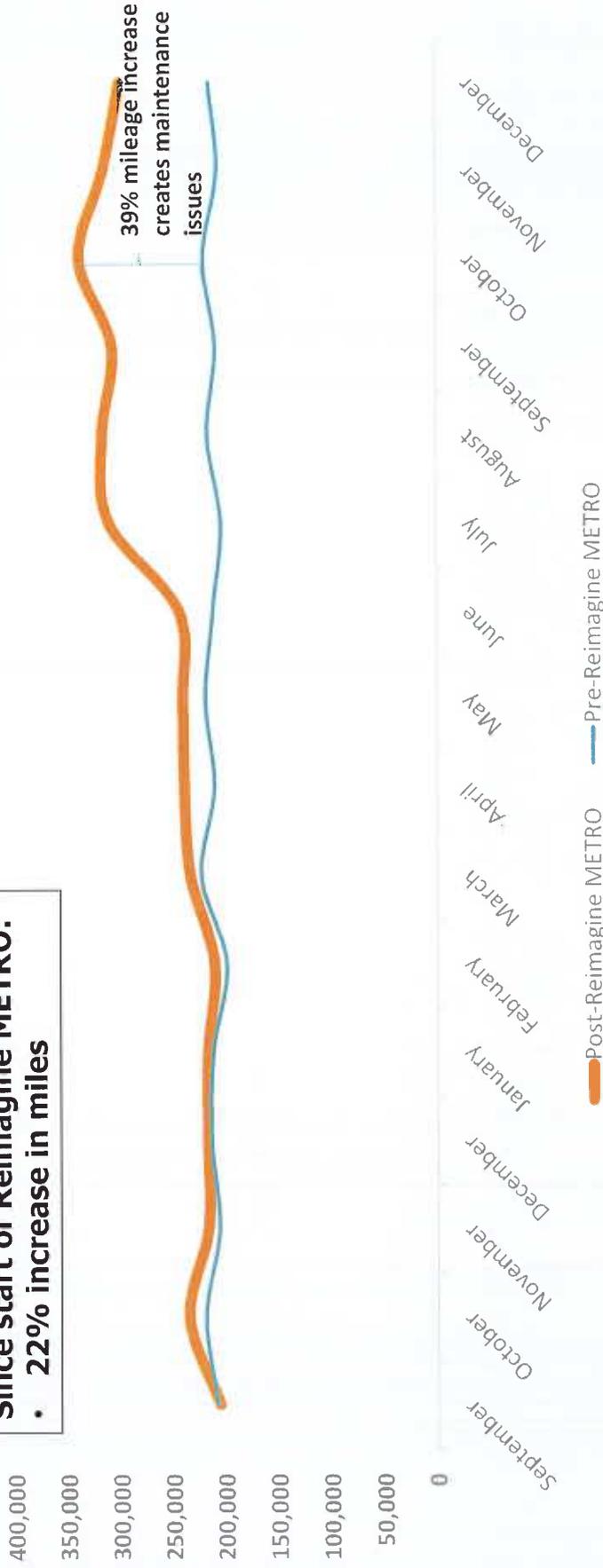
Since start of Reimagine METRO:
• 18% increase in revenue hours

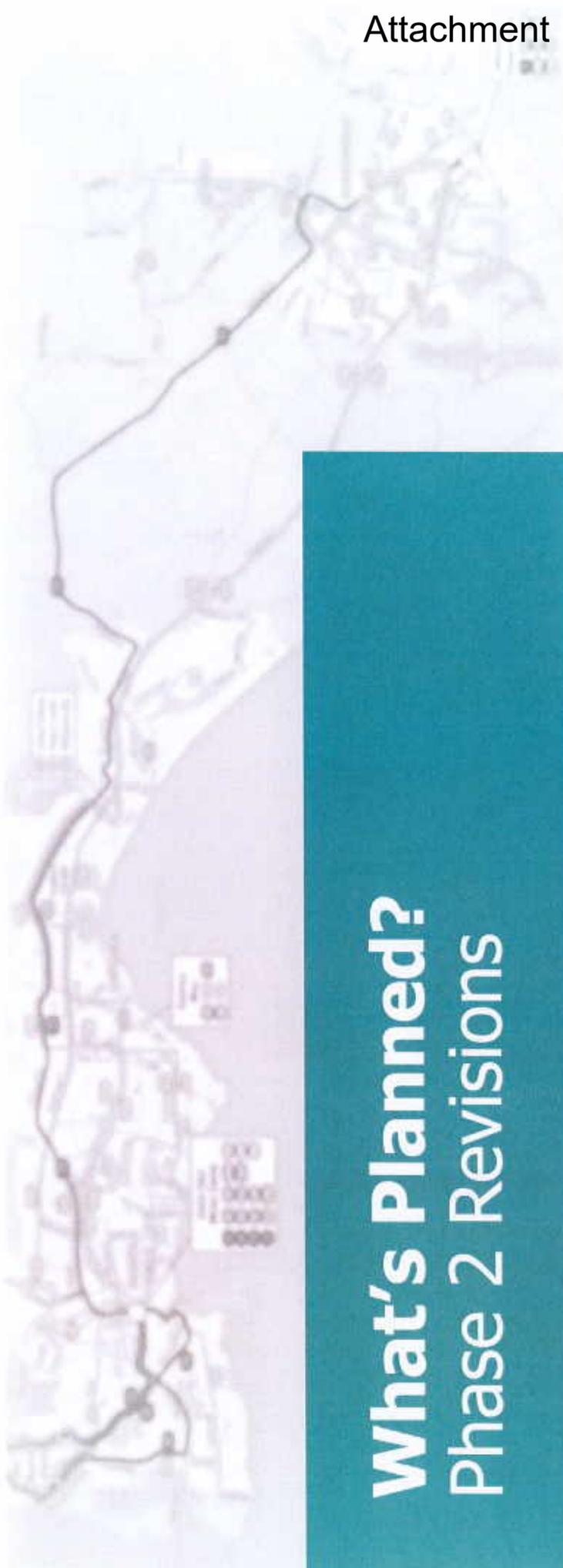


Post-Reimagine METRO Pre-Reimagine METRO

Mileage growth since Reimagine METRO

Since start of Reimagine METRO:
 • 22% increase in miles





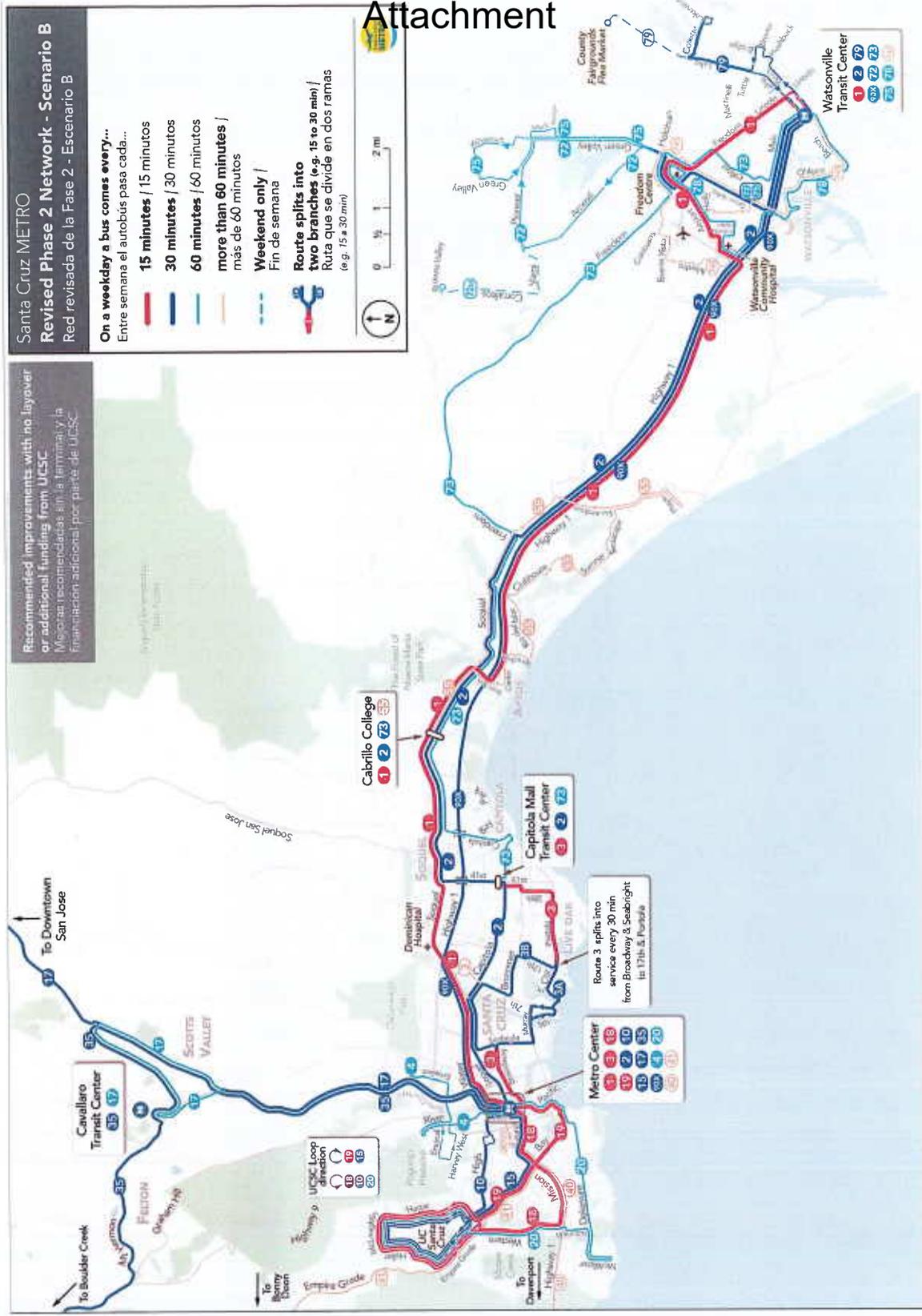
What's Planned? Phase 2 Revisions

Phase 2 - Revised

Currently, all of Phase 2 implemented except:

- **Routes 16 and 90X** temporarily suspended.
- Planned **Route 3** service increase on hold.
- Midday **Highway 17** frequency.

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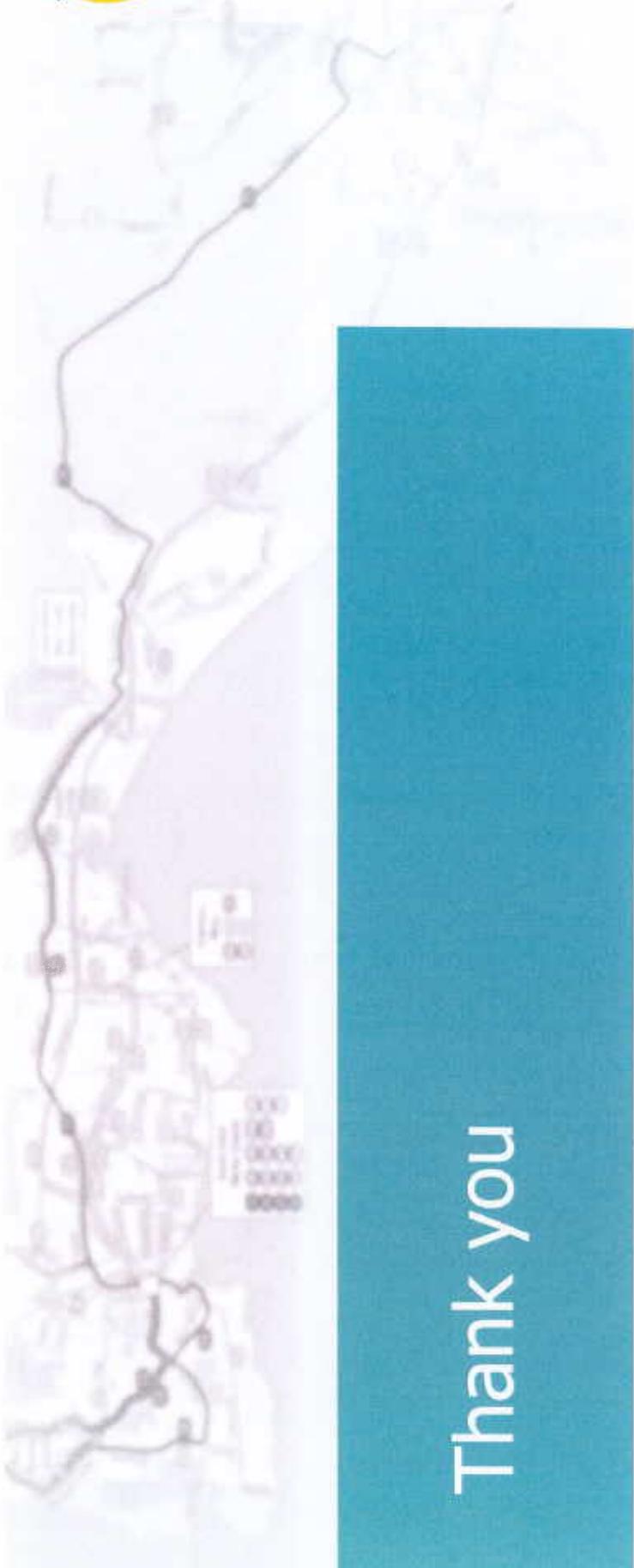


Proposed Phase 2 service levels:



Proposed Phase 2 revisions:

- **More service.** A ~~~40%~~ **30%** increase in service overall.
- **Planning to restore Routes 16 and 90X**
- **Will return to Board** with any future service changes that are significant



Thank you

John Urgo
Chief Planning and Innovation Officer

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