



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
FINANCE, BUDGET AND AUDIT STANDING COMMITTEE MEETING MINUTES*
MAY 14, 2021 – 8:00AM
MEETING HELD VIA TELECONFERENCE**

A regular meeting of the Finance, Budget and Audit Standing Committee of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, May 14, 2021, via teleconference.

The Committee 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 CALL TO ORDER at 8:00 AM by Chair Lind

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

Director Shebreh Kalantari-Johnson
Director Manu Koenig
Board Chair Donna Lind
Director Mike Rotkin

City of Santa Cruz
County of Santa Cruz
City of Scotts Valley
County of Santa Cruz

Alex Clifford
Julie Sherman

METRO CEO/General Manager
METRO General Counsel

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

Eddie Benson
Chuck Farmer
Kristina Mihaylova
Curtis Moses
Margo Ross
John Urgo

METRO Fleet Maintenance Manager
METRO CFO
METRO Deputy Finance Director
METRO Safety, Security & Risk Mgmt. Director
METRO COO
METRO Planning & Development Director

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

Hearing none, Director Lind moved to the next agenda item.

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

Having none, Director Lind moved to the next agenda item.

5 ACCEPT AND FILE YEAR TO DATE KEY PERFORMANCE INDICATORS (KPI) REPORT FOR QUARTER THREE AS OF MARCH 31, 2021

Kristina Mihaylova, Deputy Finance Director, spoke to the presentation and gave an overview of METRO's financial performance. John Urgo, Planning and Development Director, reviewed the ridership statistics. Curtis Moses, Safety, Security & Risk Management Director, reviewed traffic and passenger accidents. Eddie Benson, Fleet Maintenance Manager, gave an overview on the reliability of METRO's vehicles. Margo Ross, Chief Operations Officer, discussed dependability with regards to cancelled trips and pass-ups. Deputy Finance Director Mihaylova wrapped up the presentation with the peer comparison.

Discussions among the committee members revolved around: UCSC's current ridership and future expectations; traffic and passenger accidents and injuries; defining campaigns in relation to reliability of vehicles; Highway 17 pass-ups and efforts by METRO to reduce them; and paratransit ridership in comparison to other agencies.

The Directors thanked all of the behind-the-scenes staff who compile and pull these presentations together. They expressed how helpful it is in understanding METRO's budget.

There were no public comments.

MOTION TO ACCEPT AND FILE THE YEAR TO DATE KEY PERFORMANCE INDICATORS (KPI) REPORT FOR QUARTER THREE AS OF MARCH 31, 2021 AS PRESENTED

MOTION: Director Rotkin

SECOND: Director Koenig

Motion passed unanimously.

6 MONTHLY FINANCIAL UPDATE

Chuck Farmer, CFO, spoke to the presentation and gave an in depth review of the FY21 operating revenues, expenses, transfers and the capital budget. Discussion followed regarding vehicle replacements and the time required to put new vehicles in service.

There were no public comments.

7 OVERVIEW OF LIABILITY INSURANCE AD SELF INSURANCE RETENTION

Curtis Moses, Safety, Security and Risk Management Director, provided a brief commentary to the presentation. Discussion ensued on the extent of claims and responsiveness from the insurers when paying such claims.

There were no public comments.

8 REVIEW AND RECOMMEND APPROVAL OF SANTA CRUZ METRO'S DRAFT FY22 AND FY23 OPERATING BUDGETS AND FY22 CAPITAL BUDGET

Chuck Farmer, CFO, provided commentary to the presentation. He emphasized that this is a draft document and it was presented to the unions. Discussions covered the following topics: budget drivers; pension obligation bonds; Enterprise Resource Planning (ERP); Cabrillo's vote to keep the fee for bus service; alternative fuel tax credit; solar for electric buses; COVID Recovery Fund; and pension liabilities. The Directors thanked staff for the thorough presentation.

There were no public comments.

MOTION TO RECOMMEND APPROVAL OF SANTA CRUZ METRO'S DRAFT FY22 AND FY23 OPERATING BUDGETS AND FY22 CAPITAL BUDGET TO THE FULL BOARD AS PRESENTED

MOTION: Director Rotkin

SECOND: Director Kalantari-Johnson

Motion passed unanimously.

9 CEO ORAL REPORT / COVID-19 UPDATE

Alex Clifford, CEO/General Manager, provided a brief update on the following:

- No new COVID-19 cases have been reported among METRO employees.
- On May 1, 2021, METRO increased its bus capacity to reduce pass-ups.
- CDC issued updated face covering(s) guidance, which does not impact METRO; we are still under the TSA order, which continues to require face coverings while using public transportation. This order has been extended to September 13, 2021. In the office setting, we are regulated by Cal/OSHA and face coverings are still required.
- 70% of METRO employees have been vaccinated.

Discussion ensued on the college mandate issued regarding vaccinations and whether METRO has considered that option. CEO Clifford said METRO is not considering that at this point and is awaiting Cal/OSHA's update on May 20, 2021.

There were no public comments.

10 ADJOURNMENT

Director Lind adjourned the meeting at 9:45 AM.

Respectfully submitted,

Donna Bauer
Administrative Specialist