



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)  
FINANCE, BUDGET, AND AUDIT STANDING COMMITTEE  
MEETING MINUTES\*  
MARCH 10, 2023 – 8:00 AM**

A regular meeting of the Finance, Budget, and Audit Standing Committee of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, March 10, 2023.

The Committee 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 CALLED TO ORDER** by Director Lind at 8:30 AM.

**2 SAFETY ANNOUNCEMENT**

Curtis Moses, Safety, Security and Risk Management Director provided a brief safety announcement in case of an emergency highlighting the exit routes and COVID precautions in place for this hybrid meeting.

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

Director Shebreh Kalantari-Johnson  
**Director Manu Koenig**  
**Director Donna Lind**  
**Director Mike Rotkin AR 8:29**

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

Michael Tree  
Julie Sherman

METRO CEO/General Manager  
METRO General Counsel

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

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

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

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

**6 MONTHLY FINANCIAL UPDATE (REMOVED FROM AGENDA)**

**7 REVIEW AND RECOMMEND APPROVAL OF THE:**

- A. FY24 & FY25 PRELIMINARY OPERATING AND FY24 PRELIMINARY CAPITAL BUDGET PRESENTATION**
- B. FY24 & FY25 PRELIMINARY OPERATING BUDGET DETAIL; AND**
- C. FY24 PRELIMINARY CAPITAL BUDGET DETAIL FOR REVIEW AND TDA/STA CLAIMS PURPOSES**

Chuck Farmer, CFO, spoke to the preliminary operating and capital budget presentation and the timeline involved before presenting the final budget to the Board in June 2023. This is where the budget stands to date and adjustments will be made between now and June. Michael Tree, CEO/General Manager, added that we are being cautious as we move forward with this process.

Discussion followed on:

- Hydrogen buses versus current fleet inventory of parts and those costs
- Proposed FTE (full-time equivalent) changes to be discussed with the unions
- Useful life of 10 Artics coming from San Diego
- Funding sources
- TIRCP or Lo-No Grants for the hydrogen fueling station
- Fiscal cliff projections after one-time COVID payment and reserves

James Sandoval, SMART Chair, Local 0023, reiterated that the FTE changes have not been reviewed by the unions yet but they are open to discussing the changes. In addition, he would like to discuss adding two more ParaCruz Bus Operators to alleviate the Dispatch Schedulers from filling in for the ParaCruz Bus Operators.

**MOTION: RECOMMEND APPROVAL TO THE FULL BOARD OF THE FY24 & FY25 PRELIMINARY OPERATING AND FY24 PRELIMINARY CAPITAL BUDGET AS PRESENTED**

**MOTION: DIRECTOR ROTKIN                      SECOND: DIRECTOR KOENIG**

**Motion passed by Directors Koenig, Lind, and Rotkin. Director Kalantari-Johnson was absent.**

**8 ADJOURNMENT**

Director Lind adjourned the meeting at 9:10 AM.

Respectfully submitted,

Donna Bauer  
Executive Assistant