1. Roll call

The meeting was called to order at 9:04 a.m.

Members present:
Jacques Bertrand                     John Leopold
Ed Bottorff                         Virginia Johnson (alt.)
Greg Caput                          Kelly McClendon (ex-officio)
Cynthia Chase                       Patrick Mulhearn (alt.)
Trina Coffman-Gomez                 Richelle Noroyan (alt.)
Ryan Coonerty                       Mike Rotkin
Randy Johnson

Staff present:
George Dondero                      Cory Caletti
Luis Mendez                         Grace Blakeslee
Yesenia Parra                       Sarah Christensen
Rachel Moriconi                     Shannon Munz
Ginger Dykaar                       Fernanda Dias Pini

2. Oral communications

**Casey Clark**, City of Watsonville resident, is dismayed that the Measure D oversight committee is only auditing expenditures after the fact. He stated that funding allocation oversight of Measure D is needed and that the RTC needs to ensure that it responds to the needs of all county residents.

**Peter Stanger**, Santa Cruz County resident, stated that not enough funding is invested in South County, especially for bike lane maintenance. He asked that segment 17b of the Monterey Bay Sanctuary Scenic Trail Master Plan (MBSST) be reconsidered.

**Ari Parker**, Parajo Valley resident, said that South County is not receiving a
proportionate amount of funding from Measure D, and that RTC staff has no accountability to the voters.

**Michael Saint**, Campaign for Sustainable Transportation, advocates funding for mass transit over auxiliary lanes and discussed strategies for incentivizing use of public transit.

**Brian Peoples**, Trail Now, noted that RTC staff has continued to push for train on the corridor in order to pursue Proposition (Prop.) 116 funding.

**Victor Moroni**, Santa Cruz County resident, stated that county residents have not seen results from passing Measure D, that RTC staff is not listening to the voters, and Measure D funds are not being spent properly.

**Gail McNulty**, Santa Cruz County Greenway, discussed how gridlock is affecting the people of Watsonville and asked that high occupancy lanes on Highway 1 be considered as a solution to traffic congestion.

3. Additions or deletions to consent and regular agendas

   Handouts for Items 19, 21, 22, and 24.

   **CONSENT AGENDA**

   Commissioner Rotkin moved and Commissioner Coonerty seconded the motion to accept the consent agenda. The motion carried unanimously with Commissioners Bertrand, Bottorff, Caput, Chase, Coffman-Gomez, Coonerty, Johnson, Leopold, Rotkin, and Commissioner Alternates Virginia Johnson, Mulhearn and Noroyan voting “aye.”

   **MINUTES**

   4. Approved draft minutes of the April 19, 2018 Transportation Policy Workshop meeting

   5. Approved draft minutes of the May 3, 2018 Regional Transportation Commission meeting

   6. Approved draft minutes of the May 17, 2018 Transportation Policy Workshop meeting

   7. Accepted draft minutes of the May 17, 2018 Interagency Technical Advisory Committee meeting

   **POLICY ITEMS**

   *No consent items*
PROJECTS and PLANNING ITEMS

8. Approved the Fiscal Year (FY) 2018-19 Work Program

BUDGET AND EXPENDITURES ITEMS

9. Accepted status report on Transportation Development Act (TDA) revenues

10. Accepted status report on Measure D revenues and distribution

11. Adopted the 2018 Regional Surface Transportation Program Exchange (RSTPX) Program (Resolution 28-18)

12. Approved Safe on 17 – California Highway Patrol Extra Enforcement Funding and Agreements (Resolution 29-18)

ADMINISTRATION ITEMS

No consent items

INFORMATION/OTHER ITEMS

13. Accepted monthly meeting schedule

14. Accepted correspondence log

15. Accepted letters from RTC committees and staff to other agencies – none

16. Accepted miscellaneous written comments from the public on RTC projects and transportation issues - none

17. Accepted information items

   a. May 31, 2018 press release from Santa Cruz Metropolitan Transit District, “Santa Cruz METRO rolls out new buses and vans funded through Measure D and SB-1”

REGULAR AGENDA

18. Commissioner reports – oral reports

   There were no Commissioner reports.

19. Director’s report – oral report

   George Dondero, Executive Director, gave an update on the City of Santa Cruz rail trail project from Natural Bridges Drive to Bay/California; reported on the completion of the Rail Trail Art Opportunities Master Plan; and announced the
near completion of the County of Santa Cruz’s Twin Lakes Beachfront Improvement Project.

Mr. Dondero reported on the passage of Proposition (Prop.) 69, which prohibits fuel taxes and fees from California’s Road Repair and Accountability Act of 2017 (Senate Bill (SB) 1) from being used for non-transportation purposes, and noted that City of Santa Cruz staff has worked with local transportation agencies to develop an online map of SB1-funded projects, available at: http://arcg.is/0HHOOr.

Mr. Dondero also announced that Farhad Monsourian, General Manager of the Sonoma Marin Area Transit (SMART) rail service will be the RTC’s guest speaker at the August 2, 2018 RTC meeting, and he will speak on The Evolution of SMART. He also noted that the RTC will also host Kyle Gradinger, Division Chief, Caltrans Division of Rail and Mass Transportation for a closer look at the State Rail Plan, funding from SB1, and other topics related to future implementation of passenger rail in Santa Cruz County.

**Brian Peoples**, Trail Now, noted that all the speakers invited for the speaker’s series are promoting trains.

20. Caltrans report

There was no Caltrans report due to time constraint.

21. **9:30 am PUBLIC HEARING**: Adoption of Measure D Five-Year Programs of Projects for Regional Projects and Community Bridges/Lift Line

Rachel Moriconi, Senior Transportation Planner, discussed the Measure D revenue designation of projects throughout the county, highlighting the projects that will be implemented in the next 5 years.

Commissioners discussed: the funding recommendation for the Highway 9/SLV Corridor Plan; to delay approval until staff discuss Measure D funded projects at special meetings within each jurisdiction; public oversight and community outreach during the Measure D fund allocation process; Measure D fund allocation formula for Watsonville; past public input on Measure D was regarding the overall spending parameters and not the specifics; improving transportation in the county; staff’s responsibility to present this information, and the Commissioners’ responsibility to engage the public on this measure; changes can be made to the regional investment categories and projects; that more than $4 million is allocated in the Fiscal Year (FY) 2018/19 for auxiliary lane expansion on Highway 1; the need to plan for alternative types of transportation; information on Cruz 511 program outcomes and efficacy; need for greater funding for Highway 17 patrolling; that decisions should only be made after the completion of the Unified Investment Corridor Study (UCS); shifting funds from Cruz511 to other projects; holding RTC meetings in the evenings; request that staff give presentation during each jurisdictions’
council meetings; and that the Safe on 17 program was one of the most successful programs of its kind in the county.

The public hearing opened at 9:57 a.m.

**Brian Peoples**, Trail Now, opposes building a rail for a future train and asked the RTC to discuss its plans for bonding Measure D.

**Monica McGuire**, Santa Cruz County resident, stated that outreach for public input on Measure D is lacking, that Commissioners have not been available to constituents to receive input, and that there is great public interest in Personal Rapid Transit.

**Rick Klefell**, Santa Cruz County resident, stated that rail is an outdated technology and that it will cause damage to the region’s environment.

**Coleen Douglas**, Santa Cruz County resident, asked for transportation solutions and for flexibility in future program spending.

**Peter Stanger**, Santa Cruz County resident, stated that Segment 18 of the Monterey Bay Sanctuary Scenic Trail (MBSST) will not produce a safe and enjoyable bike path for the community and that the Watsonville wetland trails would be a better solution for the bike path.

**Catherine Marino**, Santa Cruz County resident, noted that information on the Measure D 5-year plan has been easily accessible to the public and asked for the approval of the staff recommendation.

**Michael Saint**, Campaign for Sustainable Transportation, noted that his previous suggestion to the RTC to form a similar body as the Community Advisory Council of the Monterey Bay Community Power was not accepted, and suggested that an advisory committee to bring input from the community be created.

**Jannike Strause**, Bike Santa Cruz County, is thrilled to see the Rail Trail, the San Lorenzo Corridor plan, and other projects moving forward, and to have funding to put towards these projects.

**Josh Stephens**, City of Santa Cruz resident, asked for greener alternatives to conventional buses on local routes in order to continue efforts to reduce greenhouse gas emissions, for greater discussion on bus tracking, greater utilization of the delay text alert system, increased Highway 17 bus services, for the 'Houston model' to be considered when discussing HOV lanes on Highway 1, and for a portion of Measure D funds to be put towards reestablishing usage of the rail.

**Mark Mesiti-Miller**, Friends of the Rail and Trail, supports the 5-year plan but suggested that some Measure D funds can be leveraged against Senate Bill
(SB) 1 funds to study the possibility of replacing the Capitola trestle with a trestle that supports both rail and trail, which would avoid a detour through the village as currently planned in the MBSST Master Plan. He suggested that $50,000 be allocated from item 12 of the Active Transportation/MBSST-Rail Trail to explore this possibility.

**Woutje Swets**, Santa Cruz County resident, suggested that Commissioners wait until a new Executive Director is hired before voting on any funding allocations.

**Cary Pico**, Aptos resident, stated that there needs to be better outreach regarding Measure D funded projects, especially Highway 1 and other road infrastructure projects.

**Nancy Bilicich**, Watsonville City Council, asked when Highway 1 traffic congestion will be addressed, when HOV lanes will be added, for Measure D funds to be used for a Highway 1 expansion to at least State Park Drive, and asked for solutions to be done quickly.

**Anne Neyland**, Santa Cruz County resident, stated that county students use and need public transportation, that bike lanes must be maintained and expanded to ensure cyclist safety as well as to curtail the cyclist death and injury rates, and urged that a bike path be considered for the corridor.

**Gail McNulty**, Santa Cruz County Greenway, suggested that the order of Agenda items be switched so that the Rail Operator Agreement is voted on first because its approval would have direct impact on several of the Measure D projects listed.

**Nick Bilinovich**, City of Watsonville resident, stated that it was not clear that Measure D was a sales tax measure. He also asked for a description of what the RTC received in form of services and supplies in 2018.

**Barry Scott**, Aptos resident, noted that there is state funding for rail infrastructure projects and that RTC should take advantage of that opportunity.

**Ashley Winn**, La Selva Beach resident, stated that the Measure D 5-year plan does not contain a fair allocation of Measure D funds for each segment of the coastal trail, that funds should fairly be allocated without causing injury to any part of the county, and urged the RTC to use Measure D funds for improvements on Highway 1.

**Tom Fredericks**, Felton resident, supports staff recommendations for the improvements planned for Felton.

**Chris Schneider**, City of Santa Cruz Public Works, thanked the RTC for considering a funding increase for trail maintenance and the voters for passing
Measure D because it allows for the cities to obtain more transportation grants.

**Manu Koenig,** Santa Cruz County resident, stated that the 5-year plan is problematic because it is focused on piecemeal infrastructure improvement and does not achieve results. He also recommended allocating funds for urban prototyping, such as a lane on Highway 1 that would switch according to traffic flow and provide more immediate solutions to the county’s gridlock problem.

Public hearing closed at 10:29 a.m.

Commissioner Coonerty moved and Commissioner Bertrand seconded approval of the staff recommendations to adopt a resolution to:

1. Approve the five-year program of projects for Measure D regional investment categories and projects: Highway Corridors, Active Transportation, Rail Corridor, San Lorenzo Valley-Highway 9 Corridor Improvements and the Highway 17 Wildlife Crossing, and for Community Bridges-Lift Line (Exhibit F);
2. Amend the Fiscal Year (FY) 2018/19 RTC budget to reflect the approved Measure D “5-year programs of projects”; and,
3. Authorize the Executive Director to enter into agreement with implementing agencies, as may be necessary, to ensure requirements of the Measure D Ordinance are met for projects allocated funds in the Measure D “5-year programs of projects.”

Commissioner Rotkin made a friendly amendment to the motion, which was accepted by the maker and the second of the motion to take $50,000 from the railroad bridge rehabilitation line in the Rail Corridor Plan to do additional railroad bridge analysis on the feasibility of replacing the bridge through the Capitola Village with one that can accommodate both rail and trail.

Commissioner Johnson asked for a friendly amendment to reduce funding to the Cruz 511 program and increase funds for the Safe on 17 program. The amendment was not accepted by the maker of the motion. Commissioner Johnson moved and Commissioner Caput seconded the motion to make this change. The motion did not carry, with Commissioners Caput and Johnson voting “aye”, and Commissioners Bertrand, Bottorff, Chase, Coffman-Gomez, Coonerty, Leopold, Rotkin and Commissioner Alternates Virginia Johnson, Mulhearn, and Noroyan voting “nay.”

The motion with one friendly amendment for a feasibility study for the railroad bridge in Capitola Village was approved with Commissioners Bertrand, Bottorff, Chase, Coffman-Gomez, Coonerty, Leopold, Rotkin and Commissioner Alternates Virginia Johnson, Mulhearn, and Noroyan voting “aye”, and Commissioners Caput and Johnson voting “nay.”

Chair Leopold adjourned the meeting for a break at 11:01 a.m.
Chair Leopold resumed the meeting at 11:12 a.m.

22. Santa Cruz Branch Rail Line Short Line Operator Agreement and consider California Environmental Quality Act (CEQA) findings of exemption

Luis Mendez, Deputy Director, presented the staff report and distributed suggested language changes to Section 8 of the agreement provided by RTC’s legal counsel on Surface Transportation Board (STB) matters.

Commissioners discussed: that no additional economic or legal hurdles are created by the agreement; a $300,000 buyout clause in case the RTC decides to forego this agreement as a result of the UCS; clarification of some sections of the Administration, Coordination, and License Agreement (ACL); revenue from the agreement; potential passenger rail service should be explored; rail operator payment tracking; alternatives for Watsonville freight customers if the ACL is not approved; potential of another disruption of freight service if the operator is not cleared for Phase 2; kinds of freight cargo that would be transported through the area by PGR; penalties in the contract; phasing of the agreement; fulfillment of the RTC’s legal and fiduciary obligations; full utilization of the corridor with more than just a trail; compliance with Proposition (Prop.) 116 and 108, the Federal Railroad Administration, the California Department of Transportation, and to the voters pertaining to the immediate and future uses of the corridor; infeasibility of waiting until the UCS is completed to make a decision regarding ACL; the long, open and public process which involved extensive public input, workshops, and meetings to get to this decision; the UCS is being respected in this process; the UCS will be available for public input and discussion before the RTC makes a final decision on the future use of the corridor.

Nancy Bilicich, City of Watsonville Council Member, stated that an immediate freight solution is needed to address the needs of local businesses, that further discussion should happen regarding future plans for the corridor, and that there needs to be a transportation solution to alleviate traffic on Highway 1.

Bob Berlage, Big Creek Lumber Company, stated that Big Creek has faced a hardship due to five rail cars stalled at the Pajaro junction, that the company has relied on freight service for over 50 years, that the cost differential between rail and truck freight is substantial, and that Big Creek Lumber needs dependable maintenance, inspection, and reliable service on the rail line.

James Eggleston, La Selva Beach resident, stated that the RTC should do an Environmental Impact Report (EIR) study on the ACL and asked for the agreement to be delayed until the UCS is completed.

Doug Green, La Selva Beach resident, stated that beach erosion in La Selva Beach is affecting the rail tracks and that freight service for Watsonville vendors is needed. He noted that he does not support rail service on the rest of the line.
Brandon Kett, City of Watsonville resident, asked for improvements of transportation options for South County residents and that the proposed agreement provides the flexibility to address the transportation needs in the county.

Rick Kleffel, Santa Cruz County resident, stated that PGR is an out-of-state operator that will transport toxic materials through the area and that he supports the Greenway plan.

Clare Kleffel, Santa Cruz County resident, noted that she has not witnessed much freight transport via the railroad, and that the Commission should focus on moving people and not freight.

Saladin Sale, City of Santa Cruz resident, supports the approval of the agreement because it will allow continuity of freight services, to meet legal obligation to maintain services on the line, and to begin improvements and restorations to the tracks.

Bonnie Morr, Santa Cruz County resident, asserted that PGR will bring toxic materials to the county and create unsafe conditions for pedestrians and cyclists.

Celia Morr, Santa Cruz County resident, stated that freight trains coming through the West Side of Santa Cruz will create noise pollution, pose danger to children attending nearby schools, expose her residence to potential propane train car explosions, and create unsafe intersections.

Shane White, K&D Landscaping in Watsonville, stated that many heritage trees will be cut if the Rail Trail plan is implemented, that the plan will be costly, and that it does not appear that the corridor can support the train and a trail. Mr. White opposes the agreement and stated that the Commission should wait until the UCS is completed before making a decision, and that the agreement would have a negative impact in the county’s jobs, economy, and people.

Gary Plomp, Santa Cruz County resident, stated that rejecting the agreement would have serious consequences to local businesses and that a valuable transportation asset to move freight and people would be lost.

Joe Martinez, Aptos resident, opposes PGR and stated that Greenway and Trail Now have the community support.

Cary Pico, Santa Cruz County resident, stated freight is not lucrative, that the RTC will not receive enough revenue from the line for maintenance and repairs, and that ACL is not profitable.

Suzane Helfman, Aptos resident, stated that the agreement does not provide
solutions to the county’s transportation problems, and urged the RTC to wait until the completion of the UCS before making a decision.

Kevin Hill, Santa Cruz County resident, supports the staff recommendation and stated that local businesses need a rail operator to address their freight needs.

Ted Burke, Santa Cruz County Business Council, stated that the Santa Cruz County Business Council Board of Directors supports Greenway’s proposal for the corridor, opposes the ACL, and that the RTC should wait until the UCS is completed before making a decision.

Jacob Martinez, City of Watsonville resident, stated that approving the agreement would set in motion decisions that would hurt the Watsonville community by not providing more equitable transportation services, and that would potentially give way for greater gentrification of the area.

Stanley Sokolow, Santa Cruz County resident, asked for the agreement to contain a requirement for larger trail width, clear language spelling out that PGR does not have the right to interfere on the rail, and that the agreement should make clear that anything built by PGR on the corridor should become RTC property if and when the agreement is terminated.

P.J. Mecuzzi, Del Mar Foods, noted that due to changes in the trucking industry, freight rail services might determine the future industrial capacity of Watsonville, and is in favor of the agreement if it means freight trains and removal of the currently parked train cars.

Lalainia Moules, Driscoll’s, presented all the factors for which Driscoll’s does not consider rail freight to be a viable option for their business.

Kent Griffin, Reiter Affiliated Companies, opposes the agreement and stated that the RTC should wait until the UCS is completed because it may interfere with other uses of the corridor.

Curtis Hill, San Benito County resident, stated that Watsonville contractors are reliant on rail freight services, that he supports the staff recommendation, and that rail could alleviate traffic congestion.

Lauren Cutter, Santa Cruz County resident, opposes the agreement as freight rail would pose a threat to the community, exacerbate traffic congestion, and impact quality of life.

Dean Cutter, Santa Cruz County resident, supports Greenway and opposes the agreement with PGR, stating that it is counter to the approval of a large constituency.

Gillian Greensite, Santa Cruz County Sierra Club, supports moving freight by
rail, and asked the RTC to provide data on PGR’s operations on freight moved by trucks in the area. She asked that the agreement include a spelled-out environmental protocol with best management practices regarding pesticides, tree-trimming, tree-removal, observance of nesting periods, wildlife crossing, and land use regulations. Ms. Greensite also asked for the RTC to consider negotiating with PGR an undertaking to upgrading the rail line to class 4 continuously welded rails within the time span of the agreement.

Matthew Jay, Lineage Logistics, stated that freight rail services are needed to ensure continuous product deliveries, and that he supports the agreement.

Glenn Saltz, Rio del Mar resident, noted that the agreement could lead to grave public health issues, could prevent future more environmentally sustainable options, and that it will not reduce Highway 1 congestion. He also asked the RTC to wait until the UCS is completed before making a decision.

Ryan Evans, Inboard Technologies, stated that there is a transportation paradigm shift underway, that it is shifting towards adopting new multi-modal ways of transportation, and that investing on rail is not a long-term solution.

John Martinelli, S. Martinelli & Co., supports freight rail only for Watsonville, and a pedestrian and bicycle path on the remainder of the corridor because it will provide economic opportunities for the community and will connect communities within the county. He also noted that rail will increase traffic congestion in North County.

William Mell, Santa Cruz County resident, stated that the RTC should wait until the UCS is finalized, that the agreement should be rewritten to only provide freight to South County, and asked for the potential negative impact of rail service on businesses throughout the county to be considered.

Tad Vectrop, City of Santa Cruz resident, asked the Commission to consider alternatives that would provide freight solutions to vendors that need it without binding the RTC to a 10-year agreement with PGR that would restrict future uses of the corridor, and urged for the completion of the UCS before making a decision.

Josh Stephens, Santa Cruz County resident, discussed how there are many dangerous, narrow, and congested arterial corridors in the region that are aggravated by freight trucks and that it is better to accept an agreement with an operator vetted by the RTC than one appointed by the federal government.

Jonathan Kolandinsky, Santa Cruz County resident, opposes the agreement north of Watsonville, stating that the corridor lacks infrastructure, that there is little public demand, and that the agreement will negatively impact the county’s environmental and financial future.

Glen Schaller, Monterey Bay Central Labor Council, supports light rail and a
bike trail in Santa Cruz County. He stated that Salinas and Watsonville are the most union dense cities in Monterey and Santa Cruz Counties, that Union workers need transportation options to commute to work, and asked the RTC to approve the agreement.

**Maura Bevitch**, Santa Cruz County resident, stated that the agreement will lead to greater industrial development in the county and asked the Commission to vote against it.

**Ashley Winn**, Santa Cruz County resident, stated that the RTC’s policy has resulted in a bad agreement with PGR, that RTC staff selected PGR prior to the release of the RFP, and that he opposes the agreement.

**Greg Becker**, La Selva Beach resident, noted that rail companies do not report the hazardous materials that they are transporting to local governments, that rail companies claim exemption from environmental hazards reporting, that parked cars are never really empty, and that this agreement would mean a loss of local control over the corridor.

**Roxby Hartley**, Agron Director, stated that Agron needs a reliable operator on the rail line to be operational and that he supports the ACL.

**Matt Farrell**, Santa Cruz County resident, encourages the RTC to approve the agreement and move forward to re-establishing freight service.

**Paul Schoellhamer**, Santa Cruz County resident, stated that it would be a disadvantage to South County businesses if the agreement is not approved, that none of the transit options are foreclosed on this agreement, and urged the RTC to approve it.

**Bruce Sawhill**, Santa Cruz County resident, encouraged the adoption of the agreement and stated that the RTC needs to take care of existing freight needs and avoid an assigned freight operator by the federal government.

**Ryan Sanataro**, Santa Cruz County resident, stated that the agreement should solely address the freight issue in South County, asked for it to be rejected, and for staff to draft a new agreement addressing the needs of the community to have options for both freight and options for the coast.

**Santa Cruz County resident**, asked the RTC to make the best decision for the community and the planet as a whole.

**Brian Peoples**, Trail Now, discussed Trail Now’s rail operator proposal and asked the RTC work with the community to find alternative uses for the rail corridor north of Lee Road.

**Doug Erickson**, Santa Cruz County resident, urged Commissioners not to approve the agreement, if approval is needed, he asked for it to be amended
to ensure that the region’s environment is protected and that there is an exit clause after Phase 2 is put in place.

**Torah Park**, Santa Cruz County resident, supports rail and trail for the corridor. She stated that concerns over propane and toxic materials on the line are ill-informed.

**Santa Cruz County resident**, stated that this is a rushed decision and asked for the Commission to take all county residents’ needs into consideration and to not approve the agreement.

**Manu Koenig**, Santa Cruz County resident, is in favor of the Greenway plan and not rail, urged the Commission to find a third solution that would provide freight service for Watsonville businesses without approving the proposed agreement. He asked the Commission to focus on fixing the Pajaro Bridge and to conduct a full EIR and to renegotiate with PRG to address the problematic clauses.

**Jasmine**, Santa Cruz County resident, read a statement from Michael Termini, City of Capitola Mayor regarding the Capitola trestle inspection.

**Sara Clark**, Santa Cruz County Greenway, urged caution in approving the agreement because there has not been an environmental analysis of potential impact of increased freight transit on the line. She stated that the agreement will lead to legal and practical hurdles to any non-train use of the corridor.

**Bill Cook**, City of Santa Cruz resident, urged the Commission not to rush into this agreement and that no studies have been completed to determine if this is the best course of action for the county.

**Barbara Roettger**, Santa Cruz County resident, stated that Greenway presents a viable alternative to signing the agreement and asked for the agreement to not be approved, for explore other options for freight customers in Watsonville, and only consider entering into a long-term contract with a freight operator after the completion of the UCS and an EIR.

**David Date**, La Selva Beach resident, spoke on the effects that traffic congestion has had on his family, he supports the Greenway plan, and is against approving the agreement prior to the completion of the UCS.

**Carolyn Bridget Flynn**, Santa Cruz County resident, thinks that there is an alternative to address freight needs in South County while not bringing rail to North County and urged for the agreement to not be adopted as it is drafted.

**Monica McGuire**, Santa Cruz County resident, asked how many questions submitted by the public were not publically answered and stated that there has not been enough debate about the agreement for it to be voted on.
Robert Singleton, Executive Director of the Santa Cruz County Business Council, stated that 86% of the members of the Santa Cruz County Business Council voted for a trail only option, that signing this agreement may undermine the results of the UCS, that a decision should not be made until the study is completed, and that maybe a third alternative should be explored.

Janie Soito, Santa Cruz County resident, stated that Watsonville needs should be addressed and that the agreement would benefit the local economy.

Aurelio Gonzales, City of Watsonville resident, supports the agreement and stated that the rail tracks need to be improved and that Watsonville residents might suffer if it is not approved.

Elise Bercelli, Santa Cruz County resident, asked to delay making a decision on the agreement, but to further evaluate all options for the corridor.

Mark Mesiti-Miller, Friends of the Rail and Trail, stated that the RTC must protect the rail corridor and those in the county who rely on it, that the agreement prevents hardship and disruption of freight services for both south and north county customers, that it protects the county from fiduciary and legal risks and leaves all options open going forward, and he urged approval of the agreement.

Suzi Merriam, City of Watsonville, asked for the approval of the agreement, noting that the freight corridor is a necessity for local businesses and they would suffer if the RTC does not contract with an operator.

Anna Kammer, City of Watsonville resident, urged for the approval of the agreement because the businesses and people of Watsonville need this line for freight and future transportation options.

Corinne McFarland, Live Oak resident, urges for a third alternative to be considered.

Mike Setty, City of Napa resident, asked for the rail tracks to be preserved, for approval of the agreement, and thinks that a tourist and a passenger train possibility should be explored.

Nancy Connelly, City of Santa Cruz resident, opposes the agreement; stated that the UCS will soon be concluded which will elucidate the best use of the corridor, and approval of this agreement will restrict the use of the coastal corridor for the next ten years.

Felipe Hernandez, Watsonville City Council, urged for approval of the agreement and stated that voting no on this agreement would be detrimental for South County's economy, workers, and development.

Gail McNulty, Santa Cruz County Greenway, stated that the decision made
regarding the agreement needs to address the needs of the community, which can be done without approving it. She said that approving this agreement puts the county at risk.

**Jenny Sarmiento**, City of Watsonville Planning Commissioner, urged for approval of the agreement because Watsonville residents cannot afford any more job loss.

**Joe Jordan**, City of Santa Cruz resident, asked for the agreement to be approved.

**Barry Scott**, Aptos resident, stated that the rail corridor is an asset for future generations and that freight service is needed for the customers in South County.

Commissioner Bottorff moved and Commissioner Rotkin seconded the motion to approve the Administration, Coordination and License Agreement with Progressive Rail (**Attachment 1**) for rail operations on the Santa Cruz Branch Rail Line as negotiated and with the modified language to Section 8 as suggested by RTC’s Surface Transportation Board (STB) legal counsel and distributed by staff (Exhibit A), authorize the Executive Director to execute the agreement, and issue a California Environmental Quality Act (CEQA) notice of exemption (**Attachment 4**).

Commissioner Coonerty asked for a friendly amendment to the motion to modify Sections 2.5.1 and 6.3 of the agreement as shown in the language that he distributed (Exhibit B). The friendly amendment was accepted by the maker and the second of the motion. The motion passed with Commissioners Bottorff, Caput, Chase, Coffman-Gomez, Coonerty, Leopold, Rotkin and Commissioner Alternate Noroyan voting “aye”, and Commissioners Bertrand, Johnson, and Commissioner Alternates Virginia Johnson and Mulhearn voting “nay.”

*Commissioner Johnson left the meeting.*

23. **North Coast Rail Trail – Project Update and Schedule or Release of Draft Environmental Impact Report (EIR)**

Luis Mendez, Deputy Director, presented the staff report.

Commissioner Rotkin moved and Commissioner Bottorff seconded approval of the staff recommendations to:

1. Accept an update on North Coast Rail Trail project implementation; and,
2. Accept anticipated schedule for release of Draft Environmental Impact Report (EIR) with a 45-day public review period and public meetings.

The motion carried unanimously with Commissioners Bertrand, Bottorff, Caput, Chase, Coffman-Gomez, Coonerty, Leopold, Rotkin, and Commissioner
Alternates Virginia Johnson, Mulhearn, and Noroyan voting “aye.”

24. Adoption of the Findings, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program as required by CEQA Guidelines and adoption of the 2040 Santa Cruz County Regional Transportation Plan (RTP)

Ginger Dykaar, Senior Transportation Planner, presented the staff report recommending the adoption of the 2040 Santa Cruz County Regional Transportation Plan (RTP), which identifies goals, funding projections, and transportation projects to be considered for implementation over the next 20 plus years.

Commissioner Bertrand moved and Commissioner Rotkin seconded the staff recommendations to:

1. Consider the Final Environmental Impact Report for the 2040 Santa Cruz County Regional Transportation Plan;
2. Adopt a resolution (31-18), adopting the Findings, Statement of Overriding Considerations, and Mitigation Monitoring and Reporting Program related to the Environmental Impact Report certified by the Association of Monterey Bay Area Governments (AMBAG), as the lead agency under the CEQA, for the 2040 Santa Cruz County Regional Transportation Plan; and,
3. Adopt a resolution (32-18) adopting the final 2040 Santa Cruz County Regional Transportation Plan.

The motion carried unanimously with Commissioners Bertrand, Bottorff, Chase, Coffman-Gomez, Coonerty, Leopold, Rotkin and Commissioner Alternates Virginia Johnson, Mulhearn, and Noroyan voting “aye.”

25. Review of items to be discussed in closed session

No comments were given.

Commissioners adjourned to closed session at 3:10 p.m.

**CLOSED SESSION**

26. CONFERENCE WITH REAL PROPERTY NEGOTIATOR pursuant to Government Code 54956.6

Commission Negotiators: John Leopold, Yesenia Parra, CPS HR Consulting
Unrepresented Employee: Executive Director

27. CONFERENCE WITH LABOR NEGOTIATORS pursuant to Government Code 54957.6
Commission Negotiators: Yesenia Parra, Lozano Smith, Attorney at Law
Bargaining Units: RTC Association of Middle Management (RAMM) and
Community of RTC Employees (CORE)

OPEN SESSION

Commissioners reconvened in open session at 3:53 p.m.

28. Report on closed session

   Nothing reported.

29. Next Meetings

   **There will be no meetings in July.**

   The next RTC meeting is scheduled for Thursday, August 2, 2018 at 9:00 a.m.
   at the Watsonville City Council Chambers, 275 Main St., Ste. 450, Watsonville, CA.

   The next Transportation Policy Workshop meeting is scheduled for Thursday,
   August 16, 2018 at 9:00 a.m. at the Watsonville City Council Chambers, 275
   Main Street, Watsonville, CA.

Meeting adjourned at 3:53 p.m.

Respectfully submitted,

Fernanda Dias Pini

Attendees:

Heather Adamson  Association of Monterey Bay Area Governments
Greg Becker  La Selva Beach Resident
Maura Bevitch  Santa Cruz County Resident
Casey Beyer  Santa Cruz Area Chamber
Margie Biddick  Santa Cruz County Resident
Nancy Billicich  Watsonville City Council
Nick Bilinovich  City of Watsonville Resident
Naina Biswell  Santa Cruz County Resident
J.W. Boulton  Santa Cruz County Resident
Josie Buchanan  Santa Cruz County Business Council
Ted Burke  Santa Cruz County Business Council
Casey Kraig Clark  Santa Cruz County Resident
Sara Clark, Shute, Mihalty, & Weinberger
Howard Cohen, Santa Cruz County Resident
Nancy Connelly, City of Santa Cruz Resident
Bill Cook, City of Santa Cruz Resident
Pamela Cox, Santa Cruz County Resident
Deborah Culmer, Santa Cruz County Resident
Jason Culotta, Progressive Rail
Dean Cutter, Santa Cruz County Resident
Lauren Cutter, Santa Cruz County Resident
David Date, La Selva Beach Resident
Thomas Davis, Santa Cruz County Resident
Marty Demane, Santa Cruz County Resident
Coleen Douglas, Santa Cruz County Resident
James Eggleston, Santa Cruz County Resident
Margie and Doug Erickson, Santa Cruz County Resident
Francisco Estrada, Health Trust
Ryan Evans, Inboard Technologies
Matt Farrell, Santa Cruz County Resident
Carolyn Bridit Flynn, Santa Cruz County Resident
Tom Fredericks, Santa Cruz County Resident
Rick S. Garrett, Santa Cruz County Resident
Aurelio Gonzales, City of Watsonville Resident
Judith Gonzales, Santa Cruz County Resident
Julie Goodman, Santa Cruz County Resident
Larry Goodman, Santa Cruz County Resident
Doug Green, La Selva Beach Resident
Gillian Greensite, Sierra Club
Kent Griffin, Reiter Affiliated Companies
Pam Harris, Santa Cruz County Resident
Roxby Hartley, Agron Bioenergy
Suzanne Helfman, Rio del Mar Resident
Felipe Hernandez, Watsonville City Council
Curtis J. Hill, San Benito County resident
Kevin Hill, Santa Cruz County Resident
Jim Horde, Santa Cruz County Resident
Jeanne Ikemoto, Santa Cruz County Resident
Sherry Jackson, Santa Cruz County Resident
Matthew Jay, Lineage Logistics
Joe Jordan, Santa Cruz County Resident
Anna Kammer, Santa Cruz County Resident
Rebecca Kaney, Santa Cruz County Resident
Brandon Kett, City of Watsonville resident
<table>
<thead>
<tr>
<th>Name</th>
<th>Name</th>
<th>Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Judith</td>
<td>Kinit</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Clare</td>
<td>Kleffel</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Rick</td>
<td>Kleffel</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Purea</td>
<td>Koenig</td>
<td>Corralitos Resident</td>
</tr>
<tr>
<td>Manu</td>
<td>Koenig</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Jonathan</td>
<td>Kolandinsky</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Matt</td>
<td>Machado</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Jean</td>
<td>Mahaney</td>
<td>Live Oak Resident</td>
</tr>
<tr>
<td>Catherine</td>
<td>Marino</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>John</td>
<td>Martinelli</td>
<td>S. Martinelli &amp; Co.</td>
</tr>
<tr>
<td>Ellen</td>
<td>Martinez</td>
<td>Aptos Resident</td>
</tr>
<tr>
<td>Jacob</td>
<td>Martinez</td>
<td>City of Watsonville resident</td>
</tr>
<tr>
<td>Will</td>
<td>Mayall</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Corinne</td>
<td>McFarland</td>
<td>Live Oak Resident</td>
</tr>
<tr>
<td>Monica</td>
<td>McGuire</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Gail</td>
<td>McNulty</td>
<td>Santa Cruz County Greenway</td>
</tr>
<tr>
<td>P.J.</td>
<td>Mecuzzi</td>
<td>Del Mar Food Products Corp.</td>
</tr>
<tr>
<td>William</td>
<td>Mell</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Suzi</td>
<td>Merriam</td>
<td>City of Watsonville</td>
</tr>
<tr>
<td>Mark</td>
<td>Mesiti-Miller</td>
<td>Friends of the Rail and Trail</td>
</tr>
<tr>
<td>Dave</td>
<td>Miller</td>
<td>City of Watsonville Resident</td>
</tr>
<tr>
<td>Ken and Andrea</td>
<td>Miller</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Bonnie</td>
<td>Morr</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Celia</td>
<td>Morr</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Lalainia</td>
<td>Moules</td>
<td>GM Lineage Logistics, Watsonville</td>
</tr>
<tr>
<td>Anne</td>
<td>Neyland</td>
<td>Santa Cruz Count Resident</td>
</tr>
<tr>
<td>Lee</td>
<td>Otter</td>
<td>California Coastal Commission</td>
</tr>
<tr>
<td>Sandra</td>
<td>Parhami</td>
<td>Santa Cruz County Business Council</td>
</tr>
<tr>
<td>Torah</td>
<td>Park</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Ary</td>
<td>Parker</td>
<td>Parajo Valley Resident</td>
</tr>
<tr>
<td>Phil</td>
<td>Parker</td>
<td>South County Resident</td>
</tr>
<tr>
<td>Brian</td>
<td>Peoples</td>
<td>Trail Now</td>
</tr>
<tr>
<td>Bill/ William</td>
<td>Philipps</td>
<td>Live Oak Resident</td>
</tr>
<tr>
<td>David</td>
<td>Phillips</td>
<td>Seabright resident</td>
</tr>
<tr>
<td>Cary</td>
<td>Pico</td>
<td>Aptos Resident</td>
</tr>
<tr>
<td>Gary V.</td>
<td>Plomp</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Richard</td>
<td>Rahders</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Andrea</td>
<td>Ratto</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Anne</td>
<td>Ratto</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Judy</td>
<td>Rislay</td>
<td>Santa Cruz County Resident</td>
</tr>
<tr>
<td>Maria Esther</td>
<td>Rodriguez</td>
<td>City of Watsonville resident</td>
</tr>
<tr>
<td>Barbara</td>
<td>Roettger</td>
<td>Santa Cruz County Greenway</td>
</tr>
<tr>
<td>Name</td>
<td>Organization/Resident</td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Ian Rotmanburn</td>
<td>Rio del Mar Resident</td>
<td></td>
</tr>
<tr>
<td>Mike Saint</td>
<td>Campaign for Sustainable Transportation</td>
<td></td>
</tr>
<tr>
<td>Saladin Sale</td>
<td>City of Santa Cruz Resident</td>
<td></td>
</tr>
<tr>
<td>Glenn Saltz</td>
<td>Rio del Mar Resident</td>
<td></td>
</tr>
<tr>
<td>Ryan Sanataro</td>
<td>Santa Cruz County Resident</td>
<td></td>
</tr>
<tr>
<td>Jenny Sarmiento</td>
<td>City of Watsonville Planning Commissioner</td>
<td></td>
</tr>
<tr>
<td>Bruce Sawhill</td>
<td>Friends of the Rail and Trail</td>
<td></td>
</tr>
<tr>
<td>Glen Schaller</td>
<td>Monterey Bay Central Labor Council</td>
<td></td>
</tr>
<tr>
<td>Chris Schneider</td>
<td>City of Santa Cruz Public Works</td>
<td></td>
</tr>
<tr>
<td>Paul Schoellhamer</td>
<td>Santa Cruz County Resident</td>
<td></td>
</tr>
<tr>
<td>Barry Scott</td>
<td>Aptos Resident</td>
<td></td>
</tr>
<tr>
<td>Michael D. Setty</td>
<td>City of Napa Resident</td>
<td></td>
</tr>
<tr>
<td>Anne Sherwood</td>
<td>Rio del Mar Resident</td>
<td></td>
</tr>
<tr>
<td>Robert Singleton</td>
<td>Santa Cruz County Business Council</td>
<td></td>
</tr>
<tr>
<td>Janie and Stan Soito</td>
<td>Santa Cruz County Resident</td>
<td></td>
</tr>
<tr>
<td>Stanley Sokolow</td>
<td>Santa Cruz County Resident</td>
<td></td>
</tr>
<tr>
<td>Peter Stanger</td>
<td>Santa Cruz County Resident</td>
<td></td>
</tr>
<tr>
<td>Brian Stanley</td>
<td>Santa Cruz County Resident</td>
<td></td>
</tr>
<tr>
<td>Liz Starkey</td>
<td>Santa Cruz County Resident</td>
<td></td>
</tr>
<tr>
<td>Josh Stephens</td>
<td>City of Santa Cruz Resident</td>
<td></td>
</tr>
<tr>
<td>Jannike Strause</td>
<td>Bike Santa Cruz County</td>
<td></td>
</tr>
<tr>
<td>Woutje Swets</td>
<td>Santa Cruz County Resident</td>
<td></td>
</tr>
<tr>
<td>Nadene Thorne</td>
<td>Santa Cruz County Resident</td>
<td></td>
</tr>
<tr>
<td>David Van Brinke</td>
<td>Santa Cruz County Resident</td>
<td></td>
</tr>
<tr>
<td>Tad Vectrop</td>
<td>Santa Cruz County Resident</td>
<td></td>
</tr>
<tr>
<td>Cliff Walters</td>
<td>Roaring Camp</td>
<td></td>
</tr>
<tr>
<td>Shane White</td>
<td>K&amp;D Landscaping, Watsonville</td>
<td></td>
</tr>
<tr>
<td>Ashley Winn</td>
<td>Santa Cruz County Resident</td>
<td></td>
</tr>
<tr>
<td>Jasmine</td>
<td>Santa Cruz County Resident</td>
<td></td>
</tr>
</tbody>
</table>
Modifications suggested by RTC special legal counsel on STB matters

8.2.2. Upon termination of this Agreement, whether through the expiration of the term or by the Parties as contemplated herein, Railway shall cooperate, at its expense, with the transfer or abandonment of Freight Service as requested by the Commission; provided, that no termination shall be effective unless and until the STB has approved such transfer or abandonment.

8.2.3. The parties acknowledge that initiation of Freight Services by Railway will require Railway to invest substantial funds in anticipation of future revenues from both Phase I (Freight Service) and Phase II (Transportation Service) service. In recognition of Railway’s investment, if after completion of the Study and prior to the grant of a license to provide Transportation Service (Phase II), the Commission determines that the Freight Easement Property should not be used for Freight Service from MP 7.0 to MP 0.0, the Commission may terminate this Agreement subject to the provisions of Section 8.2.2, and upon approval of the abandonment by the STB, pay Railway $300,000.
Item 22 - Exhibit B

Proposed changes to the Administration, Coordination, and License Agreement submitted by Commissioner Ryan Coonerty

2.5.1. Unless otherwise expressly agreed by the Commission in writing, Railway will not (i) store more than 100 rail cars, or (ii) store rail cars in locations other than those approved by the Commission marked on Exhibit B (which locations are intended to substantially avoid visibility from Highway 1 and blocking designated public beach access), or (iii) store any rail car for more than two (2) months. Absent the Commission’s prior written consent, which consent may be withheld in the Commission’s sole discretion, Railway may not store railcars that have been used to transport Hazardous Materials unless such railcars are empty or contain only residual amounts of Hazardous Materials.

6.3. The Commission understands that Railway requires locations outside of the Freight Easement Property at which to store and maintain equipment and materials necessary for Railway’s Freight Operations including a locomotive pit. The parties agree that Railway may store equipment and materials at the location known as Wrigley’s, located between Swift Street and Natural Bridges Drive at or about Milepost 21.5. The parties agree that Railway will need to identify and construct additional maintenance and storage locations on the Property, which Railway may do as needed, subject to applicable law and the Commission’s prior written consent (subject to the provisions of Section 2.82.82.3, which prohibit material interference with Railway’s Freight Service rights and obligations under federal law, unless first approved by the STB).