



**Santa Cruz County
Regional Transportation Commission
(Special Meeting)**

MINUTES

**Thursday, March 19, 2026
9:00 a.m.**

In-Person Meeting

RTC Office - Oak Conference Room
1101 Pacific Avenue, Suite 250A
Santa Cruz, CA 95060

Remote Participation

RTC Zoom
<https://us02web.zoom.us/j/89597173447>
Dial-in: +1 312 626 6799
Webinar ID: 895 9717 3447

1. Roll call – The meeting was called to order at 9:00 am.

Members present:

| | |
|--|-----------------------|
| City of Capitola | Gerry Jensen |
| City of Santa Cruz | Fred Keeley |
| City of Scotts Valley | Steve Clark |
| City of Watsonville | Eduardo Montesino |
| County of Santa Cruz | Manu Koenig |
| County of Santa Cruz | Kimberly DeSerpa |
| County of Santa Cruz | Andy Schiffrin (Alt.) |
| County of Santa Cruz | Monica Martinez |
| County of Santa Cruz | Lowell Hurst (Alt.) |
| Santa Cruz Metropolitan Transit District | Donna Lind (Alt.) |

Staff present:

| | |
|-------------------|----------------------------|
| Sarah Christensen | Bella Kressman |
| Yesenia Parra | Nisha Singh |
| Krista Corwin | Shannon Munz |
| | Steve Mattas (RTC Counsel) |

2. Oral communications - *none*

Commissioner Keeley arrived to the meeting at 9:10 a.m. Commissioner DeSerpa arrived to the meeting at 9:12 a.m.

3. Additions or deletions to consent and regular agendas

Administrative Services Officer Yesenia Parra communicated that replacement pages for item 4 were posted to the website.

CONSENT AGENDA

No consent items.

REGULAR AGENDA

4. Authority to Form a 501(c)(4) Social Welfare Non-Profit Corporation as a Subsidiary Entity to Provide Rail Services and Serve as the Common Carrier for All or Most of the Santa Cruz Branch Rail Line

Real Property Specialist Isabella Kressman provided the staff report and presentation.

RTC Counsel Steve Mattas responded to Commissioners' questions regarding: the roles and responsibilities of the subsidiary entity; agreements between the SCCRTC and the subsidiary entity; sources of revenue; legal authorities; decision-making process; freight easement; encroachments; maintenance; Brown Act requirements; legal liability; federal employment laws; 501(c)4 social welfare organizations; advantages of creating the subsidiary board with the same board members as the Commission itself.

Commissioners discussed: preservation of the fiscal and operational integrity of the SCCRTC; why the Commission did not pursue a Joint Powers Authority (JPA); Right of Entry; impact on trail development.

Commissioner Koenig made a motion and Commissioner Hurst seconded the motion to approve the staff recommendation to:

1. Form a 501(c)4 social welfare non-profit corporation as a subsidiary entity to the RTC to provide rail services and serve as the designated operating or non-operating common carrier for all or most of the Santa Cruz Branch Rail Line;
2. Execute incorporation documentation on behalf of the RTC and the subsidiary; and

3. File final documentation and make minor non-substantive edits as necessary for filing.

The motion passed unanimously.

5. Report on items to be discussed in closed session

RTC Counsel Steve Mattas provided a brief overview of the two items to be discussed in closed session. The Commission entered into closed session at 9:38 a.m.

CLOSED SESSION

6. Conference with Real Property Negotiators
(Pursuant to Government Code Section 54956.8)
Property: Santa Cruz Branch Line Railroad Right of Way Property
Negotiating Parties: SCCRTC and St. Paul and Pacific Railroad, LLC
Under Negotiation: Price and Terms Related to License Agreement for Santa Cruz Branch Rail Line
7. Conference with Legal Counsel – Anticipated Litigation
(Pursuant to Government Code Section 54956.9(d)(2))
Significant Exposure to Litigation – One case

OPEN SESSION

8. Report on items discussed in closed session

The Commission returned to open session at 10:53 a.m. RTC Counsel Steve Mattas announced that on a 10-0 vote, the Commission directed staff to return to the April RTC commission meeting with a draft final agreement with Progressive Rail to voluntarily terminate the ACL based on the conditions identified by the Commission and Progressive, and discussed as part of the closed session.

The special meeting adjourned at 10:54 a.m.

9. Next meetings

The next RTC meeting is scheduled for Thursday, April 2, 2026 at 9:00 p.m. at the Watsonville City Council Chambers, located at 275 Main Street, Fourth Floor, Watsonville, CA 95076.

Respectfully submitted,

Yesenia Parra, Administrative Services Officer

Attendees

Matt Farrell