



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS AGENDA
REGULAR MEETING
JANUARY 22, 2016 – 8:30 AM
SANTA CRUZ CITY CHAMBERS
809 CENTER STREET
SANTA CRUZ, CA 95060**

MISSION STATEMENT: “To provide a public transportation service that enhances personal mobility and creates a sustainable transportation option in Santa Cruz County through a cost-effective, reliable, accessible, safe, clean and courteous transit service.”

The Board Meeting Agenda Packet can be found online at www.SCMTD.com and is available for inspection at Santa Cruz Metro’s Administrative offices at 110 Vernon Street, Santa Cruz, California.

This document has been created with accessibility in mind. With the exception of the Structural Deficit Workshop materials, certain 3rd party and other attachments, it passes the Adobe Acrobat XI Accessibility Full Check. If you have any questions about the accessibility of this document, please email your inquiry to accessibility@scmttd.com

BOARD ROSTER

Director Ed Bottorff	City of Capitola
Director Dene Bustichi, Chair	City of Scotts Valley
Director Karina Cervantez	City of Watsonville
Director Cynthia Chase	City of Santa Cruz
Director Jimmy Dutra	City of Watsonville
Director Zach Friend	County of Santa Cruz
Vacant	County of Santa Cruz
Director Don Lane	City of Santa Cruz
Director John Leopold	County of Santa Cruz
Director Bruce McPherson	County of Santa Cruz
Director Mike Rotkin, Vice Chair	County of Santa Cruz
Ex-Officio Vacant	UC Santa Cruz
Alex Clifford	METRO CEO/General Manager
Leslyn K. Syren	METRO District Counsel

TITLE 6 - INTERPRETATION SERVICES / TÍTULO 6 - SERVICIOS DE TRADUCCIÓN

Spanish language interpretation and Spanish language copies of the agenda packet are available on an as-needed basis. Please make advance arrangements with the Executive Assistant at 831-426-6080. Interpretación en español y traducciones en español del paquete de la agenda están disponibles sobre una base como-necesaria. Por favor, hacer arreglos por adelantado con Coordinador de Servicios Administrativos al numero 831-426-6080.

AMERICANS WITH DISABILITIES ACT

The Board of Directors meets in an accessible facility. Any person who requires an accommodation or an auxiliary aid or service to participate in the meeting, or to access the

agenda and the agenda packet (including a Spanish language copy of the agenda packet), should contact the Executive Assistant, at 831-426-6080 as soon as possible in advance of the Board of Directors meeting. Hearing impaired individuals should call 711 for assistance in contacting Santa Cruz METRO regarding special requirements to participate in the Board meeting. For information regarding this agenda or interpretation services, please call Santa Cruz METRO at 831-426-6080.

SECTION I: OPEN SESSION

NOTE: THE BOARD CHAIR MAY TAKE ITEMS OUT OF ORDER

1 SWEAR IN NEW DIRECTORS

2 CALL TO ORDER

3 ROLL CALL

4 ANNOUNCEMENTS

- 4-1. Spanish language interpretation will be available during "Oral Communications" and for any other agenda item for which these services are needed.
- 4-2. Today's meeting is being broadcast by Community Television of Santa Cruz County.

5 BOARD OF DIRECTORS COMMENTS

6 COMMUNICATIONS TO THE BOARD OF DIRECTORS

This time is set aside for Directors and members of the general public to address any item not on the Agenda which is within the subject matter jurisdiction of the Board. No action or discussion shall be taken on any item presented except that any Director may respond to statements made or questions asked, or may ask questions for clarification. All matters of an administrative nature will be referred to staff. All matters relating to Santa Cruz METRO will be noted in the minutes and may be scheduled for discussion at a future meeting or referred to staff for clarification and report. Any Director may place matters brought up under Communications to the Board of Directors on a future agenda. In accordance with District Resolution 610-2-1, speakers appearing at a Board meeting shall be limited to three minutes in his or her presentation. Any person addressing the Board may submit written statements, petitions or other documents to complement his or her presentation. When addressing the Board, the individual may, but is not required to, provide his/her name and address in an audible tone for the record.

- Taqueria El Dandy Letter Received January 6, 2016

7 WRITTEN COMMUNICATIONS FROM MAC

8 LABOR ORGANIZATION COMMUNICATIONS

9 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

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.

10-01 RECOMMENDED ACTION ON TORT CLAIMS

Liseth Guizar, Safety, Security and Risk Manager

10-02 ACCEPT AND FILE PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF SEPTEMBER 2015

Angela Aitken, Finance Manager

10-03 ACCEPT AND FILE MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS MEETINGS OF DECEMBER 11, 2015 & DECEMBER 21, 2015

Alex Clifford, CEO/General Manager

10-04 ACCEPT AND FILE MINUTES FOR THE METRO ADVISORY COMMITTEE (MAC) MEETING OF NOVEMBER 18, 2015

Alex Clifford, CEO/General Manager

10-05 ACCEPT AND FILE QUARTERLY STATUS REPORT OF ACTIVE GRANTS AND APPLICATIONS AT JANUARY 2016

Tom Hiltner, Grants/Legislative Analyst

10-06 CONSIDERATION OF METROBASE MONTHLY CHANGE ORDER REPORT

Andrew Kreck, Project Manager, Hill International

10-07 REVISED METROBASE PHASE II (OPERATIONS BUILDING) LIFE OF PROJECT BUDGET AND CAPITAL RESOURCE ALLOCATION PLAN

Alex Clifford, CEO/General Manager

10-08 CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT EXTENSION WITH HILL INTERNATIONAL, INC. FOR PROJECT MANAGEMENT CONSULTANT SERVICES, INCREASING THE CONTRACT TOTAL BY \$350,000

Alex Clifford, CEO/General Manager

10-09 CONSIDERATION OF AWARD OF CONTRACT TO ALLIANT INSURANCE SERVICES REPRESENTING DELTA DENTAL FOR EMPLOYEE DENTAL INSURANCE COVERAGE NOT TO EXCEED \$940,000 FOR TWO YEARS

Robyn D. Slater, Human Resources Manager

10-10 CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT EXTENSION WITH DAY WIRELESS SYSTEMS FOR LAND MOBILE RADIO NETWORK UPGRADE THROUGH FEBRUARY 3, 2017

Liseth Guizar, Safety, Security and Risk Manager

10-11 CONSIDERATION OF ISSUING A FORMAL INVITATION FOR BIDS FOR ROOF REPLACEMENT AT SANTA CRUZ METRO ADMINISTRATION BUILDING

Al Pierce, Maintenance Manager

10-12 CONSIDER A RESOLUTION DESIGNATING THE CEO AS THE AUTHORIZED AGENT TO SUBMIT A GRANT APPLICATION FOR THE LOW CARBON TRANSIT OPERATIONS PROGRAM

Tom Hiltner, Grants/Legislative Analyst

10-13 CONSIDERATION OF AWARD OF CONTRACT TO CAPITALEDGE ADVOCACY, INC. FOR FEDERAL LEGISLATIVE REPRESENTATIVE SERVICES NOT TO EXCEED \$201,000

Alex Clifford, CEO/General Manager

10-14 RELOCATION COSTS ASSOCIATED WITH THE PLANNING AND DEVELOPMENT MANAGER RECRUITMENT

Robyn D. Slater, Human Resources Manager

10-15 CONSIDERATION OF ADOPTION OF SANTA CRUZ METRO'S REVISED DRUG AND ALCOHOL TESTING POLICY

Robyn D. Slater, Human Resources Manager

10-16 REVISED METRO ADVISORY COMMITTEE (MAC) BYLAWS

Alex Clifford, CEO/General Manager

10-17 ACCEPTANCE OF FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED JUNE 30, 2015

Angela Aitken, Finance Manager

10-18 METRO PARTICIPATION IN THE BUS COALITION

Alex Clifford, CEO/General Manager

REGULAR AGENDA

11 PRESENTATION OF EMPLOYEE LONGEVITY AWARD FOR MARIA GRANADOS-BOYCE

Chair Dene Bustichi

12 RESOLUTION OF APPRECIATION FOR GERALD ANDRADE, DANIEL GARCIA, JUAN HERNANDEZ, LARRY MUNGIOLI, SHELDON NJAA, LUCERE WHITNEY AND PETER WU, RETIREES

Chair Dene Bustichi

13 ACCEPT AND FILE THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF SEPTEMBER 30, 2015

Angela Aitken, Finance Manager

- 14 PUBLIC HEARING TO RECEIVE PUBLIC COMMENTS ON SANTA CRUZ METRO'S PROPOSED DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL OF 1.73% FOR FEDERAL FISCAL YEARS 2015-2017 (FFY15-FFY17) AND APPROVAL OF THE REVISED DBE PROGRAM WILL COMMENCE AT THE SANTA CRUZ CITY CHAMBERS AT 9:00AM, OR AS SOON THEREAFTER THE MATTER CAN BE HEARD**
[Angela Aitken, Finance Manager/DBE Liaison Officer](#)
- 15 CONSIDERATION OF SEVERAL ISSUES RELATED TO PEPRA AND FEDERAL FUNDING INCLUDING: 1) AUTHORIZE THE CEO/GENERAL MANAGER TO SIGN A LETTER TO THE DEPARTMENT OF LABOR (DOL) TO EXPEDITE THE RECEIPT OF FEDERAL FUNDS; 2) RECEIVE A REPORT REGARDING THE STATUS OF LITIGATION BETWEEN THE STATE OF CALIFORNIA AND THE DOL; AND, 3) RECEIVE INFORMATION REGARDING NEW PROPOSED LEGISLATION TO CLARIFY THE RETROACTIVITY OF PEPRA**
[Leslyn K. Syren, General Counsel](#)
- 16 CONSIDERATION OF ACCEPTING METRO'S MODIFIED TITLE VI PROGRAM REGULATION AND SYSTEM-WIDE SERVICE STANDARDS AND OPEN THE PUBLIC COMMENT PERIOD BEGINNING JANUARY 22, 2016**
[Leslyn K. Syren, General Counsel](#)
- 17 CONSIDERATION OF SANTA CRUZ METRO PROVIDING TRANSPORTATION SERVICE TO THE WARMING CENTER AT THE SANTA CRUZ COUNTY FAIRGROUNDS IN WATSONVILLE UNDER PROCLAMATION OF A LOCAL EMERGENCY**
[Ciro Aguirre, Chief Operations Officer](#)
- 18 TECH BUSES AND THE SCOTTS VALLEY BART CAVALLARO TRANSIT CENTER PARKING CHALLENGES**
[Alex Clifford, CEO/General Manager](#)
- 19 SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION (SCCRTC) TRANSPORTATION SALES TAX MEASURE**
[Alex Clifford, CEO/General Manager](#)
- 20 COMMUNICATIONS AND MARKETING SERVICES**
[Alex Clifford, CEO/General Manager](#)
- 21 CEO TO GIVE ORAL REPORT**
[Alex Clifford, CEO/General Manager](#)
- 22 DISTRICT COUNSEL EMPLOYMENT AGREEMENT**
[Dene Bustichi, Board Chair](#)

- 23 CONSIDERATION OF NOMINATING DIRECTORS TO SERVE AS BOARD OFFICERS, NOMINATING REPRESENTATIVES AND ALTERNATES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION (SCCRTC) AND NOMINATING A DIRECTOR TO THE SANTA CRUZ CIVIC IMPROVEMENT CORPORATION (SCCIC) BOARD**
Dene Bustichi, Chair
- 24 ANNOUNCEMENT OF NEXT MEETING: FRIDAY, FEBRUARY 26, 2016 AT 8:30 AM, AT THE METRO ADMIN OFFICES, 110 VERNON STREET, SANTA CRUZ**
Chair Dene Bustichi
- 25 ADJOURNMENT**
Chair Dene Bustichi

Pursuant to Section 54954.2(a)(1) of the Government Code of the State of California, this agenda was posted at least 72 hours in advance of the scheduled meeting at a public place freely accessible to the public 24 hours a day. The agenda packet and materials related to an item on this Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Santa Cruz METRO Administrative Office (110 Vernon Street, Santa Cruz) during normal business hours. Such documents are also available on the Santa Cruz METRO website at www.scmtd.com subject to staff's ability to post the document before the meeting.

TAQUERIA EL DANDY

920 Pacific Ave Suite 4
Santa Cruz, CA 95060

This letter is directed to the Board of directors of Santa Cruz Metropolitan Transit District. With this letter we would like to thank you for all the years that you gave us the opportunity to rent from you. Also to let you know that we agree with the date you gave us to evacuate the property located on 920 Pacific Ave. Ste 4 Santa Cruz, CA 95060 which is January 29, 2016. We would like for you guys to trust us and be patience, we will evacuate your building on the date mention. We will turn in our keys and do a final walkthrough with you guys on that date and you will see that everything is in good condition, the same as when we first moved in. This same way we will also expect to receive our deposit back of \$1,600.00(one thousand six hundred dollars) and our refund.

Please be aware that we have not received our refund that has been pending since February 27, 2014. In the most respectful manner we will like for you guys to resolve this matter as soon as possible. The refund that we are asking for is for the period of time that we were forced to close the business so you guys could do some repairs on the drainage inside the taqueria. That time Rebeca which was then the person in charge, sent us a letter(please see attached a copy of it) saying that we will be reimbursed for all the losses during the period that our Taqueria El Dandy was closed. We did our calculations and we had a total of \$2,500.00 of losses. We have not received any notice on this subject.

In the most respectful manner and attention we ask that you take care of this and we also ask that you have our deposit and refund ready for us no later than January 29, 2016. As soon as we receive our deposit and refund we will be gladly to give you guys the keys to your property.

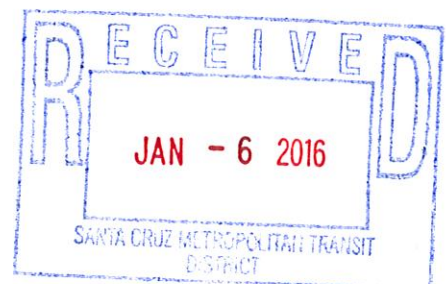
Once again we thank you for the opportunity that you guys gave is all these years.

Taqueria El Dandy wishes you and your family a
HAPPY NEW YEAR!!! 😊

Sincerely,

Cynthia Aguado
Cynthia Aguado

Eva Avalos C.
Eva Avalos



6.1

*Santa Cruz Metropolitan
Transit District*



February 27, 2014

Cynthia Aguado and Eva Avalos
1040 Nueva Vista Avenue
Watsonville, CA 95076

Re: Taqueria El Dandy

Dear Ms Aguado and Ms. Avalos:

This letter serves as notification that Taqueria El Dandy must close its business temporarily, effective today at 5:00 pm. We are extremely sorry for the inconvenience this action may impose on you and your business.

It has just been determined by Santa Cruz METRO that the Taqueria's wash sink is draining into the storm drain, instead of the sewer. This is a violation of **Chapter 7.79 Runoff and Pollution Control Ordinance of the County of Santa Cruz**. I have enclosed a copy of **Ordinance No. 5117** that is pertinent to this issue for your review.

Santa Cruz METRO is prohibited from allowing any business to continue that is violating this Ordinance and must take immediate steps to fix the drain. Santa Cruz METRO is going to be setting up the work to alleviate the drain problem and connect the Taqueria's sink to the sewer as soon as possible. Santa Cruz METRO staff is anticipating that the work can begin in the next few days, but will likely require the Taqueria to be closed at least one week, depending on how quickly the work can be accomplished. We will keep you notified as the work progresses.

Santa Cruz METRO will work with Taqueria El Dandy and provide credit for any loss of earnings or profit as a result of your business being shut down during this time.

Thank you for your attention to this matter.

Very truly yours,

Leslyn K. Syren
District Counsel

LS/rjd
Encls.

cc: Angela Aitken, Finance Manager
Robert Cotter, Maintenance Manager



DATE: January 22, 2016
TO: Board of Directors
FROM: Liseth Guizar, Safety, Security and Risk Manager
SUBJECT: RECOMMENDED ACTION ON TORT CLAIMS

I. RECOMMENDED ACTION

That the Board of Directors Reject the Attached Claims for the Months of December 2015 and January 2016

II. SUMMARY

- This staff report provides the Board of Directors with recommendations on claims submitted to the Santa Cruz Metropolitan Transit District (METRO).

III. DISCUSSION/BACKGROUND

METRO's Risk Department received two claims for the months of January, 2015 and January 2016 for money or damages. As a public entity, METRO must act "within 45 days after the claim has been presented" (Govt C §912.4(a)). Staff has attached a recommendation with the claim.

IV. FINANCIAL CONSIDERATIONS/IMPACT

None

V. ALTERNATIVES CONSIDERED

Within the 45-day period, the Board of Directors may take the following actions:

- Reject the claim entirely;
- Allow it in full;
- Allow it in part and reject the balance;
- Compromise it, if the liability or amount due is disputed (Govt C §912.4(a)); or
- Do nothing, and allow the claim to be denied by operation of law (Govt C §912.4 (c)).

VI. ATTACHMENTS

Attachment A: Claim and Recommended Action for Vinnitskaya, Larisa; 15-0021

Attachment B: Claim and Recommended Action for State Farm (Subrogee for Chong, Salvador); 15-0022

Prepared by: Tom Szeszowicki, Safety Specialist

VII. APPROVALS:

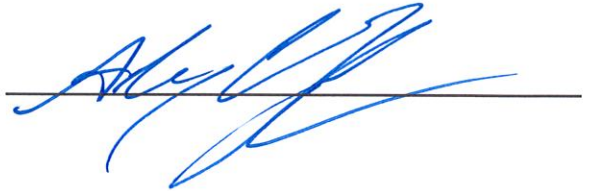
Liseth Guizar
Safety, Security and Risk Manager



Approved as to form:
Leslyn K. Syren, District Counsel



Alex Clifford, CEO/General Manager



Attachment A

GOVERNMENT TORT CLAIM

RECOMMENDED ACTION

TO: Board of Directors

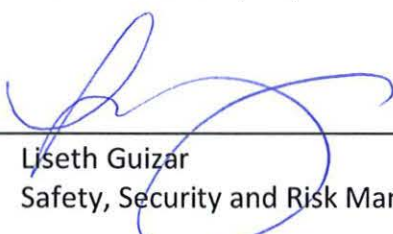
FROM: Liseth Guizar, Safety, Security and Risk Manager

RE: Claim of: Vinnitskaya, Larisa
Date of Incident: 6/20/15

Received: 12/20/15 Claim #: 15-0021
Occurrence Report No.: SC0615-19

In regard to the above-referenced Claim, this is to recommend that the Board of Directors take the following action:

- 1. Reject the claim entirely.
- 2. Deny the application to file a late claim.
- 3. Grant the application to file a late claim.
- 4. Reject the claim as untimely filed.
- 5. Reject the claim as insufficient.
- 6. Allow the claim in full.
- 7. Allow the claim in part, in the amount of \$ _____ and reject the balance.

By  _____
Liseth Guizar
Safety, Security and Risk Manager

Date: 1/8/16

I, Gina Pye, do hereby attest that the above Claim was duly presented to and the recommendations were approved by the Santa Cruz Metropolitan Transit District's Board of Directors at the meeting of January 22, 2016.

By _____
Executive Assistant to CEO

Date: _____

Attachment(s)

Report # SC0615-14, copy is emailed to zastow@fcmta.com at 12/18/15

Attachment A Claim for Damages Against the Santa Cruz Metropolitan Transit District

Please submit claim and supporting documentation to:
Santa Cruz Metropolitan Transit District (METRO), Risk Department, 110 Vernon Street, Santa Cruz, CA 95060
 Untimely or insufficient (incomplete) claims will be returned.
 * = Required ** = Required if known Please print or type clearly

1. *Claimant's Name and Street Address: Name: <u>LARISA VINNITSKAYA</u> Address: _____ City: _____ State: _____ Zip: _____ Telephone Numbers: Home: _____	2. *Send Official Notices and Correspondence to: Name: <u>CLAIMANT - LARISA VINNITSKAYA</u> Address: _____ City: _____ State: _____ Zip: _____ Telephone Numbers: Home: _____
---	---

3. *Medicare Reporting

Are you presently, or have you ever been, enrolled in Medicare Part A or B? Yes No

IF YES please provide the following information- Medicare Claim Number: _____

Date of _____ Social Security Number: _____ Gender: M or F

4. Incident Information

*Date of Incident: 6/20/15 **Time of Incident: _____ M/PM **Location: _____

Weather Conditions: _____ Bus Number: _____ Route: _____

**Name or ID of METRO Employee who allegedly caused injury or loss: _____

5. Witnesses involved:

1)	Name	Address	Telephone:
2)			
3)			

6. *Amount Claimed- Property damage or loss and method of computation.
 Attach supporting documentation (see instructions)

1) LEFT FRONT DOOR MIRROR REPLACEMENT \$ SEE ESTIMATE OF TECHNICIAN

2) LEFT FRONT DOOR RE-PAINTS AUTOBODY \$ ATTACHED

Total Amount Claimed: \$ 1,136.42

IF amount claimed over \$10,000, check the following:
 Limited (up to \$25,000) Unlimited (over \$25,000)

METRO USE ONLY:

Claim # 15-0021

Date Received (date stamp):

RECEIVED

DEC 20 2015

SANTA CRUZ METRO
LEGAL DEPT

45 days - Feb/3/16

SMIT - 01525

Attachment A

Claim for Damages Against the Santa Cruz Metropolitan Transit District

7. *Basis of Claim: State in detail the facts and circumstances of the incident. Identify all persons, entities and property involved. State why you believe METRO is responsible for the alleged injury, property damage or loss (use a separate sheet of paper if necessary).

I WAS DRIVING MY NISSAN SENTRA 1.8S, 2004,
BY THE TWO-LANE BEACH ST, SANTA CRUZ, CA BY THE RIGHT LANE.
AFTER CROSSING INTERSECTION WITH THE WEST CLIFF DR, I'VE
STOPPED BEHIND LINE OF CARS. THE METRO BUS PASSING MY CAR BY
LEFT LANE HAD HIT MY CAR'S DRIVER SIDE. WE BOTH PROCEEDED
TO NEXT STREET BLOCK WHERE WE BOTH HAD PARKED LEGALLY.
THE FEW PASSENGERS OF THE BUS HAD COME OUT, POLICE OFFICER AND
METRO CLAIM ADMINISTRATOR HAD COME. I HAD NO PASSENGERS
IN MY CAR. NOBODY WAS INJURED.
METRO BUS DRIVER INFO:

8. *Description of Claimant's Injury, Property Damage or Loss:

NO INJURY. DRIVER'S SID MIRROR WAS CUT OFF, DRIVER
DOOR WAS DAMAGED, DETAILS - AT THE ATTACHED ESTIMATES:

- 1) TECHNICS AUTOBODY, 898 SAN MATEO AVE, SAN BRUNO, CA 94066,
PH. (650) 871-1666. TOTAL LOSS: \$ 1,136.42
- 2) BAY AREA LIMO REPAIR, 421, S CANAL ST, S SAN FRANCISCO, CA 94080,
PH (650) 872-9600. TOTAL LOSS: \$ 1,070.30

9. *SIGNATURE

LARISA VINNITSKAYA

12/18/2015

Claimant or Representative's Signature

Print Name

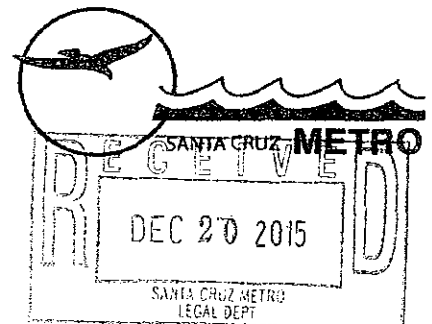
Date

CRIMINAL PENALTY FOR PRESENTNG A FALSE OR FRAUDULENT CLAIM IS IMPRISONMENT OR FINE OR BOTH
(PENAL CODE §72)

Additional Information:

If claim is for **property damage**, please include the following documentation:

- Vehicle registration (if applicable)
- Two repair estimates



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Attachment B

GOVERNMENT TORT CLAIM

RECOMMENDED ACTION

TO: Board of Directors

FROM: Liseth Guizar, Safety, Security and Risk Manager

RE: Claim of: State Farm (Subrogee for Chong, Salvador)
Received: 1/4/16 Claim #: 15-0022
Date of Incident: 10/2/15 Occurrence Report No.: SC1015-04

In regard to the above-referenced Claim, this is to recommend that the Board of Directors take the following action:

- 1. Reject the claim entirely.
- 2. Deny the application to file a late claim.
- 3. Grant the application to file a late claim.
- 4. Reject the claim as untimely filed.
- 5. Reject the claim as insufficient.
- 6. Allow the claim in full.
- 7. Allow the claim in part, in the amount of \$_____ and reject the balance.

By _____

Liseth Guizar
Safety, Security and Risk Manager

Date: 1/8/16

I, Gina Pye, do hereby attest that the above Claim was duly presented to and the recommendations were approved by the Santa Cruz Metropolitan Transit District's Board of Directors at the meeting of January 22, 2016.

By _____

Executive Assistant to CEO

Date: _____

Attachment(s)

Attachment B

Claim for Damages Against the Santa Cruz Metropolitan Transit District

Please submit claim and supporting documentation to:

Santa Cruz Metropolitan Transit District (METRO), Risk Department, 110 Vernon Street, Santa Cruz, CA 95060

Untimely or insufficient (incomplete) claims will be returned.

* = Required ** = Required if known

Please print or type clearly

<p>1. *Claimant's Name and Street Address:</p> <p>Name: <u>SALVADOR CHONG</u></p> <p>Address: _____</p> <p>City: _____ Zip: _____</p> <p>Telephone Numbers: _____</p> <p>Home: _____</p>	<p>2. *Send Official Notices and Correspondence to:</p> <p>Name: <u>STATE FARM - CLAIM # 05-738M-684</u></p> <p>Address: <u>PO BOX 52250</u></p> <p>City: <u>PHOENIX</u> State: <u>AZ</u> Zip: <u>85072</u></p> <p>Telephone Numbers: _____</p> <p>Home: <u>844-292-8615</u> Cell: <u>X108</u></p>
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3. *Medicare Reporting

N/A

Are you presently, or have you ever been, enrolled in Medicare Part A or B? Yes or No

IF YES please provide the following information- Medicare Claim Number: _____

Date of Birth: _____ Social Security Number: _____ Gender: M or F

4. Incident Information

*Date of Incident: 10/2/2015 **Time of Incident: _____ (AM/PM) **Location: HWY 17

Weather Conditions: _____ Bus Number: _____ Route: _____

**Name or ID of METRO Employee who allegedly caused injury or loss: _____

5. Witnesses involved:

Name	Address	Telephone:
1) _____	_____	_____
2) _____	_____	_____
3) _____	_____	_____

6. *Amount Claimed- Property damage or loss and method of computation.
Attach supporting documentation (see instructions)

\$ <u>5,457.63</u>
\$ _____
\$ _____
\$ _____
\$ _____
\$ _____
Total Amount Claimed: \$ _____

IF amount claimed over \$10,000, check the following:

Limited (up to \$25,000) Unlimited (over \$25,000)

METRO USE ONLY:

Claim # 15-0022

Date Received (date stamp):
SCMT-01529

RECEIVED

JAN 04 2016

SANTA CRUZ METRO
LEGAL DEPT

SC1015-04

45 chg 2/18/16

Attachment B

Claim for Damages Against the Santa Cruz Metropolitan Transit District

7. *Basis of Claim: State in detail the facts and circumstances of the incident. Identify all persons, entities and property involved. State why you believe METRO is responsible for the alleged injury, property damage or loss (use a separate sheet of paper if necessary).

Bus swerved to left and hit Lexus, which was pushed into Ford. Then bus hit our insured's vehicle.

8. *Description of Claimant's Injury, Property Damage or Loss:

Right front damage to 2007 Toyota Camry

9. *SIGNATURE

Angela O'Roark

Claimant or Representative's Signature

ANGELA O'ROARK

Print Name

12/24/2015

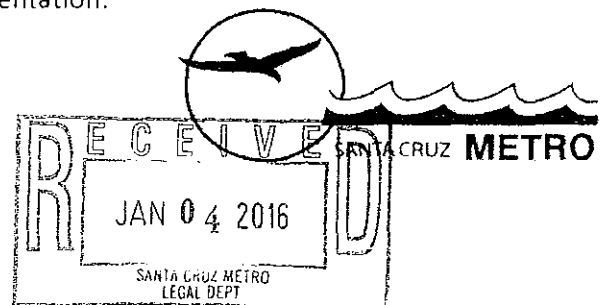
Date

CRIMINAL PENALTY FOR PRESENTING A FALSE OR FRAUDULENT CLAIM IS IMPRISONMENT OR FINE OR BOTH (PENAL CODE 572)

Additional Information:

If claim is for **property damage**, please include the following documentation:

- Vehicle registration (if applicable)
- Two repair estimates



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DATE: January 22, 2016
TO: Board of Directors
FROM: Angela Aitken, Finance Manager
**SUBJECT: ACCEPT AND FILE PRELIMINARY APPROVED CHECK JOURNAL
DETAIL FOR THE MONTH OF SEPTEMBER 2015**

I. RECOMMENDED ACTION

That the Board of Directors accept and file the preliminary approved Check Journal Detail for the month of September 2015.

II. SUMMARY

- This staff report provides the Board with a preliminary approved Check Journal Detail for the month of September 2015.
- The Finance Department is submitting the check journal for Board acceptance and filing.

III. DISCUSSION/BACKGROUND

This preliminary approved Check Journal Detail provides the Board with a listing of the vendors and amounts paid out on a monthly cash flow basis (Operating and Capital expenses).

All invoices submitted for the month of September 2015 have been processed, checks issued and signed by the Finance Manager.

IV. FINANCIAL CONSIDERATIONS/IMPACT

None. The check journal is a presentation of invoices paid in September 2015 for purposes of Board review, agency disclosure, accountability and transparency.

V. ALTERNATIVES CONSIDERED

N/A

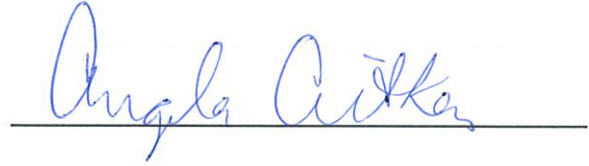
VI. ATTACHMENTS

Attachment A: Check Journal Detail for the Month of September 2015

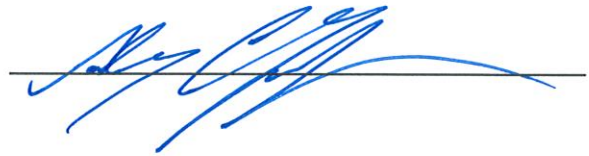
Prepared By: Lorraine Bayer, Accountant II

VII. APPROVALS:

Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
CHECK JOURNAL DETAIL BY CHECK NUMBER
ALL CHECKS FOR ACCOUNTS PAYABLE

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DATE: 09/01/15 THRU 09/30/15

CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK VENDOR	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
53161	09/14/15	-300.00	001165	VU, THANH DR. MD	7	66270	DMV EXAM	-75.00	**VOID
						66271	DMV EXAM	-75.00	
						66272	DMV EXAM	-75.00	
						66273	DMV EXAM	-75.00	
53638	09/07/15	203.50	002069	A TOOL SHED, INC.		67245	LIGHTS	203.50	
53639	09/07/15	72.01	002941	AA SAFE & SECURITY CO		67178	DOOR RPR PAC STATION	72.01	
53640	09/07/15	1,211.17	382	AIRTEC SERVICE INC.		67221	RPR HVAC VERNON	1,211.17	
53641	09/07/15	292.47	003019	AMERICAN REPROGRAPHICS CO LLC		67210	UPDATE DRAWINGS	13.64	
						67211	UPDATE DRAWINGS	87.82	
						67212	UPDATE DRAWINGS	35.13	
						67213	UPDATE DRAWINGS	136.81	
						67214	UPDATE DRAWINGS	19.07	
						67226	INVENTORY PARTS PC	80.28	
53642	09/07/15	80.28	294	ANDY'S AUTO SUPPLY	0	67191	SEPT 15 TPA FEES	8,750.00	
53643	09/07/15	8,750.00	001348	ATHENS INSURANCE SERVICE, INC.		67246	RPR VACUUM	72.21	
53644	09/07/15	72.21	002689	B & B SMALL ENGINE CORP		67164	9/15-9/16 PROP INSUR	10,000.00	
53645	09/07/15	50,017.50	174	BARNEY & BARNEY LLC		67168	9/15-9/16 PROP INS	40,017.50	
53646	09/07/15	463.50	003168	BIOMAAS INC		67220	BIO MONITORING MB	463.50	
53647	09/07/15	5,816.25	002035	BOWMAN & WILLIAMS INC		67170	JUL15 RIVER DRIVEWAY	2,772.50	
						67216	BUS STOP RPR GRNVLY	2,638.75	
						67218	JUL15 AC SERVER ROOM	5,000.00	
53648	09/07/15	5,000.00	001324	CAPITALEGE ADVOCACY, INC.		67166	SEPT15 LEGISLATE SVC	780.84	
53649	09/07/15	780.84	001159	CATTO'S GRAPHICS, INC.		67258	BUS STICKERS	780.84	
53650	09/07/15	1,200.00	001099	CERTS LLC		67244	ANNUAL INSPECTION	1,200.00	
53651	09/07/15	54,000.00	E312	CHENG, FRANK		67156	SETTLEMENT	54,000.00	
53652	09/07/15	216.26	002929	CHEVROLET OF WATSONVILLE LLC	7	67259	RPR BUS #315 PC	216.26	
53653	09/07/15	269.65	E957	CLIFFORD, ALEX		67206	MEETING REIMBURSEMEN	40.90	
						67207	MEETING REIMBURSEMEN	228.75	
53654	09/07/15	2,350.73	075	COAST PAPER & SUPPLY INC.		67179	CUSTODIAL SUPPLIES	238.00	
						67234	INVENTORY PARTS	404.03	
						67235	CLEANING SUPPLIES	1,686.95	
						67243	CLEANING SUPPLIES	21.75	
53655	09/07/15	254.59	003116	CUMMINS PACIFIC LLP		67177	INVENTORY PARTS	254.59	
53656	09/07/15	70.00	002946	DAY WIRELESS SYSTEMS		67217	LMR PROJECT	70.00	
53657	09/07/15	2,031.02	001329	DOC AUTO LLC		67238	RPR VEH #1112 PC	1,904.79	
						67252	RPR VEH #1125 PC	126.23	
53658	09/07/15	735.00	916	DOCTORS ON DUTY MEDICAL CLINIC		67165	DOT DRUG TESTS	735.00	
53659	09/07/15	2,589.80	003153	ENVIRONMENTAL LOGISTICS INC		67158	NON HAZ WASTE	2,589.80	
53660	09/07/15	3,193.75	002953	EPICOR SOFTWARE CORP		67215	UPGRADE HCM SOFTWARE	2,450.00	
						67219	UPGRADE HCM SOFTWARE	743.75	
53661	09/07/15	1,656.00	432	EXPRESS SERVICES INC.		67189	TEMP W/E 8/23/15	690.00	
						67190	TEMP W/E 8/16/15	966.00	
53662	09/07/15	1,519.81	447	FERRIS HOIST & REPAIR, INC.		67169	8/10/15 INSPECTION	1,519.81	
53663	09/07/15	69,885.38	002295	FIRST ALARM		67198	JUL 15 SECURITY DUB	11,236.48	
						67199	JUL 15 SECURITY HW	3,171.27	
						67200	JUN15 SECURITY METRO	10,742.40	

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CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
53664	09/07/15	1,252.11 002962	FIS	67201	JUN15 SECURITY HW			3,171.27	
53665	09/07/15	233.64 001302	GARDA CL WEST, INC.	67202	JUL15 SECURITY METRO			42,961.99	
53666	09/07/15	5,221.93 002954	GCR TIRES & SERVICE	67203	JAN15 SECURITY CREDI			-552.17	
				67204	MAR15 SECURITY CREDI			-383.29	
				67205	FEB15 SECURITY CREDI			-155.68	
				67263	NOV14 SECURITY HW			-306.89	
				67225	JUL 15 SERVICES			1,252.11	
				67176	SEPT 15 SERVICES			233.64	
				67249	TIRES			1,291.85	
				67250	TIRES			2,503.54	
				67251	TIRES			1,107.79	
				67255	TIRES			318.75	
				67232	INVENTORY PARTS			435.84	
				67233	INVENTORY PARTS			468.40	
				67196	TRAVEL REIMBURSEMENT			25.15	
				67041	CREDIT			-651.85	
				67052	NON INV HARDWARE			471.22	
				67175	MISC ELECTRICAL SUPP			562.61	
				67222	TEMP W/E 8/14/15			1,069.20	
				67187	CL 2009210149 218396			176.00	
				67188	CL 2010226708			240.00	
				67262	DIESEL 8/7/15			14,858.32	
				67223	30 TICKET @ \$4.00/EA			120.00	
				67241	RPR VEH #1114 PC			132.77	
				67253	RPR VEH #1102 PC			147.32	
				67159	TEMP W/E 8/14/15			199.20	
				67197	TEMP CONVERSION FEE			6,000.00	
				67208	TEMP W/E 8/7/15			1,503.60	
				67209	TEMP W/E 8/14/15			1,517.70	
				67193	7/25-8/25 VERNON			6,987.05	
				67194	7/24-8/24 GOLF CLUB			6,606.23	
				67195	7/24-8/24 1200B RIV			2,752.12	
				67183	OFFICE SUPPLIES			161.17	
				67256	OFFICE SUPPLIES			634.57	
				67257	OFFICE SUPPLIES			269.79	
				67260	TEST RPR AIR COOLER			85.00	
				67184	5/12-8/11 IMAGES OPS			108.48	
				67167	7/24-8/26 SERVICES			9,750.00	
				67227	INVENTORY PARTS PC			69.96	
				67228	RPR VEH #805			22.99	
				67229	HEARING PROTECTORS			14.45	
				67230	RPR VEH #805			16.03	
				67231	CREDIT			-8.01	
				67248	INVENTORY PARTS PC			125.55	
				67192	8/16-8/31 W/C REPLEN			10,480.62	
				67224	7/10-8/11 WATER PC			215.37	

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53684	09/07/15	001292	360.00	SANTA CRUZ RECORDS MNGMT INC		67247	AUG 15 SHREDDING	360.00	
53685	09/07/15	122	170.81	SCWTD PETTY CASH - OPS		67157	REPLENISHMENT	170.81	
53686	09/07/15	115	352.06	SNAP-ON INDUSTRIAL		67181	TOOL REPLACEMENT	15.50	
						67182	TOOL REPLACEMENT	336.56	
53687	09/07/15	003152	341.52	UNIFIRST CORPORATION		67163	LAUNDRY SERVICE	6.99	
						67236	LAUNDRY SERVICE	6.48	
						67237	LAUNDRY SERVICE	40.42	
						67239	LAUNDRY SERVICE	69.01	
						67240	LAUNDRY SERVICE	204.34	
						67242	LAUNDRY SERVICE	14.28	
53688	09/07/15	007	53.00	UNITED PARCEL SERVICE		67161	FREIGHT	53.00	
53689	09/07/15	946	29.37	UNITED SITE SERVICES OF CA INC		67171	8/12-9/8 FENCE RENT	29.37	
53690	09/07/15	434B	56.89	VERIZON CALIFORNIA		67160	8/13-9/12 SKY-OCEAN	56.89	
53691	09/07/15	001165	300.00	VU, THANH DR. MD	7	67172	DMV EXAM	75.00	
						67173	DMV EXAM	75.00	
						67174	DMV EXAM	75.00	
						67185	DMV EXAM	75.00	
53692	09/07/15	003223	8,702.96	WELLER TRUCK PARTS		67254	TRANS RPR VEH# 9818	8,702.96	
53693	09/07/15	915	618.00	WORKIN.COM, INC.		67186	JOB PLACEMENT	618.00	
53694	09/07/15	R664	6,000.00	WYLIE,MCBRIDE,PLATTEN & RENNER		67155	SETTLEMENT	6,000.00	
53695	09/07/15	003128	1,137.30	ZEP VEHICLE CARE INC.		67180	CLEANING SUPPLIES	1,137.30	
53696	09/07/15	003057	133.89	ZOOM IMAGING SOLUTIONS, INC.		67261	STAPLES ADMIN COPIER	133.89	
53697M09/08/15		001112	32.63	BRINKS AWARDS & SIGNS	7	67264	2 SIGNS W/HOLDER	32.63	MANUAL
53698	09/14/15	003151	1,308.43	2 SIGNS W/HOLDER	7				
				ABC BUS INC		67162	CREDIT	-178.24	
						67307	PARTS FOR FUEL DISP	41.60	
						67329	INVENTORY PARTS	1,480.96	
						67331	CORE CREDIT	-35.89	
53699	09/14/15	001128	612.50	ALWAYS TOWING & RECOVERY, INC		67333	TOWING VEH #1003	612.50	
53700	09/14/15	002861	32.21	AMERICAN MESSAGING SVCS, LLC		67336	SEPT 15 PAGER RENTAL	32.21	
53701	09/14/15	294	47.58	ANDY'S AUTO SUPPLY	0	67304	INVENTORY PARTS PC	14.99	
						67305	INVENTORY PARTS PC	32.59	
53702	09/14/15	003105	962.83	AT&T MOBILITY		67271	7/24-8/23 BUS WIFI	962.83	
53703	09/14/15	845A	947.45	BLUE SHIELD OF CALIFORNIA		67268	OCT 15 COBRA	947.45	
53704	09/14/15	001346	54.82	CITY OF SANTA CRUZ-FINANCE		67349	FY15 KITE HILL COMM	54.82	
53705	09/14/15	130	1,020.55	CITY OF WATSONVILLE UTILITIES		67308	7/20-8/17 WATER WTC	243.39	
						67309	SOLID WASTE WTC	754.00	
						67310	7/20-8/17 WATER WTC	23.16	
53706	09/14/15	001124	11,161.07	CLEAN ENERGY		67306	LNG 8/7/15	11,161.07	
53707	09/14/15	075	405.38	COAST PAPER & SUPPLY INC.		67297	JANITORIAL SUPPLIES	405.38	
53708	09/14/15	001329	49.95	DOC AUTO LLC		67330	SMOG VEH #801	49.95	
53709	09/14/15	001172	142.44	FERGUSON ENTERPRISES INC. #795		67338	SMC LEAK RPR	142.44	
53710	09/14/15	447	2,857.44	FERRIS HOIST & REPAIR, INC.		67311	RPR FERRIS HOIST	2,857.44	
53711	09/14/15	002952	12,494.16	FLYERS ENERGY LLC		67282	8/1-8/15 FUEL NONREV	2,960.86	
						67327	8/1-8/15 FUEL PC	9,533.30	
53712	09/14/15	002954	3,914.69	GCR TIRES & SERVICE	7	67285	TIRES PC	159.37	

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CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
53713	09/14/15	8,620.83 647	GENEFARE A DIV OF SPX CORP	67286			TIRES	3,755.32	
53714	09/14/15	300.66 282	GRAINGER	67332			RPR COIL VALIDATOR	157.90	
				67352			TVM IMPROVEMENTS	8,462.93	
				67276			BULBS	13.56	
				67277			SHOP TOOL	150.68	
				67278			BRAKE CONTROLLER	142.12	
				67279			INVENTORY PARTS	65.36	
				67319			CREDIT	-71.06	
53715	09/14/15	253.11 001097	GREENWASTE RECOVERY, INC.	67318			AUG 15 TRASH SVTC	253.11	
53716	09/14/15	25.69 E021	HILTNER, THOMAS	67269			TRAVEL REIMBURSEMENT	25.69	
53717	09/14/15	62.92 166	HOSE SHOP, THE INC	67298			HOSE SHIELDS	62.92	
53718	09/14/15	13,870.48 002979	HUNT & SONS, INC.	67299			BULK LIQUIDS	11,471.13	
				67300			BULK LIQUIDS	2,399.35	
53719	09/14/15	2,542.80 878	KELLY SERVICES, INC.	67337			TEMP W/E 8/23/15	1,369.20	
53720	09/14/15	2,138.40 216	LABOR READY, INC.	67350			TEMP W/E 8/23/15	1,173.60	
53721	09/14/15	400.00 003061	NEOFUNDS BY NEOPOST DBA	67314			TEMP W/E 8/28 WTC	1,069.20	
53722	09/14/15	2,691.65 001063	NEW FLYER IND. CANADA ULC DBA	67315			TEMP W/E 8/28 WTC	1,069.20	
				67270			****-****-****-1598	400.00	
				67301			INVENTORY PARTS	1,630.47	
				67302			SGR #2 TOOLING	1,019.63	
				67334			INVENTORY PARTS	41.55	
53723	09/14/15	109.98 002721	NEXTEL COMMUNICATIONS/SPRINT	67348			7/26-8/25 TVM WIRELE	109.98	
53724	09/14/15	4,273.79 004	NORTH BAY FORD LINC-MERCURY	67283			INVENTORY PARTS PC	1,006.12	
				67293			INVENTORY PARTS PC	1,256.65	
				67295			RPR VEH #712	1,521.02	
				67296			RPR VEH #706	490.00	
53725	09/14/15	2,576.37 003115	OFFICE TEAM	67274			TEMP W/E 8/21/15	792.82	
				67343			TEMP W/E 8/14/15	796.80	
				67344			TEMP W/E 8/14/15	986.75	
53726	09/14/15	6,603.56 009	PACIFIC GAS & ELECTRIC	67272			7/29-8/27 PACIFIC	3,479.14	
				67312			8/4-9/2 SVT	68.98	
				67313			7/25-8/25 1200B RIV	18.10	
				67345			7/24-8/24 DUBOIS	3,037.34	
53727	09/14/15	78.03 043	PALACE ART & OFFICE SUPPLY	67290			OFFICE SUPPLIES	47.36	
				67291			OFFICE SUPPLIES	30.67	
53728	09/14/15	858.00 002947	PEDALERS EXPRESS	67347	7		JUL 15 COURIER SVC	858.00	
53729	09/14/15	171.89 002927	PRAXAIR DISTRIBUTION, INC.	67284			WELDING GAS	171.89	
53730	09/14/15	45,736.20 002939	PREFERRED BENEFIT	67266			SEPT 15 DENTAL	45,736.20	
53731	09/14/15	310.16 003024	RICOH USA, INC CA	67342			5/14-8/13 IMAGES PC	310.16	
53732	09/14/15	216.02 135	SANTA CRUZ AUTO PARTS, INC.	67292			ENGINE MOUNT	98.27	
				67294			INVENTORY PARTS PC	132.11	
				67346			CREDIT	-14.36	
53733	09/14/15	190.23 002459	SCOTTS VALLEY WATER DISTRICT	67273			AUG 15 WATER SVT	4.03	
				67316			6/6-8/4 FIRE SVC SVT	45.26	
				67317			6/6-8/4 WATER SVT	140.94	
53734	09/14/15	264.00 957	SECURITY SHORING & STEEL PLT	67303			7/24-8/23 MUD PLATES	264.00	

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53735	09/14/15	145.81 001800		THERMO KING OF SALINAS, INC		67275	INVENTORY ORDER	145.81	
53736	09/14/15	53.89 003152		UNIFIRST CORPORATION		67287	LAUNDRY SERVICE	6.48	
						67288	LAUNDRY SERVICE	40.42	
						67289	LAUNDRY SERVICE PC	6.99	
53737	09/14/15	33.06 007		UNITED PARCEL SERVICE		67335	FREIGHT	33.06	
53738	09/14/15	7,224.64 002829		VALLEY POWER SYSTEMS, INC.		67280	CORE CREDIT	-135.94	
						67281	CORE CREDIT	-67.97	
						67328	INVENTORY PARTS	1,081.05	
						67339	INVENTORY PARTS	6,266.65	
						67340	INVENTORY PARTS	18.14	
						67341	INVENTORY PARTS	62.71	
53739	09/14/15	11,178.92 001043		VISION SERVICE PLAN		67267	SEPT 15 VISION	11,178.92	
53740	09/14/15	525.00 001165		VU, THANH DR. MD	7	67321	DMV EXAM	75.00	
						67322	DMV EXAM	75.00	
						67323	DMV EXAM	75.00	
						67324	DMV EXAM	75.00	
						67325	DMV EXAM	75.00	
						67326	DMV EXAM	75.00	
						67351	DMV EXAM	75.00	
53741	09/14/15	900.00 577		WAYNE, SAMUEL MD.	7	67265	SC 07-14-08	900.00	
53742	09/14/15	28.29 186		WILSON, GEORGE H., INC.		67320	SMC WATER LEAK	28.29	
53743	09/21/15	39.68 002941		AA SAFE & SECURITY CO		67393	KEYS	32.63	
						67426	KEYS	7.05	
53744	09/21/15	860.15 003151		ABC BUS INC		67365	INVENTORY PARTS	860.15	
53745	09/21/15	8,663.00 382		AIRTEC SERVICE INC.		67412	A/C SERVER ROOM	8,663.00	
53746	09/21/15	296.72 294		ANDY'S AUTO SUPPLY	0	67417	INVENTORY PARTS PC	119.16	
						67427	INVENTORY PARTS	159.67	
						67454	LAUNDRY SERVICE	17.89	
53747	09/21/15	310.00 247		AUTOMATIC DOOR SYSTEMS, INC.		67367	RPR DOORS WTC	310.00	
53748	09/21/15	43.49 002363		BATTERIES PLUS #314		67435	BATTERIES	43.49	
53749	09/21/15	150.00 B034		BOTTORFF, EDWARD A.		67486	AUG 15 BOD MEETINGS	150.00	
53750	09/21/15	100.00 B018		BUSTICHI, DENE	7	67487	AUG 15 BOD MEETING	100.00	
53751	09/21/15	603.23 914		CALTRONICS BUSINESS SYSTEMS		67353	OFFICE SUPPLIES	125.06	
						67354	OFFICE SUPPLIES	478.17	
53752	09/21/15	1,886.30 003081		CAPITOLA MALL LLC	7	67537	OCT 15 RENT	1,886.30	
53753	09/21/15	1,788.68 001159		CATTO'S GRAPHICS, INC.		67378	BUS STOP STICKERS	418.43	
						67384	FARE BOX STICKERS	130.50	
						67516	SIGN SVTC	1,239.75	
53754	09/21/15	100.00 B035		CHASE, CYNTHIA		67488	AUG 15 BOD MEETINGS	100.00	
53755	09/21/15	9.55 002929		CHEVROLET OF WATSONVILLE LLC	7	67391	RPR VEH #803	9.55	
53756	09/21/15	7,099.92 909		CLASSIC GRAPHICS		67418	RPR VEH #2214	7,099.92	
53757	09/21/15	62,916.81 001124		CLEAN ENERGY		67395	LNG 8/13/15	10,993.29	
						67396	LNG 8/11/15	10,252.91	
						67434	FRAME REBUILT	6,375.83	
						67482	LNG 8/18/15	10,680.47	
						67514	LNG 8/15/15	9,772.31	

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53758	09/21/15	1,068.53	075	COAST PAPER & SUPPLY INC.		67515	AUG 15 MAINTENANCE	14,842.00	
53759	09/21/15	2,890.00	003034	COASTAL LANDSCAPING INC. DBA		67366	CLEANING SUPPLIES	46.76	
53760	09/21/15	48.70	002063	COSTCO		67443	CLEANING SUPPLIES	1,021.77	
53761	09/21/15	250.50	002814	CREATIVE BUS SALES, INC.		67527	AUG 15 LANDSCAPE SVC	2,890.00	
53762	09/21/15	4,162.19	003116	CUMMINS PACIFIC LLP		67416	8/28 BOD MEETING	48.70	
						67371	INVENTORY PARTS PC	250.50	
						67410	INVENTORY PARTS	2,608.33	
						67419	SWAP ECM VEH #2803	283.90	
						67530	INVENTORY PARTS	63.36	
						67531	INVENTORY PARTS	1,206.60	
53763	09/21/15	375.19	001501	D & G SANITATION		67394	PORTABLE TOILET	375.19	
53764	09/21/15	5,560.00	001219	D&B POWER ASSOCIATES, INC		67507	8/20-8/19/16 MAINT	5,560.00	
53765	09/21/15	538.86	480	DIESEL MARINE ELECTRIC, INC.		67377	RPR VEH #2603 PC	538.86	
53766	09/21/15	149.85	001329	DOC AUTO LLC		67363	SMOG VEH #103	49.95	
						67441	SMOG VEH #207 PC	49.95	
						67442	SMOG VEH #503	49.95	
53767	09/21/15	100.00	B036	DUTRA, JAMES MICHAEL		67489	AUG 15 BOD MEETINGS	100.00	
53768	09/21/15	2,588.90	003153	ENVIRONMENTAL LOGISTICS INC		67518	HAZARDOUS WASTE	2,588.90	
53769	09/21/15	11,195.45	002953	EPICOR SOFTWARE CORP		67466	HCM UPGRADE	11,195.45	
53770	09/21/15	46.14	372	FEDERAL EXPRESS		67538	FREIGHT	46.14	
53771	09/21/15	75.39	001172	FERGUSON ENTERPRISES INC. #795		67478	RPR AT FUEL STATION	75.39	
53772	09/21/15	55,656.16	002295	FIRST ALARM		67408	AUG15 SECURITY METRO	40,979.07	
						67413	AUG 15 SECURITY HW	3,171.27	
						67414	AUG 15 SECURITY DUBO	10,988.58	
53773	09/21/15	12,680.80	002952	FLYERS ENERGY LLC		67483	JUL 15 SECURITY	517.24	
53774	09/21/15	100.00	B032	FRIEND, ZACHARIAH		67362	8/15-8/31 FUEL PC	9,401.09	
53775	09/21/15	9,014.46	002954	GCR TIRES & SERVICE		67364	8/15-8/31 FUEL	3,279.71	
						67490	AUG 15 BOD MEETINGS	100.00	
						67358	TIRES PC	443.18	
						67398	TIRES	902.45	
						67399	TIRES	129.94	
						67400	TIRES	625.89	
						67401	TIRES	1,020.24	
						67402	TIRES PC	637.48	
						67438	TIRES	441.61	
						67439	TIRES	1,251.78	
						67440	TIRES	501.79	
						67446	TIRES	1,251.78	
						67447	TIRES	518.47	
						67448	TIRES	431.46	
						67450	TIRES	858.39	
53776	09/21/15	1,346.76	647	GENFARE A DIV OF SPX CORP		67370	INVENTORY PARTS	624.38	
						67372	INVENTORY PARTS	317.64	
53777	09/21/15	4,029.93	282	GRAINGER		67422	RPR FARE BOX	404.74	
						67429	INVENTORY PARTS	147.85	
						67430	WATER NOZZLE	36.36	

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53778	09/21/15	34.92 546		GRANITEROCK COMPANY		67431	WATER COOLER BOTTLE	260.65	
53779	09/21/15	240.78 001097		GREENWASTE RECOVERY, INC.		67451	CLEANING SUPPLIES	105.58	
53780	09/21/15	3,222.74 E530		GUIZAR, LISETH		67467	INVENTORY ORDER	75.63	
53781	09/21/15	100.00 B039		HAGEN, DONALD N JR		67468	INVENTORY ORDER	48.95	
53782	09/21/15	196,264.55 003178		HILL INTERNATIONAL INC		67469	SECURITY SAFE	395.42	
53783	09/21/15	3,235.31 003222		INTERSTATE TRAFFIC CONTROL INC		67470	NON INVENTORY PARTS	39.01	
53784	09/21/15	4,120.00 002117		IULIANO #2 LLC		67474	INVENTORY PARTS	65.36	
53785	09/21/15	1,334.97 878		KELLY SERVICES, INC.		67475	LIGHTS FOR SVTC	2,468.25	
53786	09/21/15	1,774.83 039		KINKO'S INC.		67476	BRAKE CONTROLLER	142.11	
						67477	PAINT REMOVER TOWELS	56.32	
						67480	BOOTS	146.85	
						67528	HOSE HANGER	41.59	
						67392	GROUT	34.92	
53787	09/21/15	50.00 B037		LANE, DONALD STEVEN		67508	AUG 15 TRASH PARACRU	240.78	
53788	09/21/15	1,312.95 852		LAW OFFICES OF MARIE F. SANG	7	67406	TUITION REIMBURSEMENT	3,222.74	
						67491	AUG 15 BOD MEETINGS	100.00	
						67404	JUL 15 MB PROJ MGMT	196,264.55	
						67517	SIGN POST	3,235.31	
						67539	OCT 15 RENT	4,120.00	
						67428	TEMP W/E 8/30/15	1,334.97	
						67379	LARGE PRINT HEADWAYS	1,095.15	
						67380	TRANSIT POSTERS	679.68	
53789	09/21/15	50.00 B037		LANE, DONALD STEVEN	7	67492	AUG 15 BOD MEETINGS	50.00	
53790	09/21/15	50.00 880		LEOPOLD, JOHN		67521	CL# 1999103213	528.00	
53791	09/21/15	157.10 003059		LEXISNEXIS INC		67522	CL# 15000748	784.95	
53792	09/21/15	13,282.18 003017		MAILFINANCE INC	7	67493	AUG 15 BOD MEETINGS	50.00	
53793	09/21/15	55.89 003187		MANSFIELD OIL CO OF GAINSVILLE		67513	AUG 15 SERVICES	50.00	
53794	09/21/15	100.00 B031		MARTY FRANICH CHRYSLER DODGE		67415	8/28-9/27 LEASE ADMI	157.10	
53795	09/21/15	9,291.84 001063		MCPHERSON, BRUCE		67359	DIESEL 8/31/15	13,282.18	
				NEW FLYER IND. CANADA ULC DBA		67368	INVENTORY PARTS PC	55.89	
						67494	AUG 15 BOD MEETINGS	100.00	
						67360	INVENTORY PARTS	183.84	
						67361	INVENTORY PARTS	7,620.82	
						67382	SMALL TOOLS	121.46	
						67449	INVENTORY PARTS	91.92	
						67456	INVENTORY PARTS	1,231.39	
						67457	INVENTORY PARTS	5.87	
						67460	INVENTORY ORDER	36.54	
53796	09/21/15	886.32 001627		NEW PIG CORPORATION		67444	PIG DRAIN INSERT	451.83	
53797	09/21/15	1,540.84 004		NORTH BAY FORD LINC-MERCURY		67445	INVENTORY ORDER	434.49	
						67459	INVENTORY PARTS PC	785.85	
						67479	RPR VEH #805	674.15	
						67532	RPR VEH #705	48.94	
						67533	RPR VEH #710	12.32	
						67534	RPR VEH #603	19.58	
53798	09/21/15	790.58 003115		OFFICE TEAM		67496	TEMP CONVERSION FEE	-6,000.00	

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53799	09/21/15	3,764.76 009		PACIFIC GAS & ELECTRIC		67497	TEMP CONVERSION FEE	6,000.00	
53800	09/21/15	131.13 043		PALACE ART & OFFICE SUPPLY		67512	TEMP W/E 8/28/15	790.58	
53801	09/21/15	146.82 050		PITNEY BOWES INC.		67407	8/4-9/2 PNR WTC SVT	2,592.33	
53802	09/21/15	58,639.37 904		RNL/INTERPLAN, INC. A CA CORP		67509	8/10-9/8 PARACRUZ	1,172.43	
53803	09/21/15	100.00 B038		ROTKIN, MICHAEL E		67420	OFFICE SUPPLIES	38.01	
53804	09/21/15	574.15 107A		SAN LORENZO LUMBER & HOME CTR		67436	OFFICE SUPPLIES	93.12	
53805	09/21/15	406.64 135		SANTA CRUZ AUTO PARTS, INC.		67463	10/1-12/31POST METER	146.82	
						67405	PROF SVC THRU 7/31	58,639.37	
						67495	AUG 15 BOD MEETINGS	100.00	
						67411	8/31 STATEMENT	574.15	
						67383	CREDIT	-5.26	
						67397	INVENTORY PARTS PC	127.70	
						67423	INVENTORY PARTS PC	140.39	
						67424	INVENTORY PARTS	16.86	
						67455	INVENTORY PARTS	2.48	
						67473	RPR VEH #1120 PC	25.64	
						67484	INVENTORY PARTS	6.58	
						67485	RPR VEH #1102 PC	29.74	
						67519	INVENTORY PARTS	49.50	
						67520	FILTER KIT FOR TVM	13.01	
53806	09/21/15	15,164.14 002917		SANTA CRUZ METRO TRANSIT W/C		67523	8/1-8/15 W/C REPLENI	15,164.14	
53807	09/21/15	2,500.00 002267		SHAW / YODER / ANTIWTH, INC.		67390	SEPT15 LEGISLATE SVC	2,500.00	
53808	09/21/15	1,500.00 001277		SUB GLOBALNET, INC.		67355	SEPT 15 SERVICE	1,500.00	
53809	09/21/15	343.74 115		SNAP-ON INDUSTRIAL		67356	SMALL TOOLS	30.87	
53810	09/21/15	13,580.18 001075		SOQUEL III ASSOCIATES	7	67437	TOOL REPLACEMENT	312.87	
53811	09/21/15	876.25 001976		SPORTWORKS NORTHWEST, INC.		67536	OCT 15 RENT	13,580.18	
53812	09/21/15	228.95 002245		STAPLES CONTRACT & COMM INC		67403	INVENTORY ORDER	554.75	
53813	09/21/15	48.94 104		STATE STEEL COMPANY	0	67461	INVENTORY PARTS	321.50	
53814	09/21/15	8,058.54 057		U.S. BANK		67510	OFFICE SUPPLIES	228.95	
						67357	STEEL SQ TUBING	48.94	
						67540	****-****-****-5056	3,892.40	
						67541	****-****-****-6490	1,019.91	
						67542	****-****-****-0811	3,146.23	
53815	09/21/15	916.51 003152		UNIFIRST CORPORATION		67421	LAUNDRY SERVICE	6.99	
						67432	LAUNDRY SERVICE	40.42	
						67433	LAUNDRY SERVICE	6.48	
						67452	LAUNDRY SERVICE	69.01	
						67453	LAUNDRY SERVICE	204.34	
						67462	LAUNDRY SERVICE	14.19	
						67471	LAUNDRY SERVICE	69.01	
						67472	LAUNDRY SERVICE	204.34	
						67524	LAUNDRY SERVICE	14.19	
						67525	LAUNDRY SERVICE	69.01	
						67526	LAUNDRY SERVICE	204.34	
						67529	LAUNDRY SERVICE	14.19	
53816	09/21/15	38.08 007		UNITED PARCEL SERVICE		67535	FREIGHT	38.08	

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53817	09/21/15	2,552.29 002829	VALLEY POWER SYSTEMS, INC.			67369	CORE CREDIT	-135.94	
53818	09/21/15	1,009.32 001165	VU, THANH DR. MD		7	67381	INVENTORY PARTS	2,612.58	
						67458	INVENTORY PARTS	75.65	
						67373	DMV EXAM	75.00	
						67374	DMV EXAM	75.00	
						67375	DMV EXAM	75.00	
						67376	DMV EXAM	75.00	
						67387	DMV EXAM	75.00	
						67388	DMV EXAM	75.00	
						67389	DMV EXAM	75.00	
						67464	NEW HIRE DMV EXAM	92.16	
						67465	NEW HIRE DMV EXAM	92.16	
						67504	DMV EXAM	75.00	
						67505	DMV EXAM	75.00	
						67506	DMV EXAM	75.00	
						67511	DMV EXAM	75.00	
						67481	BULK FLUIDS	941.78	
53819	09/21/15	941.78 001506	WESTERN STATES OIL CO.			67425	SAFETY SUPPLIES	15.63	
53820	09/21/15	15.63 147	ZEE MEDICAL SERVICE CO.			67409	INVENTORY PARTS	191.10	
53821	09/21/15	191.10 148	ZEP SALES & SERVICE INC.			67580	INVENTORY PARTS	499.75	
53822	09/28/15	499.75 003151	ABC BUS INC			67583	FARE BOX BATTERY	412.77	
53823	09/28/15	412.77 002828	ALLIED ELECTRONICS			67602	TOWING VEH #2801	525.00	
53824	09/28/15	1,137.50 001128	ALWAYS TOWING & RECOVERY, INC			67641	RPR VEH #1005	612.50	
53825	09/28/15	40.04 192	ALWAYS UNDER PRESSURE			67574	VALVE THERMO RELIEF	40.94	
53826	09/28/15	296.31 294	ANDY'S AUTO SUPPLY		0	67648	INVENTORY PARTS	175.65	
53827	09/28/15	407.30 001G	AT&T			67653	INVENTORY PARTS	120.66	
53828	09/28/15	20,686.75 003129	B PLUS U LLP			67562	9/7-10/6 REPEATERS	88.54	
53829	09/28/15	874.00 478	BEE CLENE INC			67577	9/5-10/4 REPEATERS	318.76	
53830	09/28/15	775.00 002035	BOWMAN & WILLIAMS INC		0	67683	AUG 15 WTC REIMBURSE	1,174.25	
53831	09/28/15	40.78 001112	BRINKS AWARDS & SIGNS		7	67684	AUG 15 WTC DESIGN	19,512.50	
53832	09/28/15	10,000.00 616	BROWN ARMSTRONG			67588	AUG 15 AC SERVER RM	425.00	
53833	09/28/15	772,162.22 502	CA PUBLIC EMPLOYEES'			67589	AUG 15 FIRE EGRESS	350.00	
53834	09/28/15	92.89 M022	CAPELLA, KATHLEEN			67634	EMPLOYEE NAME PLATES	40.78	
53835	09/28/15	211.90 001228	CITY OF WATSONVILLE		0	67566	AUDIT FY15	10,000.00	
53836	09/28/15	1,316.96 075	COAST PAPER & SUPPLY INC.			67543	OCT 15 MEDICAL	772,162.22	
53837	09/28/15	432.35 003116	CUMMINS PACIFIC LLP			67677	OCT 15 RETIREE SUPP	92.89	
53838	09/28/15	120.24 E958	DAVIDOSKI, PATTI			67682	WTC COMMUN OUTREACH	211.90	
53839	09/28/15	46.44 M039	DAVILA, ANA MARIA			67686	CLEANING SUPPLIES	1,316.96	
53840	09/28/15	1,213.00 002949	DEANE INDUSTRIAL MACHINING		0	67582	INVENTORY PARTS	385.94	
						67637	RPR VEH #1002	18.16	
						67638	RPR VEH #1002	28.25	
						67678	MEETING REIMBURSEMEN	120.24	
						67671	OCT 15 RETIREE SUPP	46.44	
						67578	RPR VEH #2213	798.00	
						67579	RPR VEH #2418	415.00	

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53841	09/28/15	32.00 002567	32.00	DEPARTMENT OF JUSTICE		67598	AUG15 FINGERPRINTING	32.00	
53842	09/28/15	414.34 480	414.34	DIESEL MARINE ELECTRIC, INC.		67567	INVENTORY PARTS	414.34	
53843	09/28/15	594.35 001329	594.35	DOC AUTO LLC		67587	SMOG VEH #206 PC	49.95	
						67657	SMOG VEH #601	49.95	
						67658	SMOG VEH #202	49.95	
						67659	SMOG VEH #2701	89.95	
						67661	SMOG VEH #712	49.95	
						67664	LEAK DETECTION DYE	114.75	
						67665	SMOG VEH #304	89.95	
						67666	SMOG VEH #707	49.95	
						67668	SMOG VEH #714	49.95	
53844	09/28/15	87,493.07 002943	87,493.07	DON CHAPIN COMPANY, INC.		67679	BUS STOP IMP GRVLY	3,071.32	
53845	09/28/15	396.75 432	396.75	EXPRESS SERVICES INC.		67680	BUS STOP IMPV GRNVLY	84,421.75	
53846	09/28/15	25.00 001189	25.00	GARY KENVILLE LOCKSMITH	7	67570	TEMP W/E 8/30/15	396.75	
53847	09/28/15	8,639.01 002954	8,639.01	GCR TIRES & SERVICE	7	67656	KEY PADLOCK	25.00	
						67608	TIRES	213.27	
						67609	TIRES	1,251.78	
						67610	TIRES	389.80	
						67627	TIRES	2,503.54	
						67632	TIRES	518.47	
						67633	TIRES	485.83	
						67642	TIRES	502.51	
						67643	TIRES	1,522.03	
						67644	TIRES	1,251.78	
53848	09/28/15	53.49 647	53.49	GENFARE A DIV OF SPX CORP		67639	SPEAKER TWM #3	53.49	
53849	09/28/15	1,803.66 117	1,803.66	GILLIG LLC		67613	INVENTORY PARTS	1,803.66	
53850	09/28/15	92.89 M041	92.89	GOUVEIA, ROBERT	0	67672	OCT 15 RETIREE SUPP	92.89	
53851	09/28/15	400.73 001039	400.73	GRAFFITI REMOVAL, INC.		67584	INVENTORY ORDER	400.73	
53852	09/28/15	4,508.89 282	4,508.89	GRAINGER		67590	SAFETY SUPPLIES	688.25	
						67619	INVENTORY PARTS	325.49	
						67620	DECK BOX	393.89	
						67621	SPILL & DRAIN COVER	3,051.09	
						67670	AC LEAK DYE	50.17	
53853	09/28/15	15,234.88 001745	15,234.88	HARTFORD LIFE AND ACCIDENT INS		67544	OCT 15 LIFE AD&D	3,995.56	
53854	09/28/15	1,028.89 166	1,028.89	HOSE SHOP, THE INC		67545	OCT 15 LTD	11,239.32	
						67575	INVENTORY ORDER	290.04	
						67585	HOSES	19.54	
						67586	HOSES	227.56	
						67625	HOSES	232.24	
						67626	HOSES	243.09	
						67660	STEEL REUS SOCKET	16.42	
53855	09/28/15	1,369.20 878	1,369.20	KELLY SERVICES, INC.		67565	TEMP W/E 9/6/15	1,369.20	
53856	09/28/15	9,735.00 003066	9,735.00	KIM FAMILY ENTERPRISES LLP		67559	OCT 15 RENT NNN PARK	9,735.00	
53857	09/28/15	1,924.56 216	1,924.56	LABOR READY, INC.		67556	TEMP W/E 9/11/15	855.36	
						67576	TEMP W/E 9/4/15	1,069.20	
53858	09/28/15	702,936.73 003058	702,936.73	LEWIS C NELSON AND SONS INC		67557	CONST MB THRU 8/25	702,936.73	

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53859	09/28/15	125.00 003227	LOBNER, DON	67581	RPR IMPACT GUN	125.00			
53860	09/28/15	89.93 003187	MARTY FRANICH CHRYSLER DODGE	67622	INVENTORY ORDER	89.93			
53861	09/28/15	61.94 001063	NEW FLYER IND. CANADA ULC DBA	67640	RPR VEH #2217	61.94			
53862	09/28/15	116.77 004	NORTH BAY FORD LINC-MERCURY	67611	INVENTORY PARTS	58.88			
53863	09/28/15	46.44 M109	PEREZ, CHERYL	67612	INVENTORY PARTS	57.89			
53864	09/28/15	626.00 481	PIED PIPER EXTERMINATORS, INC.	67673	OCT 15 RETIREE SUPP	46.44			
53865	09/28/15	85.91 882	PRINT SHOP SANTA CRUZ	67628	SEPT 15 PEST BETTYS	58.00			
53866	09/28/15	175.35 003020	QUEST DIAGNOSTIC INC.	67629	SEPT 15 PEST METROMK	53.50			
53867	09/28/15	329.80 061	REGISTER PAJARONIAN LLC	67630	SEPT 15 PEST WTC	75.50			
53868	09/28/15	444.94 001153	REPUBLIC ELEVATOR COMPANY INC	67645	SEPT 15 PEST VERNON	190.50			
53869	09/28/15	92.89 M085	ROSSI, DENISE	67646	SEPT 15 PEST DUBOIS	248.50			
53870	09/28/15	46.44 M030	ROWE, RUBY	67596	BUSINESS CARDS	85.91			
53871	09/28/15	1,059.70 018	SALINAS VALLEY FORD SALES INC	67597	DOT DRUG TESTS	175.35			
53872	09/28/15	113.60 135	SANTA CRUZ AUTO PARTS, INC.	67681	WTC COMMUNITY MTG	329.80			
53873	09/28/15	25.76 848	SANTA CRUZ ELECTRONICS, INC.	67655	SEPT15 ELEVATOR VERN	444.94			
53874	09/28/15	14,904.69 002917	SANTA CRUZ METRO TRANSIT W/C	67674	OCT 15 RETIREE SUPP	92.89			
53875	09/28/15	9,804.95 079	SANTA CRUZ MUNICIPAL UTILITIES	67675	OCT 15 RETIREE SUPP	46.44			
53876	09/28/15	144.96 149	SANTA CRUZ SENTINEL	67618	INVENTORY PARTS	591.05			
53877	09/28/15	8,483.35 977	SANTA CRUZ TRANSPORTATION, LLC	67649	INVENTORY PARTS	468.65			
53878	09/28/15	171.77 122	SCMTD PETTY CASH - OPS	67614	INVENTORY ORDER	19.79			
53879	09/28/15	2,734.70 001232	SPECIALIZED AUTO AND	67615	INVENTORY PARTS	11.59			
53880	09/28/15	107.83 002245	STAPLES CONTRACT & COMM INC	67623	TEMP SWITCH REV VEH	39.14			
53881	09/28/15	113.96 001040	TERRYBERRY CO., LLC	67652	RPR VEH #501	15.20			
53882	09/28/15	349.35 002675	THOMSON REUTERS BARCLAYS WEST	67605	BUZZER VERNON OFFICE	25.76			
53883	09/28/15	11,619.98 982	TRANSPORTATION MANAGEMENT	67599	9/1-9/15 W/C REPLEN	14,904.69			
53884	09/28/15	608.84 003037	TYCO INTEGRATED SECURITY	67547	8/6-9/3 GOLF IRRIG	71.10			
				67548	8/6-9/3 VERNON	532.03			
				67549	8/6-9/3 VERNON IRRIG	71.10			
				67550	8/6-9/3 1200 RIV B	2,515.05			
				67551	8/6-9/3 PACIFIC	2,375.62			
				67552	8/6-9/3 PACIFIC ISL	104.87			
				67553	8/6-9/3 DUBOIS	529.04			
				67554	8/6-9/3 BUS STOPS	907.53			
				67555	8/6-9/3 GOLF CLUB	2,698.61			
				67685	WTC COMM OUTREACH	144.96			
				67636	AUG 15 SERVICE	8,483.35			
				67560	PETTY CASH REIMBURSE	171.77			
				67604	SMOG VEH #2402 PC	49.68			
				67667	RPR VEH #2800 PC	2,635.34			
				67669	SMOG VEH #2800 PC	49.68			
				67635	OFFICE SUPPLIES	107.83			
				67563	LONGEVITY AWARD	113.96			
				67600	AUG 15 SERVICES	349.35			
				67631	AUG 15 COA	11,619.98			
				67571	10/1-12/31 ALARM PAC	253.12			

DATE 10/02/15 13:07

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
CHECK JOURNAL DETAIL BY CHECK NUMBER
ALL CHECKS FOR ACCOUNTS PAYABLE

PAGE 12

DATE: 09/01/15 THRU 09/30/15

CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK VENDOR NAME	CHECK AMOUNT	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
53885	09/28/15	402.52 003152	UNIFIRST CORPORATION			67572	10/1-12/31 ALARM SVT	172.47	
						67573	10/1-12/31 ALARM WTC	183.25	
						67601	LAUNDRY SERVICES	14.19	
						67606	CUSTODIAL SUPPLIES	40.42	
						67607	MATS DUBOIS	6.48	
						67624	LAUNDRY SERVICE	6.99	
						67650	LAUNDRY SERVICE	204.34	
						67651	LAUNDRY SERVICE	69.01	
						67654	LAUNDRY SERVICE	14.19	
						67662	LAUNDRY SERVICE	6.48	
						67663	LAUNDRY SERVICE	40.42	
						67569	FREIGHT	45.27	
						67603	INVENTORY PARTS	515.80	
53886	09/28/15	45.27 007	UNITED PARCEL SERVICE			67546	8/13-9/12 WIFI BUSES	950.25	
53887	09/28/15	515.80 002829	VALLEY POWER SYSTEMS, INC.		0	67561	8/2-9/1 PUSH2TALK	328.59	
53888	09/28/15	1,278.84 434	VERIZON WIRELESS			67591	DMV EXAM	75.00	
53889	09/28/15	375.00 001165	VU, THANH DR. MD		7	67592	DMV EXAM	75.00	
						67593	DMV EXAM	75.00	
						67594	DMV EXAM	75.00	
						67595	DMV EXAM	75.00	
53890	09/28/15	3,500.00 003074	WAVE CREST DEVELOPMENT INC.			67558	OCT 15 RENT	3,500.00	
53891	09/28/15	16,797.57 676	WEBER, HAYES & ASSOCIATES INC			67568	SOIL SURVEY 1200 RIV	16,797.57	
53892	09/28/15	46.44 M088	YAGI, RANDY			67676	OCT 15 RETIREE SUPP	46.44	
53893M09/24/15		471.50 001272	CITY OF SANTA CRUZ - PLANNING PERMIT CHARGE		0	67687	PERMIT CHARGE	471.50	MANUAL

TOTAL 2,721,127.45 ACCOUNTS PAYABLE 257 TOTAL CHECKS 2,721,127.45



DATE: January 22, 2016
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
SUBJECT: ACCEPT AND FILE MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS MEETINGS OF DECEMBER 11, 2015 & DECEMBER 21, 2015

I. RECOMMENDED ACTION

That the Board of Directors Accept and File the Minutes for the Santa Cruz Metropolitan Transit District (METRO) Board of Directors Meeting of December 11, 2015 and the Special Board of Directors Meeting of December 21, 2015

II. SUMMARY

- Staff is providing minutes from the Santa Cruz Metropolitan Transit District (METRO) Board of Directors Meetings of December 11 and 21, 2015
- Each meeting, staff will provide minutes from the previous METRO Board of Directors meeting.

III. DISCUSSION/BACKGROUND

The Board requested that staff include, in the Board Packet, minutes for previous METRO Board of Directors meetings. Staff is enclosing the minutes from these meetings as a mechanism of complying with this request.

IV. FINANCIAL CONSIDERATIONS/IMPACT

None

V. ALTERNATIVES CONSIDERED

None

VI. ATTACHMENTS

Attachment A: Draft minutes for the Board of Directors Meeting of December 11, 2015

Attachment B: Draft minutes for the Special Board of Directors Meeting of December 21, 2015

VII. APPROVALS:

Alex Clifford, CEO/General Manager



Attachment A



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
BOARD OF DIRECTORS MEETING MINUTES
REGULAR MEETING
DECEMBER 11, 2015 – 8:30 AM
110 VERNON STREET
SANTA CRUZ, CA**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, December 11, 2015, at the Santa Cruz METRO's Admin offices, 110 Vernon Street, Santa Cruz, CA.

The Board Meeting Agenda Packet can be found online at www.SCMTD.com and is available for inspection at Santa Cruz METRO's Administrative offices at 110 Vernon Street, Santa Cruz, California.

This document has been created with accessibility in mind. This document passes the Adobe Acrobat XI Accessibility Full Check. If you have any questions about the accessibility of this document, please email your inquiry to accessibility@scmttd.com

SECTION I: OPEN SESSION

1 CALL TO ORDER at 8:34AM by Vice Chair Rotkin.

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

Director Ed Bottorff	City of Capitola
Director Dene Bustichi, Chair	City of Scotts Valley
Director Karina Cervantez	City of Watsonville
Director Cynthia Chase	City of Santa Cruz
Director Jimmy Dutra	City of Watsonville
Director Zach Friend	County of Santa Cruz
Director Donald "Norm" Hagen	County of Santa Cruz
Director Don Lane	City of Santa Cruz
Director John Leopold	County of Santa Cruz
Director Bruce McPherson	County of Santa Cruz
Director Mike Rotkin, Vice Chair	County of Santa Cruz
Ex-Officio Director Donna Blitzer	UC Santa Cruz <i>Arrived at 8:38A</i>

No Directors were absent.

STAFF PRESENT:

Alex Clifford, CEO
Leslyn Syren, District Counsel

DRAFT

10-03A.1

Attachment A

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

Heather Adamson, AMBAG
Angela Aitken, METRO
Lorraine Bayer, SEA-SEIU
Patti Davidoski, SEA-SEIU
Lew English, SEIU
Joan Jeffries, SEA-SEIU

Jane Ng, SEA-SEIU
Jillian Ritter, SEA-SEIU
Becky Taylor, MAC
Elmer Torres, SEA
Eileen Wagley, METRO
Daniel Zaragoza, METRO

3 ANNOUNCEMENTS

Vice Chair Rotkin introduced Carlos Landaverry and noted his availability for Spanish interpretation as needed. Carlos introduced himself and his services in Spanish.

Vice Chair Rotkin then announced Renee Sheets will be today's Community Television technician. Further, he announced the following items were distributed to Board Members:

- Updated contact cards are available
- CTA 2016 Membership Directory and Reference Guide

Vice Chair Rotkin announced the following items were distributed to Board Members and available for public viewing at the sign-in table:

- Item 11: Presentation to accompany TMD's oral update on the Comprehensive Operational Analysis
- Item 12: REVISED Page 2 of the staff report added the following verbiage to the 3rd paragraph: "When METRO receives the HVIP rebate (\$475,000), the PTMISEA funds used to cover the HVIP amount would be repaid."
- Item 18: CORRECTED 18B.Exhibit A Article 5 – numbering of subsection 5 has been corrected

In response to Vice Chair Rotkin's request for communications from the Board:

- Director Chase shared her recent experience riding the Highway 17 bus the day before Thanksgiving. There were over 100 people waiting for the bus. METRO seamlessly provided additional buses with no lag time for the passengers.
- Director Leopold shared the compliments received at the Warlock Band celebration held at Don Quixote's where he shared the mock-up of the bus stop art piece. Director Leopold will distribute the mock-up via email to those interested.

Ex-Officio Director Blitzer arrived at 8:38AM.

4 COMMUNICATIONS TO THE BOARD OF DIRECTORS

In response to Vice Chair Rotkin's request for communications to the Board:

Kate, Social Services Director at Kindred Health Care, thanked METRO and Eileen Wagley for the services which allow their patients to get to and from their medical appointments on time. There remains an issue with those who are too ill to get to METRO to apply in person. She asked METRO to consider permitting places such as Kindred Health Care to

Attachment A

communicate with Eileen on behalf of their patients rather than sending the patients to METRO to apply in person.

Lena Dale, Social Worker at a local dialysis center, also spoke about the amazing job done by Kate and Eileen. Patients use ParaCruz approximately 3-4 times per week at a cost of \$4 each way. This is a wonderful service, but can be a financial burden. Vice Chair Rotkin asked staff to provide the current qualification policy.

Director McPherson asked the assembly to vote for the November 16 ballot measure which has funds targeted to METRO and ParaCruz service, emphasizing the importance to those who most need the service.

5 WRITTEN COMMUNICATIONS FROM MAC

Having none, the meeting proceeded to the next agenda item.

6 LABOR ORGANIZATION COMMUNICATIONS

Will Regan, representing VMU, Manny Martinez, representing PSA, and Joan Jeffries, President of SEA Chapter of SEIU Local 521, introduced themselves. Ms. Jeffries spoke of the labor agreement proposal to be discussed in today's closed session. SEA understands METRO's fiscal deficit position and wants to help. The proposal contains three major concessions: 1) freezing wages for two years; 2) giving up one annual leave day; and, 3) delaying the Class & Comp Study.

Vice Chair Rotkin welcomed Ms. Jeffries to her new position and thanked the members for their support of the District.

CONSENT AGENDA

- 8-01 RECOMMENDED ACTION ON TORT CLAIMS
- 8-02 ACCEPT AND FILE PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF AUGUST 2015
- 8-03 ACCEPT AND FILE MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS MEETING OF NOVEMBER 13, 2015
- 8-04 ACCEPT AND FILE MINUTES FOR THE METRO ADVISORY COMMITTEE (MAC) MEETING OF OCTOBER 21, 2015
- 8-05 ACCEPT AND FILE THE METRO SYSTEM RIDERSHIP REPORTS FOR THE MONTHS OF AUGUST AND SEPTEMBER 2015
- 8-06 CONSIDERATION OF METROBASE MONTHLY CHANGE ORDER REPORT
- 8-07 CONSIDERATION OF OWNED AND LEASED PROPERTY INVENTORIES TO DETERMINE IF THERE IS ANY PROPERTY IN EXCESS OF SANTA CRUZ METROPOLITAN TRANSIT DISTRICT'S FORESEEABLE NEEDS
- 8-08 CONSIDERATION OF AWARD OF CONTRACT TO ALLIANT INSURANCE SERVICES REPRESENTING THE HARTFORD FOR LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE NOT TO EXCEED \$82,188 FOR TWO YEARS

Attachment A

Board of Directors Meeting Minutes
December 11, 2015
Page 4 of 11

- 8-09 CONSIDERATION OF AWARD OF CONTRACT TO ALLIANT INSURANCE SERVICES REPRESENTING THE HARTFORD FOR LONG TERM DISABILITY INSURANCE COVERAGE NOT TO EXCEED \$269,742 FOR TWO YEARS
- 8-10 CONSIDERATION OF RESOLUTION APPROVING THE FY16 REVISED CAPITAL BUDGET
- 8-11 CONSIDERATION OF ADOPTION OF SANTA CRUZ METRO'S AMENDED CONFLICT-OF-INTEREST CODE AND APPROVAL OF THE RESOLUTION CONFIRMING THIS ACTION
- 8-12 CY16 STATE AND FEDERAL LEGISLATIVE AGENDA

ACTION: MOTION TO ACCEPT THE CONSENT AGENDA AS PRESENTED
MOTION: DIRECTOR LANE SECOND: DIRECTOR LEOPOLD
MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin).

REGULAR AGENDA

- 9 PRESENTATION OF EMPLOYEE LONGEVITY AWARDS FOR CAROLYN BOWERS, LETICIA CALLEJAS, WILLIAM McINTYRE, FELIPE MENDOZA, EZEQUIEL OSORIO, JOHN OTTO, RUBEN VALDEZ, EILEEN WAGLEY, BILL YEO

Vice Chair Rotkin read the names and longevity of METRO employees unable to attend:

- Carolyn Bowers, Bus Operator, 10 years of service
- William McIntyre, Bus Operator, 10 years of service
- Felipe Mendoza, Bus Operator, 10 years of service
- Ezequiel Osorio, Bus Operator, 10 years of service
- Leticia Callejas, Bus Operator, 15 years of service
- John Otto, Bus Operator, 15 years of service
- Bill Yeo, Bus Operator, 15 years of service

Chair Dene Bustichi thanked Eileen Wagley for her 15 years of service and expressed his appreciation for her contributions. Ms. Wagley thanked Chair Bustichi and the Board for the recognition and the Bus Operators for their service and commitment. She grants eligibility under the ADA guidelines which governs how METRO handles Paratransit service. She invited the Board Members to meet or call her if they'd like to become more familiar with Paratransit.

Chair Bustichi thanked Ruben Valdez for his 10 years of service and for helping customers on "the front line". Mr. Valdez thanked METRO for the recognition, noting he came to METRO after serving in the Air Force and is happy to have found a fulfilling job.

- 10 ACCEPT AND FILE THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF AUGUST 31, 2015

Angela Aitken, Finance Manager, provided commentary to the presentation. Cabrillo bought a significant number of passes in August, which was a nice revenue increase not previously budgeted.

DRAFT

10-03A.4

Attachment A

Director Lane asked about the relationship between the structural deficit and the anticipated revenue from the ballot measure. Vice Chair Rotkin responded that the Ad Hoc Committee discussed this in their most recent meeting and it appears that METRO's structural deficit would remain \$3.4M short if we receive the anticipated \$2M from the tax initiative. METRO has asked the consultants to consider all scenarios.

Chair Bustichi reminded the assembly that we are speaking about spending a tax measure we don't have yet; in reality it won't make anything better but will succeed in only making things a little less worse.

CEO Clifford emphasized there is nothing simple about this financial equation. The \$5.4M deficit is effective July 1, 2016. When we begin pulling down reserves to meet this timeline (we lost 3 months), we will be down even further than originally anticipated. We have to look into when the tax dollars will actually begin flowing which could impact the balanced budget.

Director Chase reminded the assembly that we are still at the conceptual stage; we don't yet know the impacts of the route cuts which will be significant to the district and the public.

Director Lane restated the pivotal question, "Do we choose in June to make the full \$5.4M cuts at that time or do we opt for a \$3.4M cut?" This has not yet been determined/finalized. Vice Chair Rotkin concurred and said the Board will make this decision in the future. CEO Clifford added METRO will provide options.

No motion required of this agenda item.

12 **CONSIDER A REPORT ON METRO'S ELECTRIC BUS IMPLEMENTATION STRATEGY**
Barrow Emerson provided a brief summary of the report.

Director Chase expressed her concerns about funds being diverted from Pacific Station. CEO Clifford referred the assembly to page 12.3 for specifics, adding that the funding sources we would like to use as a match for electric buses attempt to use other grant monies and rebates to meet local share funds. When METRO filed the grant application, we said we would use PMTISEA funds because we have that money in the bank. However, there is some risk. We need to replace 1998 diesel buses but we have no capital budget to replace them. The reinstatement of bus and bus facility funding (FAST) will help but the extent is not yet known.

Director Dutra asked how METRO plans on repaying the money and what is the timeline? Is there a potential that the money will not be received? Is it a question of Pacific Station versus buses? CEO Clifford responded that LONO funds would allow us to place an electric bus order in approximately one year. The PTMISEA monies for Pacific Station may be at risk if we are unable to use the LCTOP and/or HVIP funds.

Director Leopold would like to see Pacific Station remodeled, but recognizes there are matters outside of METRO's control that need to be done to accomplish this. He supports the recommendations outlined; it's an appropriate risk to use this money to get the buses. If there is no fleet, there is no service. Chair Bustichi agreed with Director Leopold.

Director Lane agrees but expressed concerns about the tipping point regarding funds which may be tapped for unknown future events.

Attachment A

Vice Chair Rotkin opened the floor to public comment.

Becky Taylor understood, from the Board Meeting held in Watsonville, that METRO must buy new buses, electric or non and reminded the Board that they are on the board of a bus company, not a building development company. She is in support of this proposal.

MOTION TO ACCEPT THE REPORT ON METRO'S ELECTRIC BUS IMPLEMENTATION STRATEGY AND APPROVE THE LOCAL MATCH STRATEGY TO USE STATE LCTOP FUNDS AND CARB VOUCHERS, WITH A BACK-UP STRATEGY TO USE STATE PTMISEA AS THE LOCAL MATCH

MOTION: DIRECTOR LEOPOLD

SECOND: DIRECTOR LANE

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin).

- 13 CONSIDERATION OF A CONTRACT WITH THE LAW FIRM OF HANSON BRIDGETT IN AN AMOUNT NOT TO EXCEED \$200,000

Leslyn Syren, District Counsel, provided a summary of the staff report.

Vice Chair Rotkin voiced his support of the contract based on his examination of legal costs and alternatives.

Hearing no public comment, the Board moved to make a motion.

MOTION TO APPROVE THE CONTRACT WITH THE LAW FIRM OF HANSON BRIDGETT IN AN AMOUNT NOT TO EXCEED \$200,000 AS PRESENTED

MOTION: DIRECTOR LEOPOLD

SECOND: DIRECTOR ROTKIN

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin).

- 14 CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT EXTENSION WITH RNL DESIGN, INC. FOR ARCHITECT AND ENGINEERING SERVICES THROUGH JUNE 30, 2016, INCREASING THE CONTRACT TOTAL BY \$150,000

- 15 REVISED METROBASE PHASE II (OPERATIONS BUILDING) LIFE OF PROJECT BUDGET AND CAPITAL RESOURCE ALLOCATION PLAN

Vice Chair Rotkin granted CEO Clifford's request to combine and discuss agenda items 14 and 15 simultaneously.

Director Leopold, noting that the contract runs to June 30, asked if the new building opens sooner, will we use less than projected. CEO Clifford responded that we hope to close out the project in mid-January 2016 but cannot make any promises. We are wrapping ADA and other access issues.

District Counsel Syren added that METRO doesn't have the in-house technical / architectural expertise which may be required after we physically occupy the premises. For example, change orders may be required which the current contractor will not handle.

Attachment A

MOTION TO AUTHORIZE THE CEO TO EXECUTE A CONTRACT EXTENSION WITH RNL DESIGN, INC. FOR ARCHITECT AND ENGINEERING SERVICES THROUGH JUNE 30, 2016, INCREASING THE CONTRACT TOTAL BY \$150,000 AS PRESENTED

MOTION: DIRECTOR LEOPOLD

SECOND: DIRECTOR CHASE

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin).

MOTION TO ACCEPT THE REVISED METROBASE PHASE II (OPERATIONS BUILDING) LIFE OF PROJECT BUDGET AND CAPITAL RESOURCE ALLOCATION PLAN AS PRESENTED

MOTION: DIRECTOR LEOPOLD

SECOND: DIRECTOR CHASE

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin).

- 16 CONSIDERATION OF AWARD OF CONTRACT TO SHAW/YODER/ANTWIH, INC. FOR STATE LEGISLATIVE REPRESENTATION SERVICES NOT TO EXCEED \$90,000
Alex Clifford, CEO/General Manager, provided commentary to the staff report.

MOTION TO APPROVE THE AWARD OF CONTRACT TO SHAW/YODER/ANTWIH, INC. FOR STATE LEGISLATIVE REPRESENTATION SERVICES NOT TO EXCEED \$90,000 AS PRESENTED

MOTION: DIRECTOR McPHERSON

SECOND: DIRECTOR LEOPOLD

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin).

- 17 ONCE-A-MONTH BOARD MEETINGS AND BOARD COMMITTEES
Alex Clifford, CEO/General Manager, asked the Board Members to hold open the morning of the second Friday of each month for potential Board Committee Meetings in calendar year 2016.

Hearing no public comment, Vice Chair Rotkin asked how METRO would begin with a committee structure. He suggested forming a personnel committee as an example. He asked any interested Board Members to please contact him.

MOTION TO APPROVE THE ONCE-A-MONTH BOARD MEETINGS AND BOARD COMMITTEES AS PRESENTED; AND, PROVIDE VICE CHAIR ROTKIN WITH THE AUTHORITY TO ESTABLISH A COMMITTEE TO DEVELOP SUB-COMMITTEES

MOTION: DIRECTOR DUTRA

SECOND: DIRECTOR McPHERSON

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin).

- 18 REVISED METRO ADVISORY COMMITTEE (MAC) BYLAWS
Alex Clifford, CEO/General Manager provided a brief history of the original request and meetings held to date.

Director Hagen added that this began as an idea to more closely align with E&D TAC's purpose and structure.

Director McPherson said the value of MAC is tremendous. There remains the opportunity for MAC to hold special sessions as needed; we can have good representation with a reduced number of committee members.

Attachment A

Vice Chair Rotkin opened the floor to public comment.

Veronica Elsea, MAC Chair, said MAC has had excellent attendance this year. MAC members make a commitment as volunteers; they are excellent thinkers and they do take their position seriously and are showing up. She wanted to call METRO's attention to the following sections in the draft Bylaws:

2.1: Duties

MAC is concerned about issues raised by the public. To the MAC Committee, this section reads as if there should not be contact between the committee and the public; this contact has been lost.

5.1 Regular Meetings

It is unclear to Ms. Elsea if MAC must meet the specified months or are they simply a suggestion. If so, why are they setting the dates at the end of the year?

5.6 Matters Not Listed on the Agenda Requiring Committee Action (renumbered Section 5.5)

Up to now, MAC had been permitted to add emergency or time sensitive issues to the agenda with a consensus from the member majority. They have heard the District Counsel say this is not permitted under the Brown Act. In Ms. Elsea's research, they used this section for an emergency item when they helped METRO obtain a larger booth space with the county fair board a couple of years ago. This item was added to the agenda and METRO received the requested support.

5.8 Access to Public Records Distributed at Meetings (renumbered Section 5.9)

Ms. Elsea felt the writing is clumsy in this section and can be simplified. She recommended keeping the first and second sentences and adding a new sentence which would say something to the effect of, "any Members having difficulty should contact the Admin Office for assistance."

6.4 Agenda Posting and Delivery

Ms. Elsea asked why this doesn't mention putting the agenda on the website. This is also referenced earlier in the document

3.3 & 4.2 contain grammatical errors which should be corrected:

Board of directors are; and,
Reappointed should be reappointment

Vice Chair Rotkin thanked Ms. Elsea for her review and level of detail.

Becky Taylor reminded the assembly that MAC is the only group METRO takes input from. If they aren't allowed to bring up items that are important to them or to people they have spoken to, she doesn't know what the point is of it. She's someone who has taken METRO as a UCSC student, Cabrillo student and community member so doesn't understand why METRO wants to break it up into different roles.

Vice Chair Rotkin suggested METRO staff review the Bylaws and return with a final version on January's Consent Agenda.

Attachment A

Chair Bustichi said these changes don't circumvent the public's ability to have a public forum; in fact, it keeps the Board advised as to what is going on outside of MAC. The changes to meeting frequency are based on staff availability and structural deficit assistance. In terms of adding items to the agenda, members can always go to the CEO or a Board Member to discuss an addition.

Vice Chair Rotkin suggested the meeting frequency be left to staff to clarify. Section 5.6 is a legal issue; there are Brown Act repercussions. MAC makes recommendations to the METRO Board. This doesn't stop the MAC from informing the Board of issues at the last minute. District Counsel Syren explained the intent of the Brown Act. The MAC will still be permitted to hold special meetings but they have never been in the position of deciding when or how to spend money in response to an emergency.

Director Leopold believes METRO needs an effective communication method and that MAC should bring issues that are important to the riders and may see things the Board doesn't. He repeated they are a standing committee which makes them subject to the Brown Act.

Noting there are now 8 MAC members, Director Lane asked how they would meet the new number of 7 members. District Counsel Syren answered this would be met through attrition. CEO Clifford added they have a lot of respect for those who serve on the committee; the staff report does mention attrition.

CEO Clifford said MAC is an ambassador to METRO. They should get issues to the CEO ASAP.

GENERAL CONSENSUS FOR STAFF TO RETURN WITH A CONSENT AGENDA ITEM TO THE JANUARY 2016 BOARD MEETING WITH A FINAL VERSION OF THE REVISED METRO ADVISORY COMMITTEE (MAC) BYLAWS WHICH ADDRESSES CONCERNS AND ENSURES ATTRITION IS CLEAR IN THE ACCOMPANYING STAFF REPORT

19 AMENDMENT TO EXTEND TERM OF DISTRICT COUNSEL EMPLOYMENT AGREEMENT

Chair Dene Bustichi provided a brief history of the process to date.

MOTION TO APPROVE THE AMENDMENT TO EXTEND TERM OF DISTRICT COUNSEL EMPLOYMENT AGREEMENT AS PRESENTED

MOTION: DIRECTOR DUTRA

SECOND: DIRECTOR CHASE

MOTION PASSED WITH 11 AYES (Directors Bottorff, Bustichi, Cervantez, Chase, Dutra, Friend, Hagen, Lane, Leopold, McPherson and Rotkin)

20 CEO TO GIVE ORAL REPORT

Alex Clifford, CEO/General Manager, thanked employees for their assistance and participation in the Downtown Santa Cruz Holiday Parade on short notice. We will plan in advance next year.

He thanked those Board Members who sit on the RTC in particular for their effort(s) to bring more money to METRO. They were successful in passing a recommendation to provide 15% of the tax initiative to METRO. He clarified the confusion regarding the 1/8 cent sales tax versus 15% of a sales tax initiative. A solo 1/8 cent sales tax would provide significantly more revenue.

Attachment A

He will provide a staff report in January 2016 which addresses the tech buses referenced in the Santa Cruz Sentinel article published on December 19, 2015 and distributed at today's Board meeting.

He thanked staff for their time and efforts in preparing for the upcoming triennial audit. This is a huge time commitment; 11 attended a training session in San Francisco.

He added that each of the current 10 vacant positions is desperately needed but everyone is filling in where they can. And their assistance is greatly appreciated!

15 REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

Leslyn Syren, General Counsel, announced the following items:

1. CONFERENCE WITH LABOR NEGOTIATORS

Agency Negotiators: Alex Clifford, CEO/General Manager

Leslyn Syren, District Counsel

Organization: SEIU

2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Rosa Diaz v. Santa Cruz METRO WCAB No. 2007164812

Leslyn Syren, General Counsel

3. CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to subdivision (c) of Government Code Section 54956.9 – 2 cases

Leslyn Syren, General Counsel

4. PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: District Counsel

Leslyn Syren, General Counsel

Vice Chair Rotkin announced, and District Counsel Syren concurred, a report after was not anticipated.

16 ANNOUNCEMENT OF NEXT MEETING: FRIDAY, JANUARY 22, 2016 AT 8:30 AM, SANTA CRUZ CITY CHAMBERS, 809 CENTER STREET, SANTA CRUZ

Chair Bustichi announced the next meeting as referenced above.

17 ADJOURNMENT

Chair Bustichi adjourned the meeting at 10:44AM

Respectfully submitted,

Gina Pye
Executive Assistant

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Attachment B



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
BOARD OF DIRECTORS SPECIAL MEETING MINUTES
DECEMBER 21, 2015 – 11:00 AM
110 VERNON STREET
SANTA CRUZ, CA**

A special meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) was convened on Monday, December 21, 2015, at the Santa Cruz METRO's Administrative offices, 110 Vernon Street, Santa Cruz, CA.

The Board Meeting Agenda Packet can be found online at www.SCMTD.com and is available for inspection at Santa Cruz METRO's Administrative offices at 110 Vernon Street, Santa Cruz, California.

This document has been created with accessibility in mind. This document passes the Adobe Acrobat XI Accessibility Full Check. If you have any questions about the accessibility of this document, please email your inquiry to accessibility@scmttd.com

SECTION I: OPEN SESSION

- 1 CALL TO ORDER at 11:12AM** by Vice Chair Rotkin.

- 2 ROLL CALL:** The following Directors were **present**, representing quorum:

Director Ed Bottorff	City of Capitola
Director Dene Bustichi, Chair	City of Scotts Valley
Director Jimmy Dutra	City of Watsonville
Director Zach Friend	County of Santa Cruz
Director Donald "Norm" Hagen	County of Santa Cruz
Director John Leopold	County of Santa Cruz
Director Bruce McPherson	County of Santa Cruz
Director Mike Rotkin, Vice Chair	County of Santa Cruz

The following Directors were absent:

Director Karina Cervantez	City of Watsonville
Director Cynthia Chase	City of Santa Cruz
Director Don Lane	City of Santa Cruz
Ex-Officio Director Donna Blitzer	UC Santa Cruz

STAFF PRESENT:
Alex Clifford, CEO
Leslyn Syren, District Counsel

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

Angela Aitken, METRO	Al Pierce, METRO
Debbie Kinslow, METRO	

Attachment B

3 ANNOUNCEMENTS

Vice Chair Rotkin announced: The microphones are not working today; please speak loudly. Additionally, the following documentation has been distributed to Board Members and is available at the sign-in table:

- Item 4, Consideration of a Formal Ratification of a Labor Agreement Between the SEIU, Local 521, for the Period December 31, 2015 through June 30, 2018 that contains a 2 ½ year Contractual Wage Adjustment staff report and attachments
- December 19, 2015 article from the Santa Cruz Sentinel entitled, "METRO Eyes Tech Shuttles Quiet Use of Transit Center"
 - CEO Clifford advised the assembly that he will address this issue of tech shuttles at the January 2016 board meeting.

4 CONSIDERATION OF APPROVAL OF SEIU, LOCAL 521, CONTRACT EXTENSION

CEO Clifford asked the SEIU representatives in attendance to speak regarding this agenda item. Will Regan, VMU Representative, and Manny Martinez, PSA Representative, introduced themselves and recognized Joan Jeffries, SEA President, who was unable to attend today's meeting. Mr. Martinez asked the Board for their support of the contract extension and thanked them for their attendance on short notice. The proposal had been voted upon by the SEIU membership with overwhelming support; they want to redirect their energies to meet the Agency's challenges ahead.

CEO Clifford thanked the SEIU for their submission and highlighted some of the proposed changes, noting that they are similar to those previously adopted by UTU. Angela Aitken, Finance Manager, confirmed that these changes would be effective with the first payroll period of calendar year 2016.

Hearing no questions or comments from the public, Vice Chair Rotkin turned the floor to the Board Members.

Director Leopold thanked the union on behalf of the entire community for their assistance to METRO.

Vice Chair Rotkin recognized the sacrifice the union members have made and the difference it is making to the organization.

Directors Dutra, Hagen and McPherson also expressed their appreciation.

MOTION TO APPROVE THE SEIU, LOCAL 521, CONTRACT EXTENSION AS PRESENTED

MOTION: DIRECTOR LEOPOLD SECOND: DIRECTOR HAGEN

MOTION PASSED WITH 8 AYES (Directors Bottorff, Bustichi, Dutra, Friend, Hagen, Leopold, McPherson and Rotkin). Directors Lane, Cervantez and Chase were absent

5 ANNOUNCEMENT OF NEXT MEETING: FRIDAY, JANUARY 22, 2016 AT 8:30 AM, SANTA CRUZ CITY CHAMBERS, 809 CENTER STREET, SANTA CRUZ
Vice Chair Rotkin announced the next meeting as referenced above.

6 ADJOURNMENT

Vice Chair Rotkin adjourned the meeting at 11:20AM

Respectfully submitted,

Gina Pye, Executive Assistant

10-03B.2



DATE: January 22, 2016
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
**SUBJECT: ACCEPT AND FILE MINUTES FOR THE METRO ADVISORY
COMMITTEE (MAC) MEETING OF NOVEMBER 18, 2015**

I. RECOMMENDED ACTION

**That the Board of Directors accept and file the minutes for the METRO
Advisory Committee (MAC) meeting of November 18 2015.**

II. SUMMARY

- Staff is providing minutes from the MAC meeting on November 18, 2015.
- Each month staff will provide the minutes from the previous MAC meeting.

III. DISCUSSION/BACKGROUND

The Board requested that staff include in the Board Packet minutes from previous MAC meetings. Staff is enclosing the minutes from these meetings as a mechanism of complying with this request.

IV. ATTACHMENTS

Attachment A: Approved Minutes for the MAC meeting of
November 18, 2015

Prepared By: Dawn Martin, Administrative Assistant

V. APPROVALS:

Alex Clifford, CEO/General Manager



MINUTES

MAC MEETING OF NOVEMBER 18, 2015

Attachment A



The METRO Advisory Committee (MAC) met on Wednesday, November 18, 2015 in the Pacific Station Conference Room located at 920 Pacific Avenue in Santa Cruz, California.

1 CALL TO ORDER

Meeting was called to order at 6:00 p.m.

ROLL CALL

MEMBERS PRESENT

Veronica Elsea, Chair
Naomi Gunther, Vice-Chair
Joseph Martinez
Donald Peattie

Michael Pisano
Ernestina Saldana
Becky Taylor

MEMBERS ABSENT

Nicona Keesaw

SANTA CRUZ METRO EMPLOYEES AND MEMBERS OF THE PUBLIC WHO VOLUNTARILY INDICATED THEY WERE PRESENT

Ciro Aguirre, METRO
Barrow Emerson, METRO

Harlan Glatt, METRO
Daniel Zaragoza, METRO

2 AGENDA ADDITIONS/DELETION

None

3 ORAL/WRITTEN COMMUNICATION

COO Aguirre introduced Mr. Barrow Emerson, METRO's new Planning and Development Manager

Mr. Emerson gave a brief bio of his experience stating he recently worked at SamTrans in San Mateo County. He also worked at VTA, Golden Gate and transit districts in Oregon, Australia, etc. He has been doing this for 37 years, is glad to be with METRO and hopes to help out. He realizes we have some hard times and issues to solve, and is looking forward getting to know everyone.

Mr. Michael Pisano shared that the SCCRTC is scheduled to meet tomorrow regarding the tax measure to split \$450M for transportation (with a possible 15% allocation for METRO), discussions regarding road improvements, rail trail and Highway 1. If members would like to weigh in, emails can be sent to: info@SCCRTC.org.

Ms. Dawn Martin distributed and read to the committee an email received from an individual regarding real time data and wifi for riders.

Chair Elsea stated that MAC discussed this issue at length at the last meeting and had requested a continuation of the discussion. The subject was postponed indefinitely as these items are too far in the future and staff does not have anything to report at this time.

Attachment A

Minutes – METRO Advisory Committee

November 18, 2015

Page 2 of 5

4 ACCEPT & FILE MINUTES FROM THE METRO ADVISORY COMMITTEE MEETINGS:

MOTION: ACCEPT & FILE MINUTES FROM THE METRO ADVISORY COMMITTEE MEETING OF OCTOBER 21, 2015

MOTION: SALDANA

SECONDED: TAYLOR

MOTION: CARRIED - UNANIMOUS

5 COMMUNICATIONS FROM METRO ADVISORY COMMITTEE

None

6 UPDATE ON METRO WEBSITE

Mr. Harlan Glatt, Senior Database Administrator, stated that he last presented to the MAC in January 2015.

Mr. Glatt reported METRO has had an accessibility audit by an outside firm who provided an audit of findings. Mr. Glatt has made the first pass for correcting the major accessibility problems. The website will be retested on a routine basis, targeted annually. Mr. Glatt described some of the routine issues that IT is faced with, i.e., Google maps updating their software which caused our system to stop working.

IT is trying to bring the platform to a new standard before we retest, but in terms of accessibility, Mr. Glatt feels we are in good standing and will most likely retest in 2016.

Chair Elsea asked if the new platform will enable the new website to work better with mobile devices. Mr. Glatt explained that this is our weakest area and METRO chose to work with accessibility findings first rather than a mobility template. METRO is currently preparing a proposal for live information, but each bus needs to be equipped with new equipment. METRO's IT department has been asked to be ready when funds are identified.

Committee discussed their biggest difficulty: Locating the route needed. The Trip Planner is difficult to use and not helpful. The Committee compared METRO's Trip Planner to VTA's stating that even though VTA uses rough descriptions (turn right, turn left), they felt it was easier to follow.

Mr. Glatt discussed the possibility of having a 4-digit ID at each bus stop, which would replace the expensive map and time table stickers, and the option of a text message via cell phone to receive a list of stops. The Committee responded that not everybody has a smart phone or a cell phone capable of receiving text messages.

7 RECEIVE AND FILE PARACRUZ ROUTE RIDERSHIP REPORTS FOR AUGUST AND SEPTEMBER 2015

Ms. Ernestina Saldana inquired about the differences between August and September.

Mr. Daniel Zaragoza, ParaCruz Assistant Superintendent, indicated that there was only a slight decrease in September attributable to service changes.

10-04A.2

Attachment A

Minutes – METRO Advisory Committee

November 18, 2015

Page 3 of 5

8 ACCEPTED AND FILED – FIXED ROUTE RIDERSHIP REPORT

None

9 UPDATE ON METRO BOARD MAC AD HOC COMMITTEE REVIEW OF BYLAWS

Chair Elsea explained the copy of the bylaws the committee is reviewing is not the final, but a DRAFT version

Chair Elsea gave a quick background explaining there are many changes. She added that she plans to attend the Board meeting on December 11, 2015 where the Board is scheduled to vote on the bylaws. The committee will be able to see the final draft when the Board packet is available.

Chair Elsea attended the 90 minute Ad Hoc Committee meeting on held on November 16, 2015. The Ad Hoc Committee is comprised of Board Chair Bustichi, Director McPherson, Director Hagen, CEO Clifford and District Counsel Syren. Chair Bustichi was absent from the November 16th meeting.

ARTICLE I

1.1 **Purpose – Bylaws** – Chair Elsea read this section to the committee.

Chair Elsea stated that the Ad Hoc Committee does not wish to restrict MAC. She emphasized the need to spell out the language if we want to attract bright and thinking members.

1.2 **Construction of Bylaws**

1.2.1 **Orderly Administration of MAC Meetings** – Why do they need this?

1.3 **Definitions** – Non-controversial

ARTICLE II

2.1 **Duties** – Chair Elsea read this section to the committee.

At the meetings Chair Elsea heard that the committee can help with some tasks. She stated that MAC is certainly here to assist, to discuss and investigate, but has some concerns e.g. concerns about language regarding MAC addressing issues from members of the public.

2.2 **Limitations on Authority** – Chair Elsea read this section to the committee.

Communications to go through the CEO/General Manger: This is new. Mr. Pisano asked if they can attend the Board meetings. Chair Elsea said, yes, but if MAC is working on an agenda item the request goes to the CEO.

New in this section is the MAC Chair will provide the Board of Directors with an oral report twice a year: June and December.

ARTICLE III

3.1 **Member** – Major change – Chair Elsea read this section to the committee.

Committee discussed number of members and how vacancies will be filled.

3.2 **Terms** – New terms will be four years. Members can request a reappointment at the end of their term.

3.3 **Attendance** – Needs to be rewritten

10-04A.3

Attachment A

Minutes – METRO Advisory Committee

November 18, 2015

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3.4 **Compensation of MAC Members** – Change – one (1) voucher, day-pass issued per meeting.

3.5 **Vacancies** – Change – Ad hoc committee will be notified, meet and select new member.

ARTICLE IV

4.1 **Chair and Vice Chair** – This has some new language – Chair Elsea read this section to the committee. Vice-Chair Gunther stated the terms of the Chair and Vice-Chair remained the same

4.2 **Staff Support** – Mostly same language with exception that CEO has responsibility of determining which staff attend MAC meetings.

ARTICLE V

5.1 **Regular Meeting** – Chair Elsea read this section to the committee.

5.3 **Calling and Noticing of Meetings** – Chair Elsea read this section to the committee. Goes by Brown Act

5.4 **Quorum** – Chair Elsea explained either three or four attendees are needed to reach quorum.

5.5 **Thirty Minute Rule** – No change

5.6 **Matters Not Listed On the Agenda Requiring Committee Action** – Change – District Counsel was very firm on this item.

5.7 **Time Limits** – No Change

5.8 **Impertinence; Disturbance of Meeting** – No Change

5.9 **Access to Public Records Distributed at Meeting** – Chair Elsea asked this to be rewritten.

ARTICLE VI

6.1 **Agenda Format** – District Counsel had not had a chance to review the new language regarding accommodating buses.

6.2 **Public Communications** – Chair Elsea explained the public can comment at the Oral/Written section.

6.3 **Agenda Preparation** – Chair Elsea started reviewing the agenda a few months ago prior to each meeting with CEO Clifford.

6.4 **Agenda Posting and Delivery** – Nothing controversial – explains deadlines between regular vs. special meetings.

ARTICLE VII

7.1 **Adoption and Amendment of Bylaws** – Chair Elsea explained this item will most likely become effective January 2016.

7.2 **MAC Process** – In current bylaws

10-04A.4

Attachment A

Minutes – METRO Advisory Committee

November 18, 2015

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Chair Elsea recapped the comments she will send to CEO Clifford including:

- Use of inflammatory language; i.e., non-activist
- Feeling like the committee are “yes” men
- Losing the ability to add agenda items
- Reiterated that meetings will most likely be quarterly
- In January, when the committee elects a new Chair, understanding the responsibilities

10 NAME TAGS/SHIRTS WITH MAC LOGO TO ADVERTISE MAC COMMITTEE

Move to next meeting agenda

8:00 p.m. – Vice-Chair Naomi Gunther departed

11 COMMUNICATIONS TO THE SANTA CRUZ METRO CEO

Chair Elsea will send comments to CEO Clifford

8:05 p.m. – Mr. Donald Peattie departed

12 COMMUNICATIONS TO THE SANTA CRUZ METRO BOARD OF DIRECTORS

None

8:10 p.m. – Mr. Joey Martinez departed

13 ITEMS FOR NEXT MEETING AGENDA

- Name Tags/Shirts with MAC logo to advertise MAC committee
- Update on MAC bylaws
- Current member appointment and expiration dates

14 DISTRIBUTION OF VOUCHERS

Vouchers were distributed

15 ADJOURNMENT

Meeting adjourned at 8:15 p.m.

Respectfully submitted,
Dawn Martin
Administrative Assistant

10-04A.5

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DATE: January 22, 2016
TO: Board of Directors
FROM: Thomas Hiltner, Grants/Legislative Analyst
SUBJECT: ACCEPT AND FILE QUARTERLY STATUS REPORT OF ACTIVE GRANTS AND APPLICATIONS AT JANUARY 2016

I. RECOMMENDED ACTION

That the Board of Directors receive and file the status report on grants and applications. This is for information only. No action is required

II. SUMMARY

- Santa Cruz Metropolitan Transit District's (METRO) Final FY16 budget shows approximately 30% of its operating revenue and about 94% of its capital budget derived from grants.
- A list of METRO's active grants (Attachment A), grant applications (Attachment B) and a grant-funding outlook (Attachment C) are provided quarterly in order to apprise the Board of the status of grants funding.
- METRO has active grant awards totaling \$35,716,113.
- METRO staff is processing applications totaling \$7,354,766 for new projects.
- No action is required; this report is for information only.

III. DISCUSSION/BACKGROUND

METRO relies upon grant funding for more than 30% of its FY16 operating revenue and 94% of its FY16 capital funding. The State of California and the Federal Transit Administration (FTA) annually allocate funds by formula while others, such as the California Energy Commission and Caltrans award discretionary planning grants based upon merit. METRO relies on both formula and discretionary grant revenue to support its operating and capital budgets.

This staff report is to apprise the Board of Directors of active grants funding for current projects, applications for new funds and foreseeable opportunities for future grants. Attachment A lists all of METRO's active grants with the award amount, the remaining balance and the status of the projects funded by the grant. Attachment B lists METRO's open grant applications with a brief description, source and status of proposed projects. Attachment C is a list of future grant opportunities anticipated to arise based upon previous grant-seeking experience, new programs and pending legislation, which could produce future grant opportunities.

METRO submitted its first application for electric buses to the FTA's Low and No Emission bus program in November and will submit two more applications in January for electric bus funding, one to the California Air Resources Board's Zero-Emission Truck & Bus Pilot Commercial Deployment Program and another to the Caltrans Low Carbon Transit Operations Program.

IV. FINANCIAL CONSIDERATIONS/IMPACT

Active grant awards (Attachment A) for Operating and Capital projects total \$35,716,113, a decrease of \$9,053,574 from the last report due to closeout of the FY15 STA/TDA grant.

The unspent balance of active grants is \$17,357,355, a decrease of approximately \$4.7 million from August 2015 due to drawdowns during the last three months of project progress payments. Please see Attachment A.

Current grant applications request \$7,354,766, essentially unchanged from August 2015 due to previously reported applications moving to the active grants list and the addition of two new applications to Caltrans. Please see Attachment B.

Attachment C lists funding sources from which METRO can reasonably anticipate future grant solicitations. The current funding environment heavily favors low- and zero-emission buses and sustainable communities' strategies, especially in areas serving disadvantaged communities. METRO is poised to submit proposals when solicitations open for which electric buses are eligible and will develop projects for the area surrounding METRO's transit centers when sustainable communities solicitations open.

V. ALTERNATIVES CONSIDERED

This is for information only and there are no alternatives to consider.

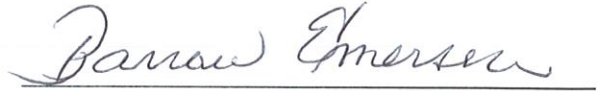
VI. ATTACHMENTS

Attachment A:	METRO Active Grants as of January 5, 2016
Attachment B:	METRO Grant Applications as of January 5, 2016
Attachment C:	METRO Future Grant Opportunities as seen on January 5, 2016

Prepared by: Tom Hiltner, Grants Legislative Analyst

VII. APPROVALS:

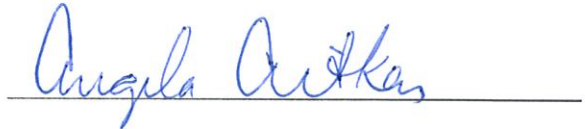
Barrow Emerson, Planning
and Development Manager



Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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Attachment A

Santa Cruz METRO
Active Grants as of January 2016

#	Grant	Description	\$ Grant Awarded	\$ Grant Balance	Local Match	Grant Status
1	FY14 Cal-OES Transit Security Grant Program Expires: 3/31/17	Comprehensive Security and Surveillance	\$ 440,505	\$ 440,505	-	Received Payment 10/2015 and project is active. \$ Grant Balance 1/5/15
2	FY15 Cal-OES Transit Security Grant Program Expires: 3/31/18	Comprehensive Security and Surveillance	\$ 440,505	\$ 440,505	-	Received Payment 10/2015 and project is active. \$ Grant Balance 1/5/15
3	FY 11/12 Proposition 1B - State and Local Partnership Program (SLPP) Expiration: 12/11/15	CTC	\$ 5,812,000	\$ -	-	All funds from this Proposition 1B (2006) SLPP grant have been expended on the Lewis C. Nelson contract for the Judy K. Souza Operations Building. Building completion scheduled for early 2016. Staff requested final reimbursement. Caltrans.to inform METRO on Grant close-out procedure. \$ Grant Balance 1/5/15.
4	FY10 - 13 PTMISEA funds (Public Transportation Modernization, Infrastructure and Service Enhancement Act) Expiration: 6/30/17	MetroBase development, Judy K. Souza Operations Facility	\$ 12,010,147	\$ 1,995,741	-	The PTMISEA funds allocated to METRO from FY08 through FY13 are for the MetroBase JKS Operations Facility and the temporary operating facility. \$ Grant Balance as of 1/5/16.

Attachment A

Santa Cruz METRO
Active Grants as of January 2016

#	Grant	Description	\$ Grant Awarded	\$ Grant Balance	Local Match	Grant Status
5	FY15 PTMISEA Award/Payment received December 2014 Expiration: 6/30/2020	Funds allocated to Pacific Station subject to Board approval.	\$ 5,949,126	\$ 5,949,126	\$ -	Project is pending review. \$ Grant Balance 1/5/15
6	Pacific Station Design Engineering FTA 5309 CA-04-0021 Expiration: None	Contract architectural and engineering services for Pacific Station expansion and renovation	\$ 396,000	\$ 114,909	\$ 28,727	Group 4 delivered the Conceptual Design Report 8/14/15. METRO will pursue a reference from Hill Intn'l to produce a project management plan for subsequent phases. Grant Balance as of 1/5/16.
7	Pacific Station Design Engineering FTA 5309 CA-04-0102 Expiration: 9/30/15	Contract architectural and engineering services for Pacific Station expansion and renovation	\$ 490,000	\$ 24,045	\$ 6,011	Group 4 delivered the Conceptual Design Report 8/14/15. METRO will pursue a reference from Hill Intn'l to produce a project management plan for subsequent phases. Grant Balance as of 1/5/16.
8	FY14 FTA 5304 Planning Internship Expiration: 6/30/16	Hire a student intern to gain experience in public transit planning.	\$ 40,281	\$ 19,343	\$ 2,506	Caltrans awarded Internship grant 8/13/13 for \$40,281. A new intern started 11/30/15. \$ Grant Balance as of 1/5/16.

Attachment A

Santa Cruz METRO
Active Grants as of January 2016

#	Grant	Description	\$ Grant Awarded	\$ Grant Balance	Local Match	Grant Status
9	FY14 Caltrans FTA 5304 Planning Grant Expiration: unknown	METRO assistance to RTC Passenger Rail Study	\$ 18,000	\$ 16,270	\$ -	RTC pass-through from Caltrans \$250,000 feasibility study. SCCRTC presented the Final report to the BOD on 6/12/15. SCCRTC may request further METRO advisory work as their project remains open. \$ Grant Balance as of 1/5/16.
10	2014 Surface Transportation Improvement Program (STIP) Expiration: 2/21/18	ParaCruz Van Replacements	\$ 345,000	\$ 251,484	\$ 86,000	Procurement contracted 4 ParaCruz vehicles and two have been delivered. Delivery of the remaining 2 is anticipated in January 2016. \$ Balance as of 1/5/16.
11	FY16 TDA/STA Operating Assistance Expiration: None	FY16 TDA/STA Operating Assistance.	\$ 9,209,643	\$ 7,615,270	\$ 7,615,270	RTC paid 1st Qtr. TDA payment. \$ Grant Balance as of 1/5/16.
12	FY15 FTA 5311 Rural Area formula Operating Assistance Award Anticipated: September 2015	Operate Rural Service in Santa Cruz County	\$ 177,787	\$ 177,787	\$ -	METRO executed Caltrans supplemental agreement (contract) on 12/29/15. Upon Caltrans execution, METRO will request re-imbursement and close the grant. \$ Grant Balance as of 1/5/16.

Attachment A

Santa Cruz METRO
Active Grants as of January 2016

#	Grant	Description	\$ Grant Awarded	\$ Grant Balance	Local Match	Grant Status
13	FY14 Caltrans/FTA 5304 Planning Grant Expiration: 6/30/17	Comprehensive Operational Analysis Evaluate entire route network with recommendation to restructure	\$ 74,749	\$ -	\$ 45,850	COA contract awarded to TMD 8/2015. TMD will present preliminary service alternatives to the BOD 1/22/16. \$ Grant Balance as of 1/5/16.
14	FY15 Caltrans FTA 5304 Planning Grant pass-through to METRO. Expiration: 3/3/17	METRO assistance to RTC User-Oriented Transit Travel Planning Project.	\$ 4,338	\$ 4,338	\$ -	SCCRTC will reimburse METRO staff up to \$4,338 for a maximum 100 staff hours for technical assistance. Project not started. \$ Grant Balance as of 1/5/16.
15	FY15/16 Caltrans FTA 5310 Senior and Disabled Individuals Mobility Program	Purchase One ParaCruz Expansion Van for Elderly/Disabled program beyond ADA requirements.	\$ 50,400	\$ 50,400	\$ 12,600	CTC awarded METRO \$50,400 to purchase one ParaCruz vehicle. Awaiting contract from Caltrans.
16	2015 FTA 5339 Formula Funds Expiration: 12/31/18?	Roof Repairs; Parking Lots resurface; Painting WTC	\$ 257,632	\$ 257,632	\$ 64,408	Application Submitted. Caltrans funded 4 priority projects of 11 submitted for emergency roof repairs, parking lot resurfacing and WTC repainting. Grant Program now shown as two pieces: 4 funded projects in Active Grants; 7 projects remaining on the application list to be funded by Caltrans. \$ Grant Balance as of 1/5/16.
		Total	\$ 35,716,113	\$ 17,357,355	\$ 7,861,373	

Attachment B

Santa Cruz METRO
Applications in Process as of January 2016

#	Grant	Description	\$ Grant	Local Match	Funding Source	Status of Award
1	FY16 Cal-OES Transit Security Grant Program Application Due: 1/15/16 Expiration: 3/31/19	Comprehensive Security and Surveillance	\$ 440,505	\$ -	FY13 CTSGP funds from Cal-OES	Funds will be used for Comprehensive Security and Surveillance \$ Grant Balance as of 1/5/16.
2	FTA FY16 Low and No Emission Program [LoNo] Electric Buses; Application due Date: 11/23/2016	Electric Bus	\$ 5,100,000	\$ 1,020,000	FTA 5302 Low and No-emission bus program \$22.5 Million Nationwide	METRO submitted application 11/23/15. 5 40' BYD electrics proposed with local match as LCTOP, PTMISEA combination.
3	FTA FY16 Zero-Emission Truck & Bus Pilot Commercial Deployment Projects Electric Buses; Application due Date: 1/29/2016	Electric Bus(es)	TBD	TBD	CARB Air Quality Improvement Program [AQIP]	Scope of Work TBD. CTE will assist with the application. Application due 1/29/16.

Attachment B

Santa Cruz METRO
Applications in Process as of January 2016

#	Grant	Description	\$ Grant	Local Match	Funding Source	Status of Award
4	FY16 Low Carbon Transit Operations Implement Electric Buses; Application due Date: 2/1/2016	Electric Bus	\$ 709,392	\$ -	SB 862 Formula Low Carbon Transit Operations Program	METRO will receive its xferred FY15 allocation from MST plus the FY16 Allocation for a new project. Application due 2/1/16.
5	2015 FTA 5339 Formula Funds Application due 7/3/15 Awards: 3/30/16?	Non-Revenue Vehicles, Repair, Equipment	\$ 659,187	\$ 164,797	FTA FY15 5339 Formula Allocation (assumed)	Application Submitted. Caltrans funded 4 priority projects, now shown as an awarded grant . 7 additional projects remain to be funded from Caltrans's FTA application which will be submitted 2/16.
6	Caltrans FTA 5304 Sustainable Communities Planning Grant Application: 12/31/15 Award: 7/31/16	Transit Signal Prioritization Feasibility Study Collaborate with City, UCSC to evaluate bus pre-emption of traffic controllers to give travel time advantage to transit.	\$ 167,662.00	\$ 21,722	Caltrans 5304	METRO submitted grant application 12/29/15.

Attachment B

Santa Cruz METRO
Applications in Process as of January 2016

#	Grant	Description	\$ Grant	Local Match	Funding Source	Status of Award
7	Student Internship Program 2016-2018 Application due 12/31/15 Award Anticipated 7/31/16	Interns to study facilities, route interlining and urban area boundaries for rural service areas only.	\$ 50,000	\$ 6,478	Caltrans 5304	Caltrans Student Internship Program. Application submitted to Caltrans 12/30/15.
8	Caltrans FTA 5304 Sustainable Communities Planning GrantFY16 Bus on Shoulder Feasibility Study Application: 12/31/15	METRO is the project lead and applicant for a partnership with MST, Caltrans, CHP to conduct a feasibility study of bus operations on the shoulder of Highway 1.	\$ 228,020	\$ 29,542	Caltrans 5304	Application submitted 12/17/15.
9	Bus on Shoulder Feasibility Study Application due 1/22/16	Collaborate with MST, Caltrans, CHP to study bus operations on state highway shoulders to give travel time advantage to transit.	TBD	TBD	OWP nnn	Prepare application for submission to AMBAG.
		Total	\$ 7,354,766	\$ 1,242,539		

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Attachment C

Santa Cruz METRO
Future Grant Opportunities as seen January 2016

#	Proposed Project(s)	Funding Source	Grant Request?	Local Match	Supporters/Stakeholders
1	FY16 Transit & Intercity Rail Capital Program Application est. due Date: 2/28/2016	SB 862 FY16 Transit & Intercity Rail Capital Program, \$200 Million Statewide	\$ 8,000,000.00	0%	SCCRTC; TAMC; MST; Caltrans; AMBAG; MBUAPCD; CARB
2	Electric Bus Fleet Application est Due Date: 06/30/2016	CARB Heavy-Duty zero-emission Vehicle Incentive Program	~\$100,000 per new electric bus	Balance of Cost	SCCRTC; AMBAG; Legislative Coalition
3	Transit Security Projects 2017 Application est. due Date: 3/15/2017	Proposition 1B California Transit Security Program Fixed Formula to METRO	\$ 440,505.00	0%	Santa Cruz County Public Works; Santa Cruz Police Department;
4	Bus Stop Improvements [Rural Only] Application est. due Date: 5/1/2016	Caltrans 5311(f) Rural discretionary Program	\$250,000 - \$300,000	46%	SCCRTC; AMBAG; District 5 Supervisor; CTA
5	Bus Stop Improvements Application est. due Date: 6/1/2016	Caltrans 2016 Active Transportation Program	\$150,000 - \$300,000	20%	SCCRTC; AMBAG; District 5 Supervisor; CTA
6	Affordable housing, Pacific Station or Watsonville; Implement Electric Buses Application due Date: 6/3/16	Cap & Trade: Affordable Housing and Sustainable Communities Program; \$150 Million Statewide	\$1,000,000 - \$8,000,000	0%	Watsonville City Council; Santa Cruz Economic Development Department; Chamber of Commerce; Planning, Public Works; Jimmy Dutra; METRO BOD; AMBAG; RTC; County Economic Development

10-05C.1

Attachment C

Santa Cruz METRO
Future Grant Opportunities as seen January 2016

#	Proposed Project(s)	Funding Source	Grant Request?	Local Match	Supporters/Stakeholders
7	Electric Vehicle; Charging infrastructure Application est. due Date: 6/25/16	AB2766 - Vehicle registration fees	~\$400,000 maximum request	0%	METRO BOD; Air District; Assemblymen Stone; AMBAG
8	FY16 Operating Assistance Application est. due Date: 6/30/2016	FTA 5307 program	~\$5,500,000	50%	Finance; CEO
9	FY16 Operating Assistance Application est. due Date: 6/30/2016	FTA 5311 program	~\$200,000	50%	Finance; CEO
10	Electric Buses Application est. due Date: 9/30/2016	California Energy Commission's Alternative and Renewable Fuel and Vehicle Technology Program	\$2,000,000 - \$5,000,000	Unknown	MBUAPCD; AMBAG; SCCRTC; CTA; Resource Conservation District of Santa Cruz County; CARB; Santa Cruz County Public Works; Legislative Coalition
11	FY17 Low Carbon Transit Operations TBD; Implement Electric Buses; Application est. due Date: 11/1/2016	SB 862 Low Carbon Transit Operations Program, \$25 Million Statewide	\$ 370,000.00	0%	SCCRTC; TAMC; MST; Caltrans; AMBAG; MBUAPCD; CARB
12	H17 Electric Bus Fleet Application est Due Date: 12/30/2016	Transit Inter-city Rail Capital Program \$25 - \$50 Million Statewide	\$8,250,000 maximum	0%	Caltrans; MST; TAMC; SCCRTC; CTA; VTA

Santa Cruz METRO
 Future Grant Opportunities as seen January 2016

#	Proposed Project(s)	Funding Source	Grant Request?	Local Match	Supporters/Stakeholders
13	Pacific Station construction Pre-Proposal: 3/4/2017 Application est. due Date: 6/5/2017	US DOT TIGER program \$500 Million Nationwide	\$ 25,000,000.00	20%	City of Santa Cruz Planning and Public Works; Downtown Business Association; Greyhound; Pacific Station Tenants; Federal Transit Administration; Chamber of Commerce; METRO passengers

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DATE: January 22, 2016
TO: Board of Directors
FROM: Andrew Kreck, Project Manager, Hill International
**SUBJECT: CONSIDERATION OF METROBASE MONTHLY CHANGE ORDER
REPORT**

I. RECOMMENDED ACTION

That the Board of Directors accept and file the MetroBase Monthly Change Order Report.

II. DISCUSSION/BACKGROUND

The Santa Cruz Metropolitan Transit District (METRO) has a contract with Lewis C. Nelson and Sons, Inc. for the construction of the Judy K. Souza Operations Building.

Per the Board's request, the Project Manager is to provide a monthly summary of change orders. Since the last Report to the Board on December 11, 2015, METRO has issued 17 new unilateral change orders to Lewis C. Nelson and Sons, Inc. In addition, the Contractor has signed one Contract Extension Change Order that adds 94 days to the contract time, extending the calculated completion date to January 15, 2016.

III. FINANCIAL CONSIDERATIONS/IMPACT

See attached. Since the last Board Meeting on December 11, 2015, 17 unilateral change orders have been issued to Lewis C. Nelson and Sons, Inc., and one Contract Extension Change Order has been executed.

IV. ATTACHMENTS

Attachment A: Executed Change Orders Table

Prepared by: Joan Jeffries, Administrative Assistant
Jaron West, Hill International, Inc.
Andrew Kreck, Project Manager, Hill International, Inc.

V. APPROVALS:

Andrew Kreck, Project Manager



Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

Executed Change Orders

Contract No. 12-23

Original Contract Amount:	\$13,572,000.00	Revised Contract Amount:	\$15,567,183.17
Original Contract Time (Days):	668	Revised Contract Time (Days):	1096
Total Construction Contingency:	\$2,324,773.20	Contingency Remaining:	\$329,590.03

No.	Effective Date	Description	Increase in Contract Amount	Increase in Contract Time (in Days)	Approved By
001	5/16/13	Site improvements at 135 Dubois	\$ 200,586.00	-0-	Board/Les White
002	6/4/13	Extend completion date by 49 days	\$ -	49	Board/Les White
003	6/4/13	Additional site improvements at 135 Dubois	\$ 36,369.00	-0-	Les White
004	6/4/13	Demolish concrete sound wall; Provide Pile Driving Notification	\$ 17,297.00	-0-	Les White
005	6/4/13	Demolish CPU planter wall, trees, shrubs, and chain link fencing	\$ 8,905.00	-0-	Les White
006	7/25/13	Expose tops of overdriven piles	\$ 2,324.00	-0-	Les White
007	8/7/13	Cut off prestressed concrete piles 54 ft. long or less	\$ 50,000.00	-0-	Les White
007 S1	4/21/15	Cut off prestressed concrete piles 54 ft. long or less	\$ -	16	Board/Alex Clifford
007.S2	11/16/15	Pile Cutoff (Time Related Overhead)	\$ 24,208.00	-0-	Alex Clifford
008	9/26/13	Cut off prestressed concrete piles longer than 54 ft. to achieve correct elevation	\$ 26,000.00	-0-	Les White
009	9/26/13	Provide labor, equipment, and materials to modify pile caps	\$ 18,994.00	-0-	Les White
010	9/15/14	Fire Service Backflow Preventor (FD #17)	\$ 10,621.00	-0-	Alex Clifford
011	2/25/14	Weather & Misc. Delay	\$ -	13	Board/Alex Clifford
012	11/20/14	Differing site condition encountered during parking lot demolition.	\$ 49,777.00	-0-	Alex Clifford
013	11/20/14	Modification of parking deck storm drain piping at grid lines E/1 on ground floor	\$ 1,920.00	-0-	Alex Clifford
014	3/17/15	Add battery backups/delete over head coils	\$ -	-0-	Alex Clifford
015	12/8/14	Partnering sessions (METRO's one half share of cost)	\$ 10,000.00	-0-	Alex Clifford
016	1/6/15	Furnishing and installing of epoxy-coated rebar dowels	\$ 3,798.68	-0-	Alex Clifford
017	1/14/15	Additional vehicular PCC pavement	\$ 15,182.00	-0-	Alex Clifford
018	6/16/15	Aluminum Brake Metal	\$ 28,280.50	deferred	Alex Clifford
018.S1	11/16/15	Aluminum Brake Metal	\$ -	-0-	Alex Clifford

Attachment A

No.	Effective Date	Description	Increase in Contract Amount	Increase in Contract Time (in Days)	Approved By
019	6/26/15	CalTrans Encroachment Permit	\$ 23,523.00	deferred	Alex Clifford
019.S1	11/16/15	CalTrans Encroachment Permit	\$ -	-0-	Alex Clifford
020	6/16/15	Relocate Firewall - Door Louvers and FSDs	\$ (803.00)	deferred	Alex Clifford
020.S1	11/16/15	Relocate Firewall - Door Louvers and FSDs	\$ -	-0-	Alex Clifford
021	11/16/15	Room A303 and Room A404 Changes	\$ (858.00)	-0-	Alex Clifford
022	6/16/15	Elevator Penthouse	\$ 23,870.00	deferred	Alex Clifford
022.S1	11/16/15	Elevator Penthouse	\$ -	-0-	Alex Clifford
023	5/4/15	Stair Gate	\$ 4,446.00	-0-	Alex Clifford
024	11/16/15	Transformer Enclosure	\$ 17,034.00	-0-	Alex Clifford
025	6/16/15	Illuminated Handrail	\$ 21,668.00	deferred	Alex Clifford
025.S1	11/16/15	Illuminated Handrail	\$ -	-0-	Alex Clifford
026	6/16/15	Plumbing Changes	\$ 6,740.00	deferred	Alex Clifford
026.S1	11/16/15	Plumbing Changes	\$ -	-0-	Alex Clifford
027	6/8/15	Security Camera Conduits	\$ 55,616.00	deferred	Alex Clifford
027.S1	11/16/15	Added Security Camera Infrastructure (Conduits)	\$ -	-0-	Alex Clifford
028	6/8/15	Future Car Charging Conduits	\$ 21,399.00	deferred	Alex Clifford
028.S1	11/16/15	Future Car Charging Conduits	\$ -	-0-	Alex Clifford
029	6/16/15	Contaminated Soil Abatement	\$ 32,011.00	deferred	Alex Clifford
029.S1	11/16/15	Contaminated Soil Abatement	\$ -	-0-	Alex Clifford
030	6/16/15	HVAC Revisions - Split System	\$ 14,385.00	deferred	Alex Clifford
030.S1	11/16/15	HVAC Revisions - Split System	\$ -	-0-	Alex Clifford
031	3/17/15	Pile Redesign	\$ 62,942.00	12	Board/Alex Clifford
031.S1	11/16/15	Pile Redesign (Time Related Overhead)	\$ 18,156.00	-0-	Alex Clifford
032	3/17/15	Pile Cap Redesign	\$ 31,717.00	21	Board/Alex Clifford
032.S1	11/16/15	Pile Redesign (Time Related Overhead)	\$ 31,773.00	-0-	Alex Clifford
033	3/17/15	Additional Sitework	\$ 12,799.00	-0-	Alex Clifford
035	6/16/15	Provide Cut Metal Letters	\$ 19,467.00	deferred	Alex Clifford
035.S1	11/16/15	Provide Cut Metal Letters	\$ -	-0-	Alex Clifford
036	4/8/15	Dwarf Wall & 6 Inch Sill Curb	\$ 6,712.00	-0-	Alex Clifford
037	11/16/15	Added Site Lighting	\$ 30,573.00	-0-	Alex Clifford

Attachment A

No.	Effective Date	Description	Increase in Contract Amount	Increase in Contract Time (in Days)	Approved By
038	11/16/15	Spec 02823 Powder Coating Delta 005 & Orsogrill	\$ 16,045.00	-0-	Alex Clifford
039.S1	7/10/15	Buy America FRC Panels	\$ -	deferred	Alex Clifford
039.S2	11/16/15	Buy America FRC Panels (Cost Over Run)	\$ 299,929.00	179	Board/Alex Clifford
040	6/16/15	Added Motor Operated Solar Shades	\$ 20,199.00	deferred	Alex Clifford
041.S1	11/16/15	Added Motor Operated Solar Shades	\$ -	-0-	Alex Clifford
041	11/16/15	Shift Parking Lot and Add Steel Handrail	\$ 8,246.00	-0-	Alex Clifford
042	11/16/15	Add Beams on Top of Wall	\$ 10,724.00	-0-	Alex Clifford
043	6/16/15	PG&E Gas and Electric Substructures	\$ 2,499.00	deferred	Alex Clifford
043.S1	11/16/15	PG&E Gas and Electric Substructures	\$ -	-0-	Alex Clifford
044	11/16/15	P-3 Sump Pump	\$ 21,091.00	-0-	Alex Clifford
045	11/16/15	Type E Wall at First Floor Column E/6	\$ 4,041.00	-0-	Alex Clifford
046	11/16/15	Monitor, Rack and UPS Changes	\$ 9,181.00	-0-	Alex Clifford
047	7/7/15	Concrete Backfill at Waterline in River Street	\$ 28,444.00	deferred	Alex Clifford
047.S1	11/16/15	Concrete Backfill at Waterline in River Street	\$ -	-0-	Alex Clifford
048	6/25/15	Boulder Removal	\$ 632.00	deferred	Alex Clifford
048.S1	11/16/15	Boulder Removal	\$ -	-0-	Alex Clifford
049	11/16/15	Relocate Gas and Water Vaults	\$ 16,350.00	-0-	Alex Clifford
051	6/16/15	Delete Fixture Type DD at Transformer Enc.	\$ (905.00)	deferred	Alex Clifford
051.S1	11/16/15	Delete Fixture Type DD at Transformer Enc.	\$ -	-0-	Alex Clifford
052	6/16/15	Relocate Fixture Type WE	\$ 352.00	deferred	Alex Clifford
052.S1	11/16/15	Relocate Fixture Type WE	\$ -	-0-	Alex Clifford
053	7/6/15	Delete Grout Bed	\$ (2,382.00)	deferred	Alex Clifford
053.S1	11/16/15	Delete Grout Bed	\$ -	-0-	Alex Clifford
054	7/10/15	Edge of Slab Revision	\$ 1,297.00	deferred	Alex Clifford
054.S1	11/16/15	Edge of Slab Revision	\$ -	-0-	Alex Clifford
055	11/16/15	Underground Conduit	\$ (2,969.01)	-0-	Alex Clifford
056	11/16/15	Pre-Action Dry Pipe Fire Suppression System	\$ 24,460.00	-0-	Alex Clifford

Attachment A

No.	Effective Date	Description	Increase in Contract Amount	Increase in Contract Time (in Days)	Approved By
057	11/16/15	Delta 5 Door and Borrowed Light Changes	\$ 5,470.00	-0-	Alex Clifford
058	11/16/15	Demolish Fencing and CMU Wall	\$ 3,035.00	-0-	Alex Clifford
059	11/16/15	Revise Wall from 8in to 12in on South Side of Building Entrance	\$ 5,000.00	-0-	Alex Clifford
060	11/16/15	Revised Striping Plan	\$ 5,774.00	-0-	Alex Clifford
062	7/30/15	Chain Link Fence on Retaining Wall	\$ 2,234.00	deferred	Alex Clifford
062.S1	11/16/15	Chain Link Fence on Retaining Wall	\$ -	-0-	Alex Clifford
063	11/16/15	PG&E Gas Houseline	\$ 3,568.00	-0-	Alex Clifford
064	11/16/15	Roof Screen Detail and End Treatments	\$ 1,444.00	-0-	Alex Clifford
065	11/16/15	LED Substitution and Two 30 Foot Poles	\$ 30,585.00	-0-	Alex Clifford
066	11/16/15	Electrical Conduit across the Driveway Entrance	\$ 7,706.00	-0-	Alex Clifford
067	11/16/15	Install 6in Storm Drain to Connection	\$ 1,163.00	-0-	Alex Clifford
068	11/16/15	Install Parapet Gap Closure	\$ 2,195.00	-0-	Alex Clifford
069	11/16/15	Add Impervious Material Beneath Line 7 Sub-Drain	\$ 3,646.00	-0-	Alex Clifford
070	11/16/15	Revisions to architectural louvers	\$ 8,792.00	-0-	Alex Clifford
071	11/16/15	Caulk 2" gap at CMU wall in electrical room A104	\$ 4,389.00	-0-	Alex Clifford
072	11/16/15	Revise Installed CMU Clips in the Elevator Shaft	\$ 2,824.00	-0-	Alex Clifford
073	11/16/15	Parapet Detail Revisions	\$ 12,993.00	-0-	Alex Clifford
074	11/16/15	Added Security Fence	\$ 20,881.00	-0-	Alex Clifford
075	11/16/15	Added Ledger	\$ 5,252.00	-0-	Alex Clifford
076	11/16/15	Balcony Railing	\$ 9,699.00	-0-	Alex Clifford
077	11/16/15	Expansion anchors	\$ 4,015.00	-0-	Alex Clifford
078	11/16/15	Generator Room Scupper	\$ 1,678.00	-0-	Alex Clifford
079	11/16/15	Door and Hardware Revisions	\$ 5,517.00	-0-	Alex Clifford
080	11/16/15	¼" x 4" Galvanized Flat-bar to Curtain Wall Support Brackets	\$ 2,186.00	-0-	Alex Clifford
081	11/16/15	Barbed Wire	\$ 8,555.00	-0-	Alex Clifford
082	11/16/15	Provide 2" gap at crash wall and moment frame intersection	\$ 10,184.00	-0-	Alex Clifford
083	11/16/15	Provide Specified Dowels at Housekeeping Pads	\$ 1,134.00	-0-	Alex Clifford

Attachment A

No.	Effective Date	Description	Increase in Contract Amount	Increase in Contract Time (in Days)	Approved By
084	11/16/15	Weather days January - May 2015	\$ -	6	Alex Clifford
085	11/16/15	Additional steel - submittal review comments 05511	\$ 10,399.00	-0-	Alex Clifford
086	11/16/15	Dewatering	\$ 5,126.00	-0-	Alex Clifford
087	11/16/15	ADA Path Modification	\$ 19,552.00	-0-	Alex Clifford
088	11/16/15	Stair Tread Nosing	\$ 815.00	-0-	Alex Clifford
089	11/16/15	Demolish Existing Concrete Foundation/Slab per FD-47	\$ 1,368.00	-0-	Alex Clifford
090	11/30/15	Slope in Bathroom - Ardex Material	\$ 13,087.00	-0-	Alex Clifford
091	11/16/15	Excavate PG&E box per FD-64	\$ 672.00	-0-	Alex Clifford
092	11/16/15	Revisions to Room Names, Widen Ramp, Add Door and Sidelight per FD-50 & RFQ-27	\$ 4,388.00	-0-	Alex Clifford
096	11/16/15	Antenna Infrastructure	\$ 19,751.00	deferred	Alex Clifford
097	11/16/15	Provide Electrical Conduit at Bike Canopy	\$ 1,680.00	-0-	Alex Clifford
098	1/8/16	Outfall Construction	\$ 24,002.00	-0-	Alex Clifford
099	11/16/15	RFQ 36 Framing	\$ 28,535.00	deferred	Alex Clifford
100	11/16/15	RFQ 36 - Framing, Glazing, Fire Protection, Mechanical, Plumbing, Insulation, Floor Revisions	\$ 42,442.00	deferred	Alex Clifford
101	11/16/15	Relocation of HP-20 per RFI #349	\$ 1,473.00	-0-	Alex Clifford
102	11/16/15	Mechanical Platform Steel Posts per RFIs #256 and #356.R1	\$ 1,299.00	-0-	Alex Clifford
103	11/16/15	Provide and Install Conduit at Card Reader Pedestal per FD-16	\$ 540.00	deferred	Alex Clifford
104	11/16/15	Traffic Coating Above Electrical Room A104	\$ 6,347.00	-0-	Alex Clifford
106	11/16/15	Relocate Piping for Fixture "FF" at B-4	\$ 1,987.00	-0-	Alex Clifford
107	11/16/15	Revise Walls & Add Telecom Outlets at 1st & 2nd Floors	\$ 11,450.00	-0-	Alex Clifford
108	11/16/15	Quiet Rock at Restrooms per FD-73 & ASI-60	\$ 8,056.00	-0-	Alex Clifford
109	11/16/15	Add Temporary Enclosure at W-6 Window	\$ 500.00	-0-	Alex Clifford
110	11/16/15	Add Water Heater Condensate Plenum Drains	\$ 1,919.00	-0-	Alex Clifford
111	11/16/15	Provide and Install Shaftliner at Elevator Fronts	\$ 2,013.00	-0-	Alex Clifford
112	11/16/15	Add Horizontal Window Mullions at Curtain Walls W5, W17, and W18	\$ 6,737.00	-0-	Alex Clifford

Attachment A

No.	Effective Date	Description	Increase in Contract Amount	Increase in Contract Time (in Days)	Approved By
113	11/16/15	Repaint Bus Parking Blue and Yellow	\$ 8,545.00	-0-	Alex Clifford
114	11/16/15	Geo H. Wilson's Added Engineering, Labor, and Material Costs for Delta 5 Revisions	\$ 3,607.00	-0-	Alex Clifford
115	11/16/15	Add 6" Bed Gravel for Outfall	\$ 1,635.00	-0-	Alex Clifford
116	11/16/15	Bus Parking Lot - Revised Striping and Added Lighting	\$ 2,577.00	-0-	Alex Clifford
117	11/16/15	Revise Canopy Roof Parapet Plywood to Densdeck Prime	\$ 1,714.00	-0-	Alex Clifford
118	11/16/15	Extend Guardrail @ Bike Canopy	\$ 4,599.00	-0-	Alex Clifford
120	11/16/15	Added 2 Each Polycarbonate Panels Work due to revision at Stairway #1 Column Spacing	\$ 5,000.00	-0-	Alex Clifford
121	11/16/15	Provide and install 25 LF of Curb per RFI 93.R1	\$ 3,969.00	-0-	Alex Clifford
122	11/16/15	Lower ACT to Avoid Condensate Pump	\$ 6,562.00	-0-	Alex Clifford
123	11/16/15	X-Ray Concrete Roof Beams at Antenna Tower	\$ 1,930.00	-0-	Alex Clifford
124	11/16/15	Additional Work at Pile Caps	\$ 5,657.00	-0-	Alex Clifford
125	11/16/15	Relocation of Stormwater Riser at Stair #1	\$ 1,472.00	-0-	Alex Clifford
126	11/17/15	Neutral Wires for Six Heat Pumps	\$ 2,069.00	-0-	Alex Clifford
128	11/16/15	Window waterproofing & flashing revision	\$ 49,455.00	-0-	Alex Clifford
129	11/16/15	Parking Deck Level Hose Vault Locations	\$ 2,402.00	-0-	Alex Clifford
130	11/16/15	Sinks in Breakrooms A416 and A308	\$ 270.00	-0-	Alex Clifford
131	11/16/15	Weather Days Dec 2014	\$ -	38	Alex Clifford
133	12/4/15	Add Pony Wall in Dispatch Room A303	\$ 2,418.00	deferred	Alex Clifford
134	12/4/15	Shroud Above CRAC	\$ 2,608.00	deferred	Alex Clifford
135	12/4/15	Modify Deck Drainage	\$ 6,731.00	deferred	Alex Clifford
136	12/4/15	Mechanical Platform Chemical Treatment Modifications	\$ 12,718.00	-0-	Alex Clifford
137	12/24/15	ADA Ramp, Door Infill, Cut Wall	\$ 42,216.00	deferred	Alex Clifford
139	12/16/15	Light Switch Exchange in Elevator Machine Room	\$ 498.00	deferred	Alex Clifford
140	12/29/15	Contract Extension	\$ -	94	Alex Clifford
141	12/24/15	Stair 1 Drains	\$ 12,582.00	deferred	Alex Clifford
142	1/8/16	Caulking at Bike Canopy / Crash Wall	\$ 973.00	deferred	Alex Clifford

Attachment A

No.	Effective Date	Description	Increase in Contract Amount	Increase in Contract Time (in Days)	Approved By
143	12/18/15	Handicap Toilet Grab Bar Changes	\$ 835.00	deferred	Alex Clifford
146	1/6/16	Waterproof First Floor Balcony Break Out Area	\$ 7,659.00	deferred	Alex Clifford
148	1/6/16	Water Intrusion Consultant Review	\$ 5,239.00	-0-	Alex Clifford
149	1/8/16	Interior Signage	\$ 2,486.00	deferred	Alex Clifford
150	1/8/16	Cover Exposed Conduit in A321	\$ 2,503.00	deferred	Alex Clifford
152	1/8/16	Stair #1 Roof Drain/Scupper	\$ 6,454.00	deferred	Alex Clifford
153	1/8/16	Revise Heat Pump Wiring	\$ 9,077.00	deferred	Alex Clifford

Totals: \$ 1,995,183.17 428

BOLD entries indicate those added since the last report.

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DATE: January 22, 2016
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
SUBJECT: REVISED METROBASE PHASE II (OPERATIONS BUILDING) LIFE OF PROJECT BUDGET AND CAPITAL RESOURCE ALLOCATION PLAN

I. RECOMMENDED ACTION

That the Board of Directors approve:

- A. Reallocation of FY14 PTMISEA funds in the amount of \$545,000 to the MetroBase Project; and,**
B. Adding \$545,000 to the Life of Project, thereby increasing the MetroBase Phase II Operations budget from \$25,866,524 to \$26,411,524.

II. SUMMARY

- The Board of Directors established a Life of Project (LOP) for MetroBase Phase II on September 26, 2014 in the amount of \$24,732,549. On May 8, 2015 the Board revised the LOP to \$24,603,596. On August 14, 2015 the Board revised the LOP to \$24,853,596. On October 23, 2015 the Board revised the LOP to \$25,424,868. On December 11, 2015 the Board revised to the LOP to the current amount of \$25,866,524.
- Additional adjustments to the LOP are now recommended as follows:
 - Addition of a new line item for a temporary Administrative Assistant in the amount of \$20,000 to replace the Contract Administrator previously provided by Hill International, Inc.
 - Addition of \$250,000 to the Hill International, Inc. Project Management Consultant Contract for ongoing services.
 - Addition of \$100,000 to the Hill International, Inc. Project Management Consultant Contract for Claims Services.
 - Addition of \$150,000 to the Architect & Engineering Contingency Budget.
 - Addition of \$10,000 to the Harvey West Security line item.
 - Addition of \$15,000 to the Procore Software line item.
 - The result of the recommended changes is an increase in Board-approved LOP budget from \$25,866,524 to \$26,411,524 and the reduction of \$545,000 of the FY14 PTMISEA funding currently allocated to the Pacific Station project.
- The CEO recommends approval of the revised LOP budget and proceeding with the reallocation of PTMISEA funds.

III. DISCUSSION/BACKGROUND

Additional Information about the Proposed Revisions/Additions:

- \$20,000 is proposed to be added as a new item for a temporary Administrative Assistant to replace the Contract Administrator who is leaving the Hill International team. This will be less than it would cost to have Hill International, Inc. continue to provide the Contract Administrator.
- \$250,000 is proposed to be added to the Hill International, Inc. Contract for ongoing services for an additional three-month period. The contract is currently projected and planned through the middle of February. In order to complete the contract with Lewis C. Nelson (LCN) and gain occupancy as soon as possible, line items such as Access Control and the Security System were removed from the LCN contract. These items will go out to bid separately and, in addition to returning and remediating the leased properties on Dubois Street, will require the services of the Project Management Consultant to complete. Reductions in contracted staffing continue to occur as the Project is nearing completion; however, some staffing will be necessary throughout the closeout process.
- \$100,000 is proposed to be added to the Hill International, Inc. contract to begin the claims process as soon as possible. This is a projected amount and a proposal from Hill International is pending.
- \$150,000 is proposed to be added to the Architect & Engineering Contingency Budget to cover additional design services required beyond February, if any, and design services and construction documents for the line items removed from the LCN contract that need to be bid separately. This is a projected amount.
- \$10,000 is proposed to be added to the Harvey West Security line item. This service is currently funded through the end of January; however, we anticipate needing these services for an additional 2-3 months.
- \$15,000 is proposed to be added to the Procore Software line item. METRO licensed a cloud-based hosted service (METRO does not own the software) for a period of 12 months, ending in January of 2016. If this subscription is not renewed, functionality is lost and this becomes a read-only archive system accessible for an additional year. This software is required to be functional until the Project is completed.

IV. FINANCIAL CONSIDERATIONS/IMPACT

The current PTMISEA FY14 Funding allocation including this action would be as follows:

\$5,949,126	Total amount of funding
\$ 515,101	Approved for possible spending on electric buses
<u>\$ 545,000</u>	Requested on this Board action
\$4,889,025	Remaining FY14 PTMISEA funds

The fiscal impact of these actions, as reflected in this Board report, is as follows:

- The Operations Building Project Life of Project (LOP) budget increases from \$25,866,524 to \$26,411,524
- The PTMISEA FY14 Funding remaining allocated to the Pacific Station Project would be \$4,889,025.

V. ALTERNATIVES CONSIDERED

- The Board could decline to approve the various proposed revisions. This is not recommended since the Project is near completion and not funding these items could put that at jeopardy.

VI. ATTACHMENTS

Attachment A: Proposed Revised Life of Project Budget

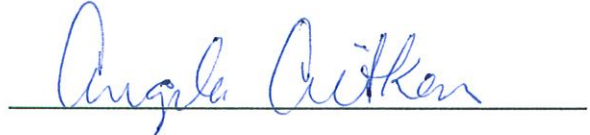
Prepared By: Erron Alvey, Purchasing Manager
Andrew Kreck, Project Manager Consultant

VII. APPROVALS:

Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

Attachment A Metrobase Phase II (Operations Building) Life of Project Budget

1/22/2016

Construction Contract	12/11/15 Rev Budget	1/22/16 Budget Amend	Resulting Budget
Lewis C. Nelson and Sons Inc. Prime Construction Contract	\$13,572,000.00		\$13,572,000.00
Construction Contract Contingency	\$2,127,844.20		\$2,324,773.20
Security cameras conduit (Cal OES funding)	\$56,000.00		
Security fencing (Cal OES funding)	\$45,929.00		
Security gates (Cal OES funding)	\$30,000.00		
Building access control (Cal OES funding)	\$15,000.00		
Radio tower & equipment relocation (Cal OES funding)	\$50,000.00		

SC Metro Project Management	12/11/15 Rev Budget	1/22/16 Budget Amend	Resulting Budget
Project Manager Budget FY13& FY14	\$194,234.00		\$194,234.00
Administrative Specialist Budget FY13& FY14	\$160,438.00		\$160,438.00
PM and Admin Specialist FY15 Applied to Other expenses 10/15	\$278,362.00		\$278,362.00
Administrative Assistant	\$0.00	\$20,000.00	\$20,000.00

Consultant Costs	12/11/15 Rev Budget	1/22/16 Budget Amend	Resulting Budget
#15-04 Hill International, Inc:	\$2,725,382.00	\$250,000.00	\$2,975,382.00
Claims Services - Hill Intl		\$100,000.00	\$100,000.00
#12-34 TRC Const Mgmt Applied to Other expenses 10/15	\$1,378,383.00		\$1,378,383.00
RNL Design Original contract 03-2012	\$1,814,977.00		\$1,814,977.00
Contingency 10% -A&E	\$0.00	\$150,000.00	\$150,000.00
Contingency 10% - PMC	\$0.00		
Contracted professional services	\$150,000.00		\$150,000.00

Additional Costs and Services	12/11/15 Rev Budget	1/22/16 Budget Amend	Resulting Budget
4VSW's hired 3/4/13 –through 2015	\$1,000,000.00		\$1,000,000.00
Dubois temporary facility and related ongoing costs	\$1,200,000.00		\$1,200,000.00
Dubois property remediation after move out	\$100,000.00		\$100,000.00
Harvey West Security	\$60,254.00	\$10,000.00	\$70,254.00
Furniture and cubicles for new facility	\$150,000.00		\$150,000.00
Inside and outside counsel expenses	\$150,000.00		\$150,000.00
Land mobile radio tower & equipment relocation	\$100,000.00		\$100,000.00
Security cameras	\$172,000.00		\$172,000.00
Security anti-climb panels for back fencing	\$45,864.00		\$45,864.00
LED light conversion	\$45,000.00		\$45,000.00
Procore software	\$15,000.00	\$15,000.00	\$30,000.00
Other project expenses	\$229,857.00		\$229,857.00

Life of Project Total	1/22/2016	\$26,411,524
	12/11/2015 Budget	\$25,866,524
	Difference	\$545,000

10-07A.1

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DATE: January 22, 2016

TO: Board of Directors

FROM: Alex Clifford, CEO/General Manager

SUBJECT: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT EXTENSION WITH HILL INTERNATIONAL, INC. FOR PROJECT MANAGEMENT CONSULTANT SERVICES, INCREASING THE CONTRACT TOTAL BY \$350,000

I. RECOMMENDED ACTION

That the Board of Directors authorize the CEO to execute a Third Amendment to the Contract with Hill International, Inc. to extend the contract for Project Management Consultant Services through June 30, 2016, and adding funds in the amount of \$350,000, increasing the contract value from \$2,725,382 to \$3,075,382.

II. SUMMARY

- The Santa Cruz Metropolitan Transit District (METRO) has a contract with Hill International, Inc. for Project Management Consultant Services that is due to expire on February 14, 2016.
- Construction of the building is nearing completion; however, there are items that were removed from the General Contractor's contract that will need to be accomplished through new contracts. These items will take approximately three to six months to finish and completely close out the Project.
- Staff recommends extending the contract with Hill International, Inc. through June 30, 2016, and increasing the contract not-to-exceed amount by \$350,000.

III. DISCUSSION/BACKGROUND

METRO entered into a contract with Hill International, Inc. for Project Management Consultant Services for the new Judy K. Souza Operations Facility (Project) on September 15, 2014. This contract will expire on February 14, 2016. As the result of a number of owner and contractor delays, the Project completion date has been extended.

In order to maintain continuity of services with the Project Management Consultant through Project completion, staff recommends that the Board of Directors authorize the CEO to execute a Third Amendment to the contract with Hill International, Inc. to extend the term to June 30, 2016, and to increase the contract total by \$350,000. During the final phase of this Project, Hill

International, Inc. has proposed a staffing plan that will reduce the number of assigned personnel as milestones are reached. Erron Alvey, Purchasing Manager, will continue to serve as the Contract Administrator and ensure contract compliance.

IV. FINANCIAL CONSIDERATIONS/IMPACT

This contract has a total not to exceed of \$2,725,382. Additional funds in an amount of \$350,000 are requested for approval at this time. The new contract total not to exceed would be \$3,075,382.

Funds to support this contract amendment are included in the MetroBase Phase II Project Budget.

V. ALTERNATIVES CONSIDERED

- Do not extend the term of this contract. Staff does not recommend this option, as the continued services of the Project Management Consultant are critical to ensuring the timely and successful completion of the Project.

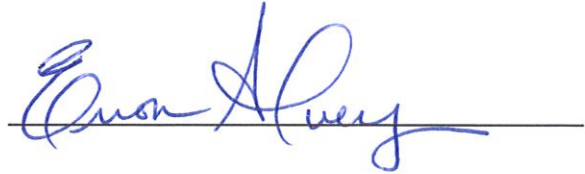
VI. ATTACHMENTS

Attachment A: Amendment to the Contract with Hill International, Inc.

Prepared By: Joan Jeffries, Administrative Assistant
Erron Alvey, Purchasing Manager

VII. APPROVALS:

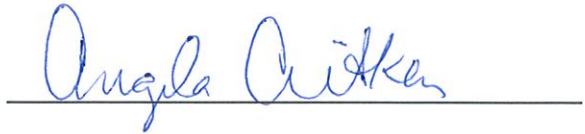
Erron Alvey, Purchasing Manager
and Contract Administrator

A handwritten signature in blue ink, appearing to read "Erron Alvey", written over a horizontal line.

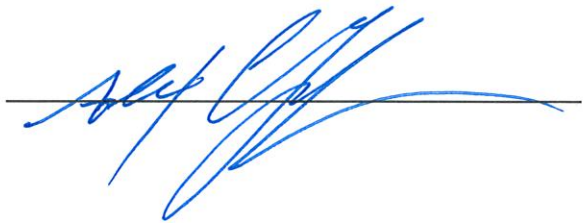
Approved as to form:
Leslyn K. Syren, District Counsel

A handwritten signature in blue ink, appearing to read "Leslyn K. Syren", written over a horizontal line.

Approved as to fiscal impact:
Angela Aitken, Finance Manager

A handwritten signature in blue ink, appearing to read "Angela Aitken", written over a horizontal line.

Alex Clifford, CEO/General Manager

A handwritten signature in blue ink, appearing to read "Alex Clifford", written over a horizontal line.

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Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT THIRD AMENDMENT TO CONTRACT NO. 15-04 FOR PROJECT MANAGEMENT CONSULTANT SERVICES

This Third Amendment to Contract No. 15-04 for Project Management Consultant Services is made effective February 15, 2016 between the Santa Cruz Metropolitan Transit District (“Santa Cruz METRO”), a political subdivision of the State of California, and Hill International, Inc. (“Consultant”).

I. RECITALS

- 1.1 Santa Cruz METRO and Consultant entered into a Contract for Project Management Consultant Services (“Contract”) on September 15, 2014.
- 1.2 The Contract is due to expire on February 14, 2016.
- 1.3 The Contract allows for amendment upon mutual written consent.
- 1.4 Santa Cruz METRO and Consultant desire to amend the Contract to extend the Contract term and to increase the Contract total not-to-exceed amount.

Therefore, Santa Cruz METRO and Consultant amend the Contract as follows:

II. TERM

- 2.1 Article 4.01 is replaced in its entirety by the following:

The term of this Contract shall be from September 15, 2014 to June 30, 2016.

Santa Cruz METRO and Consultant may extend the term of this Contract at any time for any reason upon mutual written consent.

III. COMPENSATION

- 3.1 Article 6.01 is amended to include the following language:

Santa Cruz METRO shall compensate Consultant in an amount not to exceed \$350,000 under the terms of the Third Amendment.

The new Contract total not-to-exceed amount is \$3,075,382. Consultant understands and agrees that if they exceed the \$3,075,382 maximum amount payable under this Contract, they do so at their own risk.

Attachment A

IV. REMAINING TERMS AND CONDITIONS

4.1 All other provisions of the Contract that are not affected by this Amendment shall remain unchanged and in full force and effect.

V. AUTHORITY

5.1 Article 8 is amended to include the following language:

Each party has full power to enter into and perform this Third Amendment to the Contract and the person signing this Third Amendment on behalf of each has been properly authorized and empowered to enter into it. Each party further acknowledges that it has read this Third Amendment to the Contract, understands it, and agrees to be bound by it.

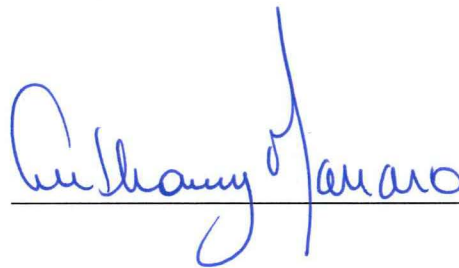
Signed on _____

Santa Cruz METRO –
SANTA CRUZ METROPOLITAN
TRANSIT DISTRICT

Alex Clifford, CEO/General Manager

Consultant –
HILL INTERNATIONAL, INC.

Anthony Marraro, PMP, DBIA, SVP



Approved as to Form:

Leslyn Syren, District Counsel





DATE: January 22, 2016
TO: Board of Directors
FROM: Robyn D. Slater, Human Resources Manager
SUBJECT: CONSIDERATION OF AWARD OF CONTRACT TO ALLIANT INSURANCE SERVICES REPRESENTING DELTA DENTAL FOR EMPLOYEE DENTAL INSURANCE COVERAGE NOT TO EXCEED \$940,000 FOR TWO YEARS

I. RECOMMENDED ACTION

- 1) That the Board of Directors authorize the CEO to execute a contract with Alliant Insurance Services representing Delta Dental in an amount not to exceed \$940,000 for a two-year period, with options to extend the contract for a total term of ten years; and,**
- 2) That the Board of Directors authorize the CEO to execute four future amendments with Alliant Insurance Services representing Delta Dental for the options to extend, increasing the contract total for each option year as required, not to exceed a total value of \$4,700,000 for the full ten years.**

II. SUMMARY

- The Santa Cruz Metropolitan Transit District (METRO) has a need for Dental Insurance Coverage which is a contractually required benefit.
- A formal Request for Proposals (RFP) was conducted to solicit proposals from qualified firms. Three firms submitted proposals for METRO's review.
- A five-member evaluation team comprised of the Human Resources Manager, the Assistant Human Resources Manager, the Fixed Route Superintendent, and representatives from UTU and SEIU reviewed and evaluated all proposals received.
- The evaluation team is recommending an award to Alliant Insurance Services representing Delta Dental.

III. DISCUSSION/BACKGROUND

METRO provides Dental Insurance Coverage for its employees. METRO's current provider for these services is Alliant Insurance Services representing Delta Dental; however, this contract will expire on December 31, 2015, with no further options to renew.

In May 2015, the Board authorized staff to issue an RFP for Employee Dental Insurance Coverage. On Tuesday, October 20, 2015, METRO legally advertised and distributed RFP No. 16-03 to 38 firms, posted notice on its website, and sent email notices to all GovDelivery subscribers. On November 20, 2015, proposals were received and opened from three firms. A list of these firms is provided in Attachment A. A five-member evaluation team comprised of METRO staff and Union representatives has reviewed and evaluated the proposals.

The evaluation team used the following criteria as contained in the RFP:

Evaluation Criteria	Points
Offeror's Qualifications and Experience	30
Offeror's Insurance Program	30
Quality of relevant experience of offeror's key staff	20
Experience with Government Agencies	15
References	15
Cost Proposal	30
Total Points Possible	140

Staff is recommending the following actions: 1) that the Board of Directors authorize the CEO to execute a two-year contract on behalf of METRO with Alliant Insurance Services representing Delta Dental for Employee Dental Insurance Coverage in an amount not to exceed \$940,000; and 2) that the Board of Directors authorize the CEO to execute four future contract extensions with Alliant Insurance Services representing Delta Dental (for four additional two-year options to extend), for a total contract value not to exceed \$4,700,000 and a total term not to exceed ten years.

Contractor will provide all services meeting all METRO's specifications and requirements of the contract. Robyn D. Slater, HR Manager, will serve as the Contract Administrator and will ensure contract compliance.

IV. FINANCIAL CONSIDERATIONS/IMPACT

The base value of the contract is \$936,330 for the first two years; however, staff is asking for approval at a slightly higher amount to allow for fluctuations in the number of enrollees and movement from one premium level to another (e.g., single to family coverage). Should all four options be exercised, the total ten-year value of the contract is anticipated to be less than \$4,700,000.

Funds to support this contract are included in the FY16 & FY17 Dental Insurance (Account # 502041) Department Operating Budgets.

V. ALTERNATIVES CONSIDERED

- Do nothing and allow the contract to expire. Staff does not recommend this alternative since this benefit is a contractual requirement.
- Reduce the number of years before an RFP must be issued. Staff does not recommend this alternative. There is a contractual clause allowing METRO to terminate the contract at any time so a reduction in the number of available renewal years is not necessary.

VI. ATTACHMENTS

Attachment A: List of Responding Firms

Attachment B: Contract with Alliant Insurance Services representing Delta Dental

Note: A full copy of the Contract is available on request.

Prepared By: Alex Strudley, Purchasing Assistant
Robyn D. Slater, Human Resources Manager

VII. APPROVALS:

Robyn D. Slater, HR Manager



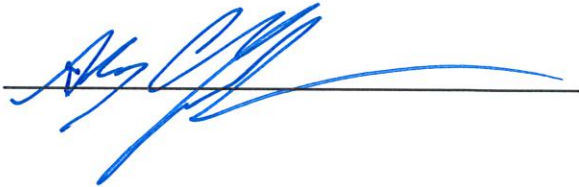
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A



Responding Firms for RFP No. 16-03
Employee Dental Insurance Coverage
Received November 20, 2015 by 5:00 PM

Liberty Dental Plan Corporation	Irvine	CA
Alliant Employee Benefits	San Francisco	CA
Unum Corporation	Glendale	CA

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Attachment B

PROFESSIONAL SERVICES CONTRACT FOR EMPLOYEE DENTAL INSURANCE COVERAGE (16-03)

THIS CONTRACT is made effective on January 1, 2016 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT ("Santa Cruz METRO"), a political subdivision of the State of California, and Alliant Insurance Services Representing Delta Dental ("Contractor").

1. RECITALS

1.01 Santa Cruz METRO's Primary Objective

Santa Cruz METRO is a public entity whose primary objective is providing public transportation and which has its principal office at 110 Vernon Street, Santa Cruz, California 95060.

1.02 Santa Cruz METRO's Need for Employee Dental Insurance Coverage

Santa Cruz METRO has the need for Employee Dental Insurance Coverage. In order to obtain these services, Santa Cruz METRO issued a Request for Proposals, dated October 13, 2015, setting forth specifications for such services. The Request for Proposals is attached hereto and incorporated herein by reference as Exhibit A.

1.03 Contractor's Proposal

Contractor is a firm/individual qualified to provide Employee Dental Insurance Coverage and whose principal place of business is 100 Pine Street, 11th Floor, San Francisco, CA 94111. Pursuant to the Request for Proposals issued by Santa Cruz METRO, Contractor submitted a proposal for Employee Dental Insurance Coverage, which is attached hereto and incorporated herein by reference as Exhibit B

1.04 Selection of Contractor and Intent of Contract

On December 8th, 2015, Santa Cruz METRO selected Contractor as the offeror whose proposal was most advantageous to Santa Cruz METRO to provide the Employee Dental Insurance Coverage described herein. This Contract is intended to fix the provisions of these services.

Santa Cruz METRO and Contractor agree as follows:

2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

2.01 Documents Incorporated in this Contract

The documents listed below are attached to this Contract and by reference made a part hereof. This is an integrated Contract. This writing constitutes the final expression of the parties' Contract, and it is a complete and exclusive statement of the provisions of that Contract, except for written amendments, if any, made after the date of this Contract in accordance with Section 11.14 of the General Conditions to the Contract.

A. Exhibit A

Santa Cruz METRO's "Request for Proposals" dated October 13, 2015, including Addendum No.1 dated November 11, 2015 and Addendum No. 2 dated November 16, 2015.

Attachment B

B. Exhibit B (Contractor's Proposal)

Contractor's Proposal to Santa Cruz METRO for Employee Dental Insurance Coverage, signed by Contractor and dated November 13, 2015.

2.02 Conflicts

Where in conflict, the provisions of this writing supersede those of the above-referenced documents, Exhibits A and B. Where in conflict, the provisions of Exhibit A supersede Exhibit B.

2.03 Recitals

The Recitals set forth in Article 1 are part of this Contract.

3. DEFINITIONS

3.01 General

The terms below (or pronouns in place of them) have the following meaning in the Contract:

3.01.01 CONTRACT - The Contract consists of this document, the attachments incorporated herein in accordance with Article 2, and any written amendments made in accordance with Part IV, Section 11.14 of, the General Conditions to the Contract.

3.01.02 CONTRACTOR - The Contractor selected by Santa Cruz METRO for this project in accordance with the Request for Proposals issued October 13, 2015.

3.01.03 CONTRACTOR'S STAFF - Employees of Contractor.

3.01.04 DAYS - Calendar days.

3.01.05 OFFEROR - Contractor whose proposal was accepted under the terms and conditions of the Request for Proposals issued October 13, 2015.

3.01.06 PROVISION - Any term, agreement, covenant, condition, clause, qualification, restriction, reservation, or other stipulation in the Contract that defines or otherwise controls, establishes, or limits the performance required or permitted by either party.

3.01.07 SCOPE OF WORK (OR "WORK") - The entire obligation under the Contract, including, without limitation, all labor, equipment, materials, supplies, transportation, services, and other work products and expenses, express or implied, in the Contract.

4. TIME OF PERFORMANCE

4.01 Term

The term of this Contract will be for a period not to exceed two (2) years and shall commence upon the execution of the Contract by Santa Cruz METRO.

At the option of Santa Cruz METRO, this Contract agreement may be renewed for four (4) additional two (2) year terms upon mutual written consent.

Attachment B

5. COMPENSATION

5.01 Terms of Payment

Santa Cruz METRO shall compensate Contractor in an amount not to exceed the amounts/rates agreed upon by Santa Cruz METRO and proposed by Alliant Insurance Services in Contractor's Proposal, Exhibit B. Compensation shall be made within thirty (30) days of Santa Cruz METRO's written approval of Contractor's written invoice for said work.

5.02 Invoices

Contractor shall submit invoices with a purchase order number provided by Santa Cruz METRO on a monthly basis. Said invoice records shall be kept up-to-date at all times and shall be available for inspection by Santa Cruz METRO (or any grantor of Santa Cruz METRO, including, without limitation, any State or Federal agency providing project funding or reimbursement at any time for any reason upon demand for not less than four (4) years after the date of expiration or termination of the Contract. Under penalty of law, Contractor represents that all amounts billed to Santa Cruz METRO are (1) actually incurred; (2) reasonable in amount; (3) related to this Contract; and (4) necessary for performance of the project.

6. NOTICES

All notices under this Contract shall be deemed duly given upon delivery, if delivered by hand, or three (3) days after posting, if sent by registered mail, receipt requested, to a party hereto at the address hereinunder set forth or to such other address as a party may designate by notice pursuant hereto.

Santa Cruz METRO

Santa Cruz Metropolitan Transit District
110 Vernon Street
Santa Cruz, CA 95060

Attention: Alex Clifford, CEO

CONTRACTOR

Alliant Insurance Services
100 Pine Street, 11th Floor
San Francisco, CA 94111

Attention: Christine Kerns, Senior Vice President

Attachment B

7. **PLAN CLARIFICATION**

Contractor is to provide Santa Cruz METRO, Delta Dental's "Delta Premiere" plan for Employee Dental Insurance Coverage.

8. **ACCEPTANCE OF ELECTRONIC SIGNATURES AND COUNTERPARTS**

The parties agree that this Contract, agreements ancillary to this Contract, and related documents to be entered into this Contract will be considered executed when the signature of a party is delivered by scanned image as an attachment to electronic mail. Such scanned signature must be treated in all respects as having the same effect as an original signature. Each party further agrees that this Contract may be executed in two or more counterparts, all of which constitute one and the same instrument.

9. **AUTHORITY**


Each party has full power and authority to enter into and perform this Contract and the person signing this Contract on behalf of each has been properly authorized and empowered to enter into this Contract. Each party further acknowledges that it has read this Contract, understands it, and agrees to be bound by it.

Signed on _____

Santa Cruz METRO –
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Alex Clifford, CEO/General Manager

Contractor –
ALLIANT INSURANCE SERVICES
Christine Kerns, Senior Vice President


THOMAS SHER, Senior Vice President

Approved as to Form:

Leslyn Syren, District Counsel





DATE: January 22, 2016
TO: Board of Directors
FROM: Liseth Guizar, Safety, Security and Risk Manager
**SUBJECT: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A
CONTRACT EXTENSION WITH DAY WIRELESS SYSTEMS FOR LAND
MOBILE RADIO NETWORK UPGRADE THROUGH FEBRUARY 3, 2017**

I. RECOMMENDED ACTION

That the Board OF Directors authorize the CEO to execute a contract amendment with Day Wireless Systems to extend the contract for the Land Mobile Radio network upgrade through February 3, 2017 and direct the CEO to return to the Board February 26, 2016 with a Life of Project budget

II. SUMMARY

- The Santa Cruz Metropolitan Transit District (METRO) entered into a contract with Day Wireless Systems for the Land Mobile Radio upgrade on February 4, 2011.
- This contract is due to expire on February 3, 2016.
- Day Wireless Systems has encountered numerous technical challenges and requires additional time to complete the Scope of Work. Therefore, staff recommends extending the contract by one year with no changes to the terms and conditions.

III. DISCUSSION/BACKGROUND

In 2010, METRO entered into a contract with CDX Wireless for consulting services in order to obtain an objective assessment of METRO's 2-way Land Mobile Radio system (LMR) and provide recommendations for replacement and upgrades to this infrastructure. The assessment was required in order to comply with the Federal Communications Commission (FCC) mandate for narrowband transition, requiring that all Legacy 25 KHz 2-way radio systems be migrated to the Phase One, 12.5KHz, by January 1, 2013. It was also indicated by the FCC that a further migration to Phase Two, 6.25 KHz, would be required at a future date to be determined.

METRO entered into a contract with Day Wireless Systems for the LMR network upgrade on February 4, 2011. The scope of this project was to be performed in two phases:

Phase 1:

In order to bring METRO into compliance with FCC narrowband migration by January 1, 2013, replacement and reprogramming of all equipment that was not FCC type certified for narrowband analog operation was required.

Phase 2:

Reconfigure and/or modify equipment under Phase 1. Provide all other equipment and services necessary to meet the requirements of the new LMR system, including the ability to migrate to Phase 2, 6.25KHz, without further infrastructure investment. The major components consist of the following:

- a) Relocation of repeater site at Davenport CEMEX plant;
- b) Upgrade Mt. Biewlaski repeater site;
- c) Upgrade Kite Hill repeater site;
- d) Establish a repeater site at 701 Ocean Street; and,
- e) Establish a repeater site at Loma Prieta.

On January 1, 2013, METRO was fully compliant with the FCC mandate. Work on Phase 2 continues with approximately 95 percent of the project being completed.

To date, testing has been ongoing to determine areas of low transmission and reception. Because the system is still experiencing such transmission and reception issues, Day Wireless Systems (DWS) has experienced delays in completing the project.

DWS has been working with METRO to resolve these issues by assigning the project to a new project manager, Michael Daversa. In addition, technicians have been actively conducting troubleshooting and testing on the system. The technicians recently gathered a series of data and provided such data to DWS engineers. The data was analyzed by DWS and Motorola engineers to develop maps of existing coverage and identify areas in which coverage is deficient. Based on this data, DWS and METRO are currently exploring the possibility of adding additional repeater sites to provide coverage to the deficient areas.

In addition, DWS has also installed a variety of antennas on METRO buses and will be testing such antennas to determine which model provides better transmission/reception.

In September of 2015, Liseth Guizar, Safety, Security and Risk Manager, took over the responsibilities of Contract Administrator for this contract to bring the project to completion. The renewed focus on this project has led to a change in project management by Day Wireless. They have since assigned a new project manager, have been sending new technicians to re-analyze the installation of the radio system, and have established weekly progress meetings with Ms. Guizar.

Although the radio system is still experiencing glitches and coverage issues, some progress has been made. The following are examples of recently resolved issues:

- The radios on all buses have been reprogrammed so that the correct bus numbers are displayed when contacting Dispatch;
- Antennas at repeater sites have been adjusted to maximize the coverage area; and
- Engineers conducted an analysis of the current coverage, provided maps of the current coverage, and identified additional repeater sites which could potentially resolve issues in the areas lacking coverage.

The current contract is scheduled to expire on February 3, 2016 and additional time to complete the Scope of Work is required.

Staff recommends that the Board of Directors authorize the CEO to execute an amendment to the contract with Day Wireless Systems for the LMR network upgrade to extend the term of the contract to February 3, 2017.

At this time, this amendment will be for a time extension only. However, if it is determined that either additional repeater sites will be needed or that a change of bus antennas will help with the transmission/reception issues, staff may return to the Board to request additional funding for this contract.

IV. FINANCIAL CONSIDERATIONS/IMPACT

This is for a time extension only. No additional funding is required at this time.

V. ALTERNATIVES CONSIDERED

- Do not extend this contract. Staff does not recommend this option, as there are still unresolved issues with the transition from an analog to a digital radio system.

VI. ATTACHMENTS

Attachment A: Contract Amendment with Day Wireless Systems

Prepared By: Liseth Guizar, Safety, Security and Risk Manager

VII. APPROVALS:

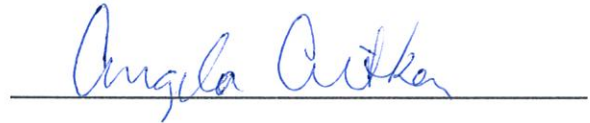
Liseth Guizar
Safety, Security and Risk Manager



Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT SIXTH AMENDMENT TO CONTRACT NO. 11-03 FOR LAND MOBILE RADIO NETWORK UPGRADE

This Sixth Amendment to Contract No. 11-03 for Land Mobile Radio Network Upgrade is made effective February 4, 2016 between the Santa Cruz Metropolitan Transit District ("Santa Cruz METRO"), a political subdivision of the State of California, and Day Wireless Systems ("Contractor").

I. RECITALS

- 1.1 Santa Cruz METRO and Contractor entered into a Contract for Land Mobile Radio Network Upgrade ("Contract") on February 4, 2011.
- 1.2 The Contract is due to expire on February 3, 2016.
- 1.3 The Contract allows for extension upon mutual written consent.
- 1.4 Additional time is required by Contractor to complete the Scope of Work; therefore, Santa Cruz METRO and Contractor desire to amend the Contract to extend the Contract term.

Therefore, Santa Cruz METRO and Contractor amend the Contract as follows:

II. TERM

Article 4.01 is replaced in its entirety by the following:

The term of this Contract shall be from February 4, 2011 to February 3, 2017.

Santa Cruz METRO and Contractor may extend the term of this Contract at any time for any reason upon mutual written consent.

III. REMAINING TERMS AND CONDITIONS

All other provisions of the Contract that are not affected by this Amendment shall remain unchanged and in full force and effect.

IV. ACCEPTANCE OF ELECTRONIC SIGNATURES AND COUNTERPARTS

The parties agree that this Contract, agreements ancillary to this Contract, and related documents to be entered into this Contract will be considered executed when the signature of a party is delivered by scanned image as an attachment to electronic mail. Such scanned signature must be treated in all respects as having the same effect as an original signature. Each party further agrees that this Contract may be executed in two or more counterparts, all of which constitute one and the same instrument.

Attachment A

V. AUTHORITY

Article 7 is amended to include the following language:

Each party has full power to enter into and perform this Sixth Amendment to the Contract and the person signing this Sixth Amendment on behalf of each has been properly authorized and empowered to enter into it. Each party further acknowledges that it has read this Sixth Amendment to the Contract, understands it, and agrees to be bound by it.

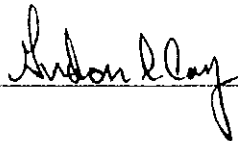
Signed on _____

Santa Cruz METRO –
SANTA CRUZ METROPOLITAN
TRANSIT DISTRICT

Alex Clifford, CEO/General Manager


Contractor –
DAY WIRELESS SYSTEMS

Gordon D. Day, President

 _____ 1-13-16

Approved as to Form:

Leslyn Syren, District Counsel

 _____



DATE: January 22, 2016
TO: Board of Directors
FROM: Al Pierce, Maintenance Manager
**SUBJECT: CONSIDERATION OF ISSUING A FORMAL INVITATION FOR BIDS
FOR ROOF REPLACEMENT AT SANTA CRUZ METRO
ADMINISTRATION BUILDING**

I. RECOMMENDED ACTION

That the Board of Directors authorize the Purchasing Manager to issue a formal Invitation for Bids for Roof Replacement at the METRO Administration building located at 110 Vernon Street, Santa Cruz, CA 95060.

II. SUMMARY

- The Santa Cruz Metropolitan Transit District (METRO) requires the services of a licensed roofing contractor to replace the roof at the METRO Administration Building located at 110 Vernon Street, Santa Cruz, CA 95060. During the past five years several attempts to patch and repair the existing roof have only served to reduce the degree of leakage with additional leaks appearing during each new rain event. METRO has received a Letter of No Prejudice (LONP) from the State of California, FTA pass through (5339 Grant funding source), to proceed with roof replacement.

III. DISCUSSION/BACKGROUND

The roof of the METRO Administration building has been leaking for several years. METRO maintenance staff and Moriarty's Roofing have attempted to patch the roof; but, the leaks persist as each patch job has proved to be inadequate and insufficient. The main portion of the Vernon roof is virtually flat, which is inherently difficult to patch or repair once it deteriorates and begins leaking. The Vernon roof has exceeded its useful life.

Staff is recommending the issuance of a formal Invitation for Bids for Roof Replacement at METRO's Administration Building.

IV. FINANCIAL CONSIDERATIONS/IMPACT

Identifying and receiving Capital Funding is challenging with much competition for minimal funds available. METRO has received a LONP from the State and budgeted from the FTA 5339 Grant and a small amount from the reserves from the capital budget. An independent cost estimate has been prepared for this IFB.

This action will authorize the initiation of a procurement estimated to result in a contract within the Board's authority.

V. ALTERNATIVES CONSIDERED

- Do not replace the roof and continue patching leaks. This is likely to result in further interior and structural damage to the building.

VI. ATTACHMENTS

Attachment A: Authorizing Resolution

Prepared By: Alex Strudley, Purchasing Assistant

VII. APPROVALS:

Al Pierce, Maintenance Manager



Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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**BEFORE THE BOARD OF DIRECTORS OF THE
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

Resolution No.
On the Motion of Director:
Duly Seconded by Director:
The Following Resolution is Adopted:

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CRUZ
METROPOLITAN TRANSIT DISTRICT AUTHORIZING THE PURCHASING
MANAGER TO SOLICIT BIDS FOR ROOF REPLACEMENT AT SANTA CRUZ
METRO ADMINISTRATION BUILDING**

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) has a need for Roof Replacement at the METRO Administration Building;

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SANTA CRUZ
METROPOLITAN TRANSIT DISTRICT AS FOLLOWS:**

THAT, the Purchasing Manager is authorized to issue an Invitation for Bids for the services and/or supplies described above; and

THAT, the IFB is approved for release pursuant to the provisions of the Santa Cruz Metropolitan Transit District's Procurement Policy.

PASSED AND ADOPTED by the Board of Directors of the Santa Cruz Metropolitan Transit District this 22 day of January, 2016 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Board Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:
Leslyn K. Syren, District Counsel



DATE: January 22, 2016
TO: Board of Directors
FROM: Thomas Hiltner, Grants/Legislative Analyst
**SUBJECT: CONSIDER A RESOLUTION DESIGNATING THE CEO AS THE
AUTHORIZED AGENT TO SUBMIT A GRANT APPLICATION FOR
THE LOW CARBON TRANSIT OPERATIONS PROGRAM**

I. RECOMMENDED ACTION

That the Board of Directors adopt a resolution designating the CEO as the Authorized Agent to submit a grant application and execute all agreements necessary to receive funds from the Low Carbon Transit Operations Program.

II. SUMMARY

- The California Greenhouse Gas Reduction Fund has allocated revenue from the sale of carbon emission credits (Cap & Trade funds) to the Low Carbon Transit Operations Program (LCTOP) for transit projects which reduce greenhouse gas emissions.
- For FY16, the LCTOP allocates \$526,598 to Santa Cruz County, \$263,123 to the Santa Cruz County Regional Transportation Commission and \$263,475 to the Santa Cruz Metropolitan Transit District (METRO).
- LCTOP funds must be used for a new transit service or qualifying infrastructure which increases transit ridership or implements clean fuel technology and infrastructure.
- Monterey-Salinas Transit (MST) will contribute an additional \$182,694 to METRO from its FY16 LCTOP allocation to repay funds which METRO transferred to MST last year to preserve funding for the Monterey Bay Region after Caltrans denied METRO's allocation request.
- METRO will request a combined LCTOP allocation amount of \$709,292 to purchase an electric bus and infrastructure to serve the disadvantaged community in the Watsonville.
- Staff recommends that the Board adopt a resolution designating the CEO as the Authorized Agent to submit an application and to execute the Certifications and Assurances necessary to receive the LCTOP funds.

III. DISCUSSION/BACKGROUND

In 2006, Governor Swartzenegger executed the California Global Warming Solutions Act of 2006 (AB 32), landmark legislation that set targets to reduce

greenhouse gas emissions to 1990 levels by 2020. AB32 spawned trailing legislation which created new programs and designated various state agencies to administer them. In 2014, Governor Brown signed the Transit, Affordable Housing and Sustainable Communities Program (SB 862) to help attain the targets of AB32 by distributing revenue from the sale of carbon emission credits to public transit and housing projects which would increase transit ridership and promote a rational nexus between transportation and housing to reduce overall travel demand. Within its regulations, AB 862 established the Low Carbon Transit Operations Program (LCTOP) to channel Cap-and-Trade revenue to public transit operators for new services and infrastructure which would reduce greenhouse gas emissions.

The California Air Resources Board, the State Transportation Agency, the California Environmental Protection Agency and the California Department of Transportation (Caltrans) developed qualifying criteria and guidelines for new projects funded by the LCTOP. Eligible projects include new transit service and infrastructure demonstrated to reduce greenhouse gas emissions from the transportation sector. In addition, 50% of qualifying projects are required to be located in or provide service to Disadvantaged Communities (DAC). Caltrans will receive applications for LCTOP funds, evaluate proposed projects and monitor emission reductions.

For FY16, the LCTOP allocates a total of \$526,598 to Santa Cruz County, \$263,475 to METRO and \$263,123 to the Santa Cruz County Regional Transportation Commission (SCCRTC) using the State Transit Assistance (STA) formula. Last year, the SCCRTC passed 100% of its LCTOP allocation to METRO, and METRO will request that it sponsor METRO's project again this year by passing 100% of its allocation to METRO.

Last year, Caltrans chose not to fund METRO's LCTOP allocation request for \$182,694 to create customer service and paratransit eligibility offices at the Watsonville Transit Center. In order to preserve the funds for public transit in the Monterey Bay region, the Board adopted a resolution authorizing that the funds be transferred to Monterey-Salinas Transit (MST) for its *Transit Service in East Salinas* project. In return, MST will contribute \$182,694 from its FY16 LCTOP allocation to METRO. METRO will add the MST transfer (\$182,694) plus the Santa Cruz County FY16 allocation of \$526,598 for combined LCTOP revenue of \$709,292 to purchase an electric bus and infrastructure to serve the Watsonville DAC.

The Board of Directors adopted an Electric Bus Implementation Strategy in September 2015 which proposed that the LCTOP funds be used to purchase electric buses. In December 2015, the Board adopted a resolution authorizing an application to the Federal Transit Administration's Low and No Emission Bus Program (LoNo) to purchase METRO's first fleet of 5 electric buses. The FY16

LCTOP allocation was used as part of the local match for the federal LoNo funds. In order to deliver an operable project as required with LCTOP, METRO will show its local match for the FTA grant as the LCTOP-funded electric bus purchased to serve the Watsonville DAC.

METRO's application for the FY16 LCTOP cycle is due to Caltrans by 2/1/16. The LCTOP guidelines have scheduled the allocations to be distributed to qualifying projects by 6/30/16, and the funds must be obligated by contract within six months. The application requires a Board resolution authorizing the CEO as the Authorized Agent to submit an application and execute agreements, including the attached Certifications and Assurances.

Staff recommends that the Board of Directors adopt a resolution (Attachment A) to:

1. Authorize execution of the Certifications and Assurances required to participate in the Low Carbon Transit Operating Program (Attachment B);
2. Designate the CEO as the Authorized Agent (Attachment C) to submit an application and execute all agreements necessary to receive LCTOP funds from Caltrans; and
3. Authorize the CEO to request that the SCCRTC pass its allocation of LCTOP funds to METRO (Attachment D).

IV. FINANCIAL CONSIDERATIONS/IMPACT

METRO would receive \$709,292 from the FY16 LCTOP which is a combination of the FY16 LCTOP allocation of \$526,598 to METRO plus a portion of MST's FY16 LCTOP allocation of \$182,694 which MST is transferring to METRO.

The estimated cost for the proposed electric bus and infrastructure project is \$1,066,508, which will require a local match of up to \$357,216. METRO will also apply for a \$95,000 voucher from the California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project to reduce the purchase price of the electric bus, reducing the required local match to \$262,216. The required local match amount (up to \$357,216) will be paid from Public Transit Modernization, Improvement and Service Efficiency Act (PTMISEA) funds.

The LCTOP advance payment is not anticipated until late June 2016; the LCTOP revenue and required matching funds will be shown in the FY17 Budget.

V. ALTERNATIVES CONSIDERED

- Do not receive the FY16 LCTOP allocation to purchase an electric bus. This is not recommended because the Board previously adopted a resolution to submit an application to the Federal Transit Administration for

the Low and No Emission Bus Program for which the FY16 LCTOP allocation is shown as the local match.

VI. ATTACHMENTS

Attachment A: Resolution designating the CEO as the Authorized Agent and authorizing execution of Certifications and Assurances for the Low Carbon Transit Operating Program

Attachment B: Certifications and Assurances

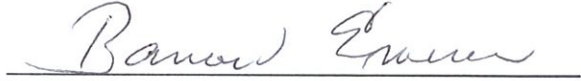
Attachment C: Authorized Agent Form

Attachment D: Letter to SCCRTC to request LCTOP transfer to METRO

Prepared by: Tom Hiltner, Grants/Legislative Analyst

VII. APPROVALS:

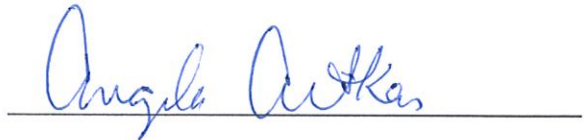
Barrow Emerson, Planning
and Development Manager



Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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Attachment A

BEFORE THE BOARD OF DIRECTORS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Resolution No. _____

On the Motion of Director: _____

Duly Seconded by Director: _____

The Following Resolution is Adopted:

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT AUTHORIZING THE EXECUTION OF CERTIFICATIONS AND ASSURANCES AND DESIGNATING ALEX CLIFFORD, CEO/GENERAL MANAGER AS THE AUTHORIZED AGENT TO EXECUTE ALL ACTIONS NECESSARY TO RECEIVE FUNDS FROM THE LOW CARBON TRANSIT OPERATIONS PROGRAM

WHEREAS, California Governor Brown enacted the Transit, Affordable Housing and Sustainable Communities Program (SB 862) in 2014 to reduce greenhouse gas emissions from the transportation sector; and

WHEREAS, SB 862 established the Low Carbon Transit Operations Program (LCTOP) to receive revenue from the sale of emission allowances in California's Cap-and-Trade program and distribute these funds to transit operators for projects which increase transit ridership; and

WHEREAS, SB 862 designated the California Department of Transportation (Caltrans) as the administrative agency to implement monitor and establish Guidelines for the Low Carbon Transit Operations Program (LCTOP); and

WHEREAS, the Santa Cruz Metropolitan Transit District is an eligible project sponsor and may receive funds directly from the LCTOP and from other sponsors, such as the Santa Cruz County Regional Transportation Commission, to which the LCTOP also allocates funds; and

WHEREAS, the Santa Cruz Metropolitan Transit District proposes to use all of the LCTOP funds allocated by formula in Public Utilities Code Sections 99313 and 99314 for transit infrastructure and Operations projects in accordance with the LCTOP Guidelines, the Santa Cruz Metropolitan Transit District's financial framework for capital budgets and the Regional Transportation Plan; and

WHEREAS, the Santa Cruz Metropolitan Transit District authorizes submittal of the following project nomination and allocation requests to the California Department of Transportation for FY2015-16 LCTOP funds:

Attachment A

Resolution No. _____

Page 2

Project Name: Electric Bus Replacement

LCTOP Funds Requested:

Santa Cruz METRO FY2015-16 allocation: \$526,598

Monterey-Salinas Transit FY2015-16 allocation: \$182,694

Short Description: Purchase an Electric Bus to replace a fossil-fueled bus serving a defined disadvantaged community in Watsonville.

Contributing Sponsor: Santa Cruz County Regional Transportation

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Santa Cruz Metropolitan Transit District hereby agrees to comply with all conditions and requirements set forth in the Certification and Assurances document and the applicable statutes, regulations and guidelines for the LCTOP; and

THEREFORE, BE IT FURTHER RESOLVED, that the Board of Directors of the Santa Cruz Metropolitan Transit District hereby designates Alex Clifford, CEO/General Manager, or designee, as the Authorized Agent to execute all actions necessary to receive funds from the LCTOP.

PASSED AND ADOPTED this 22nd Day of January, 2016 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

APPROVED _____

DENE BUSTICHI
Board Chair

ATTEST _____

ALEX CLIFFORD
CEO/General Manager

APPROVED AS TO FORM:

LESLYN SYREN
District Counsel

10-12A.2

**Low Carbon Transit Operations Program (LCTOP)
CERTIFICATIONS AND ASSURANCES**

Project Sponsor: Santa Cruz Metropolitan Transit District

Agency Name: Santa Cruz Metropolitan Transit District

Effective Date of this Document: January 22, 2016

The California Department of Transportation (Department) has adopted the following certifications and assurances for the Low Carbon Transit Operations Program. As a condition of the receipt of LCTOP funds, project lead must comply with these terms and conditions.

A. General

- (1) The project lead agrees to abide by the current LCTOP Guidelines and applicable legal requirements.
- (2) The project lead must submit to the Department a signed Authorized Agent form designating the representative who can submit documents on behalf of the project sponsor and a copy of the board resolution appointing the Authorized Agent.

B. Project Administration

- (1) The project lead certifies that required environmental documentation is complete before requesting an allocation of LCTOP funds. The project lead assures that projects approved for LCTOP funding comply with Public Resources Code § 21100 and § 21150.
- (2) The project lead certifies that a dedicated bank account for LCTOP funds only will be established within 30 days of receipt of LCTOP funds.
- (3) The project lead certifies that when LCTOP funds are used for a transit capital project, that the project will be completed and remain in operation for its useful life.
- (4) The project lead certifies that it has the legal, financial, and technical capacity to carry out the project, including the safety and security aspects of that project.
- (5) The project lead certifies that they will notify the Department of pending litigation, dispute, or negative audit findings related to the project, before receiving an allocation of funds.
- (6) The project lead must maintain satisfactory continuing control over the use of project equipment and facilities and will adequately maintain project equipment and facilities for the useful life of the project.
- (7) Any interest the project lead earns on LCTOP funds must be used only on approved LCTOP projects.
- (8) The project lead must notify the Department of any changes to the approved project with a Corrective Action Plan (CAP).
- (9) Under extraordinary circumstances, a project lead may terminate a project prior to completion. In the event the project lead terminates a project prior to completion, the project lead must (1) contact the Department in writing and follow-up with a phone call verifying receipt of such notice; (2) pursuant to

verification, submit a final report indicating the reason for the termination and demonstrating the expended funds were used on the intended purpose; (3) submit a request to reassign the funds to a new project within 180 days of termination.

- (10) Funds must be encumbered and liquidated within the time allowed.

C. Reporting

- (1) The project lead must submit the following LCTOP reports:
 - a. Semi-Annual Progress Reports by May 15th and November 15th each year.
 - b. A Final Report within six months of project completion.
 - c. The annual audit required under the Transportation Development Act (TDA), to verify receipt and appropriate expenditure of LCTOP funds. A copy of the audit report must be submitted to the Department within six months of the close of the year (December 31) each year in which LCTOP funds have been received or expended.
- (2) Other Reporting Requirements: ARB is developing funding guidelines that will include reporting requirements for all State agencies that receive appropriations from the Greenhouse Gas Reduction Fund. Caltrans and project sponsors will need to submit reporting information in accordance with ARB's funding guidelines, including reporting on greenhouse gas reductions and benefits to disadvantaged communities.

D. Cost Principles

- (1) The project lead agrees to comply with Title 2 of the Code of Federal Regulations 225 (2 CFR 225), Cost Principles for State and Local Government, and 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
- (2) The project lead agrees, and will assure that its contractors and subcontractors will be obligated to agree, that:
 - a. Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allow ability of individual project cost items and
 - b. Those parties shall comply with Federal administrative procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Every sub-recipient receiving LCTOP funds as a contractor or sub-contractor shall comply with Federal administrative procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.
- (3) Any project cost for which the project lead has received funds that are determined by subsequent audit to be unallowable under 2 CFR 225, 48 CFR, Chapter 1, Part 31 or 49 CFR, Part 18, are subject to repayment by the project lead to the State of California (State). All projects must reduce greenhouse gas emissions, as required under Public Resources Code section 75230, and any project that fails to reduce greenhouse gases shall also have its project costs submit to repayment by the project lead to the State. Should the project lead fail to reimburse moneys due to the State within thirty (30) days of demand, or within such other period as may be agreed in writing between the Parties hereto, the State is authorized to intercept and withhold future payments due the project lead from the State or any third-party source, including but not limited to, the State Treasurer and the State Controller.

E. Record Retention

- (1) The project lead agrees, and will assure that its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred project costs and matching funds by line item for the project. The accounting system of the project lead, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), and enable the determination of incurred costs at interim points of completion. All accounting records and other supporting papers of the project lead, its contractors and subcontractors connected with LCTOP funding shall be maintained for a minimum of three (3) years after the “Project Closeout” report or final Phase 2 report is submitted (per ARB Funding Guidelines, Vol. 3, page 3.A-16), and shall be held open to inspection, copying, and audit by representatives of the State and the California State Auditor. Copies thereof will be furnished by the project lead, its contractors, and subcontractors upon receipt of any request made by the State or its agents. In conducting an audit of the costs claimed, the State will rely to the maximum extent possible on any prior audit of the project lead pursuant to the provisions of federal and State law. In the absence of such an audit, any acceptable audit work performed by the project lead’s external and internal auditors may be relied upon and used by the State when planning and conducting additional audits.
- (2) For the purpose of determining compliance with Title 21, California Code of Regulations, Section 2500 et seq., when applicable, and other matters connected with the performance of the project lead’s contracts with third parties pursuant to Government Code § 8546.7, the project sponsor, its contractors and subcontractors and the State shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times during the entire project period and for three (3) years from the date of final payment. The State, the California State Auditor, or any duly authorized representative of the State, shall each have access to any books, records, and documents that are pertinent to a project for audits, examinations, excerpts, and transactions, and the project lead shall furnish copies thereof if requested.
- (3) The project lead, its contractors and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by the State, for the purpose of any investigation to ascertain compliance with this document.

F. Special Situations

The Department may perform an audit and/or request detailed project information of the project sponsor’s LCTOP funded projects at the Department’s discretion at any time prior to the completion of the LCTOP.

I certify all of these conditions will be met.

BY: _____

ALEX CLIFFORD, CEO/General Manager
Santa Cruz Metropolitan Transit District

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**Low Carbon Transit Operations Program (LCTOP)
AUTHORIZED AGENT**

AS THE Board Chair
(Chief Executive Officer / Director / President / Secretary)

OF THE Santa Cruz Metropolitan Transit District
(Name of County/City Organization)

I hereby authorize the following individual(s) to execute for and on behalf of the named Regional Entity/Transit Operator, any actions necessary for the purpose of obtaining Low Carbon Transit Operations Program (LCTOP) funds provided by the California Department of Transportation, Division of Rail and Mass Transportation. I understand that if there is a change in the authorized agent, the project sponsor must submit a new form. This form is required even when the authorized agent is the executive authority himself. I understand the Board must provide a resolution approving the Authorized Agent. The Board Resolution appointing the Authorized Agent is attached.

Alex Clifford, CEO/General Manager OR
(Name and Title of Authorized Agent)

Angela Aitken, Finance Manager OR
(Name and Title of Authorized Agent)

(Name and Title of Authorized Agent)

Dene Bustichi _____ Chair, Santa Cruz Metropolitan Transit District
(Print Name) (Title)

(Signature)

Approved this 22nd day of January, 2016

Attachment: Board Resolution approving Authorized Agent

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January 6, 2016

Mr. George Dondero, Executive Director
Santa Cruz County Regional Transportation Commission
1523 Pacific Avenue
Santa Cruz, CA 95060-3911

**RE: Request for SCCRTC to Sponsor METRO's FY2015-16 Low Carbon Transit
Operations Program Funds**

Dear George:

This purpose of this letter is to request that the Santa Cruz County Regional Transportation Commission (RTC) adopt a resolution to delegate its FY2015-16 allocation of Low Carbon Transit Operations Program (LCTOP) funds to Santa Cruz METRO. The Low Carbon Transit Operations Program allows an LCTOP recipient to request the allocation of funds from other recipients who choose to sponsor a project. The SCCRTC would sign the METRO's LCTOP allocation request as a sponsor, and the 99313 funds which the State Controller's Office designated for the SCCRTC would be included in METRO's allocation request and used for the approved project. METRO would be the lead agency for the project and would be responsible for implementation, adherence to all guidelines, data collection and reporting.

The State Controller's Office allocated FY16 LCTOP funds to both the SCCRTC and to Santa Cruz METRO in the same proportion that STA funds are allocated under Public Utilities Code 99313 and 99314. Accordingly, the SCCRTC will receive \$263,123 and METRO will receive \$263,475 for a total of \$526,598 in FY2015-16 LCTOP funds. METRO requests that the SCCRTC designate its FY2015-16 funds as a sponsor for METRO's project.

Santa Cruz METRO will use the FY16 LCTOP funds to purchase one electric bus to replace a fossil-fueled bus in the Watsonville Urbanized Area. This bus would directly serve the disadvantaged community (DAC) in Watsonville and would operate from the Watsonville Transit Center located on the boundary of the DAC. This one bus also serves as the local match to leverage five more federally funded buses from the Low- and No-emission Bus Program. METRO will pay any expenses above the grant funding from its reserve funds.

If the RTC concurs with the proposed Low Carbon Transit Operations Program project using FY2015-16 allocations funds, please provide a signed letter addressed to Alex Clifford, CEO/General Manager. The SCCRTC Executive Director will then be asked to sign the allocation request as a contributing sponsor.

*110 Vernon Street, Santa Cruz, CA 95060 (831) 426-6080, FAX (831) 426-6117
Santa Cruz METRO OnLine at <http://www.scmtd.com>*

Attachment D

*Santa Cruz METRO
LCTOP Sponsorship Request
January 6, 2016
Page 2*

Please call me if you would like to discuss any part of the proposed electric bus project for Watsonville.

Thank you.

Sincerely,



Alex Clifford
CEO/General Manager



DATE: January 22, 2016
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
**SUBJECT: CONSIDERATION OF AWARD OF CONTRACT TO CAPITALEDGE
ADVOCACY, INC. FOR FEDERAL LEGISLATIVE
REPRESENTATIVE SERVICES NOT TO EXCEED \$201,000**

I. RECOMMENDED ACTION

- 1) That the Board of Directors authorize the CEO to execute a contract with CapitalEdge Advocacy Inc. for Federal Legislative Representative Services in an amount not to exceed \$201,000 for a 3-year period, with options to extend the contract for a total term of ten years.**
- 2) That the Board of Directors authorize the CEO to execute future amendments with CapitalEdge Advocacy Inc. for the options to extend, increasing the contract total for each option year as required, not to exceed a total value of \$670,000 for the full ten years.**

II. SUMMARY

- The Santa Cruz Metropolitan Transit District (METRO) has a need for Federal Legislative Representative Services.
- A formal request for proposals was conducted to solicit proposals from qualified firms. Two firms submitted proposals for METRO's review.
- A two-member evaluation team comprised of METRO staff reviewed and evaluated the proposals, and is recommending an award to CapitalEdge Advocacy Inc.

III. DISCUSSION/BACKGROUND

METRO requires the services of a Federal Legislative Representative to represent and advocate its positions and policies before the U.S. Congress and the U.S. Department of Transportation. Required services include:

- Represent METRO, as directed, before Federal departments, agencies, and regulatory bodies that impact the policies and programs of METRO;
- Monitor transportation and other legislative committees as appropriate, and represent METRO before such committees, as directed;

- Advise METRO's management and Board of Directors on legislative strategy; and,
- Coordinate advocacy efforts with METRO's Board of Directors and staff.

CapitalEdge Advocacy Inc. is METRO's current provider for these services; however, this contract will expire on January 31, 2016, with no further options to renew.

In August of 2015, the Board authorized staff to issue a Request for Proposals for Federal Legislative Representative Services. On November 25, 2015, METRO legally advertised and distributed Request for Proposals (RFP) No. 16-10 to twenty-five firms, posted notice on its website, and sent email notices to all GovDelivery subscribers. On December 24, 2015, proposals were received and opened from two firms: CapitalEdge Advocacy of Washington, DC, and Carpi & Clay, Inc., also of Washington, DC. A two-member evaluation team comprised of METRO staff has reviewed and evaluated the proposals.

The evaluation team used the following criteria as contained in the Request for Proposals:

Evaluation Criteria	Points
Qualifications and Experience of Firm	30
Qualifications and Experience of Proposed Key Staff	40
Compliance with Proposal Requirements	10
Cost Proposal	20
Total Points Possible	100

Staff is recommending the following actions: 1) That the Board of Directors authorize the CEO to execute a 3-year contract on behalf of METRO with CapitalEdge Advocacy Inc. for Federal Legislative Representative Services in an amount not to exceed \$201,000; and, 2) That the Board of Directors authorize the CEO to execute three future contract extensions with CapitalEdge Advocacy Inc. (for one additional 3-year option, and two additional 2-year options), for a total anticipated contract value of \$670,000 and a total term not to exceed ten years.

Contractor will provide all services meeting all METRO's specifications and requirements of the contract. Alex Clifford, CEO, will serve as the Contract Administrator and will ensure contract compliance.

IV. FINANCIAL CONSIDERATIONS/IMPACT

The base value of the contract is \$201,000 for the first three years. Should all three options be exercised, the total ten-year value of the contract is anticipated to not exceed \$670,000. Funds to support this contract are included in the Administration FY16 & FY17 Legislative Services (503032) Operating budgets, and planned for the FY18 budget.

V. ALTERNATIVES CONSIDERED

- The Board could decline to have any legislative representation at the Federal level.

VI. ATTACHMENTS

Attachment A: Contract with CapitalEdge Advocacy Inc.

Note: A full copy of the Contract is available on request.

Prepared By: Erron Alvey, Purchasing Manager
Joan Jeffries, Administrative Assistant

VII. APPROVALS:

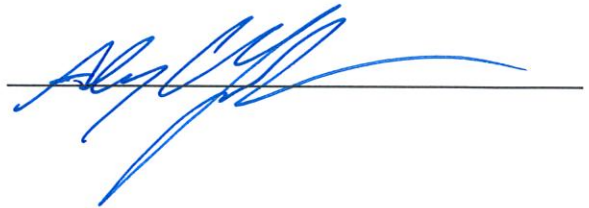
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

PROFESSIONAL SERVICES CONTRACT FOR FEDERAL LEGISLATIVE REPRESENTATIVE SERVICES (16-10)

This Contract is made and entered into at Santa Cruz, California, as of February 1, 2016, by and between **SANTA CRUZ METROPOLITAN TRANSIT DISTRICT** (“Santa Cruz METRO”), a public agency, and **CAPITALEEDGE ADVOCACY INC.** (“CONSULTANT”), who agree as follows:

1. DESCRIPTION OF SERVICES, STAFFING AND WORK SCHEDULE

CONSULTANT must provide to Santa Cruz METRO the services at the time, places and in the manner described and under the terms and conditions set forth herein.

CONSULTANT shall provide legislative services as set for in CONSULTANT’S response to RFP and as requested by Santa Cruz METRO.

CONSULTANT agrees that Christopher F. Giglio will be principally responsible for performing the services requested by Santa Cruz METRO, assisted as needed by other members in the firm who may perform the services.

CONSULTANT shall consult with the CEO on all matters within the scope of this Contract. CONSULTANT must obtain prior approval if any services within the scope of this Contract are proposed to be performed by other persons or firms.

2. TIME OF PERFORMANCE

The term of this Contract will be for a period of three (3) years and shall commence upon the signing of the Contract by CONSULTANT and Santa Cruz METRO. At the option of Santa Cruz METRO and upon mutual written consent, this Contract agreement may be renewed for one (1) additional three (3) year term, and two (2) additional two (2) year terms under the same terms and conditions.

On each anniversary date for the optional terms, CONSULTANT may be allowed to increase rates for services. Increases may not exceed the annual percentage change in the San Francisco-Oakland-San Jose Consumer Price Index for all urban consumers. In all cases, Santa Cruz METRO may deny the increase, or cancel the Contract if a requested price increase is not acceptable.

3. COMPENSATION

- A. Santa Cruz METRO shall compensate CONSULTANT an annual fee of \$63,000, payable in twelve monthly installments of \$5,250, for services performed in accordance with the terms of this Contract. Additionally, Santa Cruz METRO shall compensate CONSULTANT in an amount not to exceed \$4,000 per year in reimbursable pre-approved expenses, such as travel, conference registrations, and other executive expenses incurred by CONSULTANT on behalf of Santa Cruz METRO. The total consideration payable to CONSULTANT may not exceed the sum of \$67,000 annually, including any reimbursable expenses. Santa Cruz METRO shall reasonably determine whether work has been successfully performed for purposes of payment.
- B. CONSULTANT understands and agrees that if they exceed the \$201,000 maximum amount payable under this Contract, they do so at their own risk. This amount is established for Santa Cruz METRO’s budgetary purposes and does not constitute a contractual commitment by Santa Cruz METRO to retain CONSULTANT to such an extent, nor a commitment by CONSULTANT to provide all required services within the amount so established. However, CONSULTANT may not provide services that are billable to Santa Cruz METRO in an amount

Attachment A

exceeding the amount of the total consideration provided above unless approved in advance by written amendment to this Contract.

4. METHOD OF PAYMENT

- A. CONSULTANT shall invoice Santa Cruz METRO monthly, with a purchase order number provided by Santa Cruz METRO, for services performed in accordance with the terms of this Contract. Reimbursable expenses incurred on behalf of Santa Cruz METRO must be billed at cost, without any markups. Invoices that include charges for reimbursable expenses must include itemized receipts. CONSULTANT must certify that it has actually incurred the reimbursable expenses set out in its invoice. All invoices are due to Santa Cruz METRO no later than 45 days after completion and acceptance of the work under this Contract. Said invoice records shall be kept up-to-date at all times and shall be available for inspection by Santa Cruz METRO (or any grantor of Santa Cruz METRO, including, without limitation, any State or Federal agency providing project funding or reimbursement) at any time for any reason upon demand for not less than four (4) years after the date of expiration or termination of the Contract.
- B. Payment of each approved invoice will be made by Santa Cruz METRO within 30 days after receipt, subject to the maximum consideration set forth in Article 3 of this Agreement. All payments are made in arrears.
- C. Unless otherwise agreed, payment against invoice will be delivered by first class mail through the facilities of the U.S. Post Office, postage prepaid, addressed to the applicable party in the manner set forth in Article 7 of this Agreement. Payment against invoice is deemed to be made in Santa Cruz, California, whether or not payment is addressed to a different location or delivered in another manner.

5. SANTA CRUZ METRO REQUESTED CHANGES

Santa Cruz METRO may, by written order, authorize changes to the Scope of Services described in this Contract. If such changes cause an increase in the cost or time required for performance of the agreed-upon services, an equitable adjustment to the total compensation and/or to the Contract term will be made by a written amendment to this Contract.

6. CONSULTANT REQUESTED CHANGES

CONSULTANT will not be compensated for work outside the Scope of Services described in this Contract, unless, prior to the commencement of such services:

- A. CONSULTANT notifies Santa Cruz METRO in writing that it believes a change to the Scope of Services is necessary. Such notice will explain the circumstances giving rise to such belief and will set forth a proposed course of action, including a breakdown of any proposed adjustment in compensation resulting therefrom; and
- B. Santa Cruz METRO approves the additional services as being outside the Scope of Services and the amount of compensation; and
- C. The parties execute an amendment describing the additional service and compensation therefor.

7. NOTICES

All notices and other communications under this Contract must be in writing and will be deemed to have been duly given (i) on the date of delivery, if delivered personally to the party to whom notice is to be given, or if made by electronic mail or telecopy directed to the party to whom notice is to be given at the email address provided or the

Attachment A

teletype number listed below, or (ii) at the earlier of actual receipt or the second business day following deposit in the United States mail, postage prepaid. Notices and other communications must be directed to the parties at the addresses shown below. A party may change its person designated to receive notice, its email address, teletype number, or its mailing address from time to time by giving notice to the other party in accordance with the procedures set forth in this Article.

Santa Cruz METRO: Alex Clifford, CEO
Santa Cruz Metropolitan Transit District
110 Vernon Street
Santa Cruz, CA 95060
Phone: (831) 426-6080
Fax: (831) 469-3658
Email: aclifford@scmttd.com

CONSULTANT: Christopher F. Giglio, President
CapitalEdge Advocacy Inc.
1212 New York Avenue, NW, Suite 250
Washington, DC 20005
Phone: (202) 842-4930
Fax: (202) 842-5051
Email: giglio@capitaleedge.com

8. CONTRACT DOCUMENTS

Each and every term, condition, and provision of the Contract Documents is incorporated herein by reference as though set forth in full. The Contract Documents consist of each and every one of the documents hereinafter enumerated, and any conflict or discrepancy between any of the documents will be resolved in accordance with the order of precedence hereinafter enumerated:

- FIRST: Santa Cruz METRO's "Request for Proposals" dated November 25, 2015, including Addendum No. 1 dated December 10, 2015. (Exhibit A)
- SECOND: Consultant's Proposal to Santa Cruz METRO for Federal Legislative Representative Services, signed by Consultant and dated December 11, 2015. (Exhibit B)

Where in conflict, the provisions of this writing supersede those of the above-referenced documents, Exhibit A and Exhibit B.

9. INSURANCE REQUIREMENTS

CONSULTANT, at CONSULTANT's sole cost and expense and for the full term of this Contract or any renewal thereof, must obtain and maintain at least all of the following minimum insurance requirements prior to commencing any work or receiving payments therefor under this Contract:

A. Workers' Compensation and Employers' Liability

A policy written in accordance with the laws of the State of California and providing coverage for any and all employees of CONSULTANT.

Attachment A

- 1) This policy must provide coverage for Workers' Compensation (Coverage A).
- 2) This policy must also provide coverage of \$1,000,000 Employers' Liability (Coverage B).

B. Professional Liability

A policy in an amount not less than \$1,000,000 per occurrence.

If this policy should contain a deductible clause, it will not be greater than \$100,000 per occurrence. If the deductible is greater than \$100,000, prior approval must be obtained from District Counsel.

C. Endorsements

The following endorsement is required to be made a part of the Workers' Compensation and Employers' Liability policy.

"Thirty (30) days' prior written notice of cancellation must be given to Santa Cruz METRO in the event of cancellation." Such notice must be sent to:

Santa Cruz METRO
Attn: Debbie Kinslow, Asst. Manager – Finance
110 Vernon Street
Santa Cruz, CA 95060

D. Proof of Coverage

Copies of all the required ENDORSEMENTS must be attached to the CERTIFICATE OF INSURANCE, which must be provided by the CONSULTANT's insurance company as evidence of the stipulated coverages. This Proof of Insurance must then be mailed to:

Santa Cruz METRO
Attn: Erron Alvey, Manager – Purchasing
110 Vernon Street
Santa Cruz, CA 95060

E. Special Provisions

- 1) The foregoing requirements as to the types and limits of insurance coverage to be maintained by CONSULTANT, and any approvals of said insurance by Santa Cruz METRO or their insurance consultant(s) are not intended to and may not in any manner limit or qualify the liabilities and obligations otherwise assumed by CONSULTANT pursuant to this Contract, including, but not limited to, the provisions concerning indemnification.
- 2) Santa Cruz METRO reserves the right to withhold payments to CONSULTANT in the event of material noncompliance with the insurance requirements outlined above.

10. **AMBIGUITIES**

The parties have each carefully reviewed this Contract and have agreed to each term of this Contract. No ambiguity will be presumed to be construed against either party.

Attachment A

11. ENTIRE AGREEMENT

This Contract, including all exhibits and attachments, embodies the entire agreement of the parties in relation to the scope of services herein described, and no other understanding whether verbal, written or otherwise exists between the parties.

12. ACCEPTANCE OF ELECTRONIC SIGNATURES AND COUNTERPARTS

The parties agree that this Contract, agreements ancillary to this Contract, and related documents to be entered into this Contract will be considered executed when the signature of a party is delivered by scanned image as an attachment to electronic mail. Such scanned signature must be treated in all respects as having the same effect as an original signature. Each party further agrees that this Contract may be executed in two or more counterparts, all of which constitute one and the same instrument.

13. AUTHORITY

Each party has full power and authority to enter into and perform this Contract and the person signing this Contract on behalf of each has been properly authorized and empowered to enter into this Contract. Each party further acknowledges that it has read this Contract, understands it, and agrees to be bound by it.

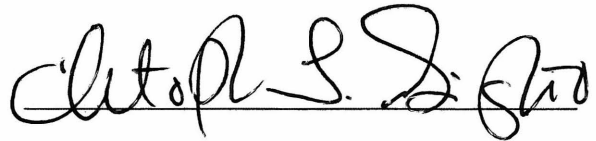
Executed as of the day first above stated.

Santa Cruz METRO:
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

ALEX CLIFFORD, CEO/General Manager

CONSULTANT:
CAPITALEdge ADVOCACY INC.

CHRISTOPHER F. GIGLIO, President



Approved as to Content and Legal Form:

LESLYN K. SYREN, District Council



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DATE: January 22, 2016
TO: Board of Directors
FROM: Robyn D. Slater, Human Resources Manager
SUBJECT: RELOCATION COSTS ASSOCIATED WITH THE PLANNING AND DEVELOPMENT MANAGER RECRUITMENT

I. RECOMMENDED ACTION

That the Board of Directors accept and file an informational report as required by the Management Compensation Plan of relocation expenses incurred for the recently hired Planning and Development Manager

II. SUMMARY

- In October 2014 a new section was added to the Management Compensation Plan providing the CEO/ General Manager with the authority to include relocation expense reimbursement as part of the new hire process.
- The new language required that the CEO/General Manager inform the Board of the relocation costs once the total amount was known.
- The Planning and Development Manager was hired November 9, 2015. Santa Cruz Metropolitan Transit District (METRO) reimbursed the employee \$4,815 for relocation expenses.
- There is no action required by the Board.

III. DISCUSSION/BACKGROUND

Retirements and reorganizations over the last two years required several management recruitments. The recruitments were advertised nationally and recent management hires relocated to Santa Cruz.

At the October 24, 2014 Board meeting, Alex Clifford, CEO/General Manager requested an additional section be added to the Management Compensation Plan giving the CEO/General Manager authorization to offer relocation expense reimbursement as part of an offer package. The request was made to assist in the recruitment process in a competitive market when relocation is needed to hire the most qualified candidate.

This new section requires that the CEO/General Manager report incurred relocation reimbursement expenses to the Board. In January 2016, the recently hired Planning and Development Manager was reimbursed \$4,815 in relocation expenses (\$1,500 in general relocation costs plus \$3,315 in temporary housing

costs). The reimbursement costs were within the authority granted to the CEO/General Manager in October 2014.

IV. FINANCIAL CONSIDERATIONS/IMPACT

The required funding in the amount of \$4,815 will be paid using savings in the Salary and Fringe accounts for the Planning and Development Manager, which was funded for FY17.

V. ALTERNATIVES CONSIDERED

Not applicable

VI. ATTACHMENTS

None

Prepared By: Robyn D. Slater, Human Resources Manager

VII. APPROVALS:

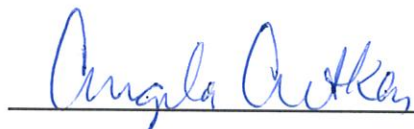
Robyn D. Slater, HR Manager



Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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DATE: January 22, 2016

TO: Board of Directors

FROM: Robyn D. Slater, Human Resources Manager

**SUBJECT: CONSIDERATION OF ADOPTION OF SANTA CRUZ METRO'S
REVISED DRUG AND ALCOHOL TESTING POLICY**

I. RECOMMENDED ACTION

That the Board of Directors adopt the revised Drug and Alcohol Testing Policy

II. SUMMARY

- In December the Federal Transit Administration (FTA) conducted an audit of Santa Cruz Metropolitan Transit District's (METRO) Drug and Alcohol testing program.
- As part of the audit there was a review of METRO's Drug and Alcohol Testing Policy.
- While the audit found no deficiencies in METRO's policy or program, several changes were suggested.
- The suggested changes provide additional details from the regulations and clarity to the employees and managers and do not affect how the program is managed.
- METRO staff also updated the list of Safety Sensitive Positions, to include any new positions that were recently created or modified.
- It is requested that the Board adopt the revised Drug and Alcohol Testing Policy.

III. DISCUSSION/BACKGROUND

In accordance with Federal requirements, METRO's Drug and Alcohol Testing Policy became effective on January 1, 1996. Since that time, various amendments have been required based on changes to the Federal regulations. The Federal government periodically audits transit districts to insure compliance with the current regulations.

In December 2015, the FTA conducted a two-day audit of METRO, the vendors METRO uses as part of the Drug and Alcohol Testing program, and Santa Cruz Transportation, a local taxi cab contracted for ParaCruz services.

METRO, the vendors, and Santa Cruz Transportation were all found to be provisionally in compliance with FTA regulations. There were no major findings. Several corrective actions were needed before the final report of no deficiencies could be finalized.

The union was notified of the changes to the policy and provided with a copy of the revised policy prior to the Board meeting. The changes made to the policy provide additional details from the regulations and clarification of language within the existing policy.

Upon approval, the revised Drug and Alcohol Testing Policy (Administrative Regulation AR-3013) will become effective immediately. METRO staff will provide a copy of the revised policy to all employees.

It is requested that the Board adopt the revised Drug and Alcohol Testing Policy.

IV. FINANCIAL CONSIDERATIONS/IMPACT

There are no financial considerations at this time.

V. ALTERNATIVES CONSIDERED

- Do nothing. Staff does not recommend this action since failing to make the suggested changes would change the provisional results, making METRO out of compliance, potentially jeopardizing future funding opportunities.

VI. ATTACHMENTS

Attachment A: Drug and Alcohol Testing Policy (AR-3013)

Prepared by: Robyn D. Slater, Human Resources Manager

VII. APPROVALS:

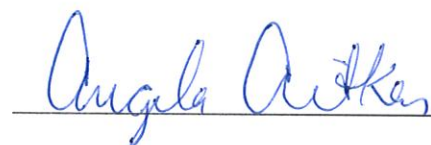
Robyn D. Slater, HR Manager



Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager




Alex Clifford, CEO/General Manager



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Attachment A

Regulation Number: AR-3013
Computer Title: drug policy.doc
Effective Date: January 1, 1996
Pages: 37
TITLE: **DRUG & ALCOHOL TESTING POLICY**

Procedure History REVISION DATE	SUMMARY OF REVISION	APPROVED
8/21/98	Footnotes added to Page 16	S.A.
10/22/04	Implementation of New Federal Law Requirements; and other modifications.	E.R.
8/25/08	Changes to Federal Regulations	J.B.
9/24/10	Changes to Federal Regulations	
1/22/16	Obsolete language removed per Regulation; Job Classifications added	D.B.

I. POLICY

- 1.01 It is the policy of the Santa Cruz Metropolitan Transit District (METRO) that its workplace is free from the effects of drug and alcohol abuse. This policy is enforced in order to insure the safe and efficient operation and maintenance of its transportation system for its passengers, and to provide a safe work environment for its employees. This policy is also to avoid the dangers arising from substance abuse in the work place. These dangers include death and injury to the employee, co-workers, and the public resulting from accidents, dereliction of duty, poor judgment and carelessness. Substance abuse also results in lost productivity, reduced efficiency, and increased absenteeism by the substance abuser and interferes with the job performance of employees who do not use illegal or unauthorized substances.
- 1.02 No METRO employee shall: (1) use, possess, or be under the influence of drugs or other mind-altering substances; or (2) use or possess a container of alcohol or be under the influence to any extent that would impede the employee's ability to perform his or her duties safely and effectively. Furthermore, employees shall not perform duties, which because of drugs or medication taken under a legal prescription or non-prescription, cannot be performed without posing a threat to the health or safety of the employee or others.

Attachment A

- 1.03 METRO is committed to providing safe, reliable, and efficient transportation services to the public, and a safe, healthy and productive work environment for its employees. In order to meet these goals, the Policy of METRO is to:
- a. Create a work environment free from the adverse effects of drug and alcohol misuse;
 - b. Encourage employees to seek professional assistance when personal problems, including alcohol or drug dependency adversely affect their ability to perform their duties in a safe, productive and courteous manner;
 - c. Ensure that employees do not report to work or work with alcohol or drugs in their systems;
 - d. Prohibit the illegal use, possession, manufacture, sale or distribution of controlled substances by its employees;
 - e. Ensure that the reputation of METRO and its employees is as responsible citizens worthy of public trust;
 - f. Provide guidelines and outline responsibilities for the testing of employees and employment candidates to determine drug abuse and alcohol misuse; and
 - g. Implement programs that are designed to help prevent accidents, injuries, and fatalities resulting from the misuse of alcohol and use of drugs by employees who perform safety sensitive functions.
- 1.04 METRO safety-sensitive employees will be subject to urine drug testing and breath alcohol testing in accordance with applicable federal law.
- 1.05 This Policy complies with the Federal Transit Administration (FTA) Regulations (49 CFR Parts 40 and 655 with applicable amendments) that mandate urine drug testing and breath-alcohol testing for safety- sensitive employees and the U.S. Department of Transportation (DOT) standards for the collection and testing of urine and breath specimens. All drug and alcohol testing as required by this policy is mandated by the FTA Regulations, except that a second drug test is required if the results of a first test are determined by the MRO to be a negative dilute drug test, which is pursuant to METRO's own authority (See Section 9.10) and shall be in compliance with all Federal and State laws and regulations.
- 1.06 As required by the FTA Regulations, Attachment 1 lists the drugs or classes of drugs to be tested for and describes the testing procedures for drugs and alcohol; Attachment 2 provides information about the effects of alcohol misuse and the signs and symptoms of an alcohol problem; Attachment 3 provides information about the effects of drug abuse and the signs and symptoms of drug problems for each of the drugs to be tested; Attachment 4 lists job classifications considered to be safety-sensitive.

Attachment A

II. APPLICABILITY

- 2.01 This policy applies to all full-time and part-time safety- sensitive employees.
- 2.02 Participation in the testing program as described in this policy is a condition of METRO employment for all safety-sensitive employees, but no employee-authorization is required.
- 2.03 An employee violating this policy is subject to disciplinary action up to and including discharge. See also Articles X Employees' Responsibilities, and XI Actions After a Positive Test for specific disciplinary actions. Any disciplinary actions taken as a result of a violation of this policy is pursuant to METROs own authority.
- 2.04 Compliance with this policy does not relieve an employee of compliance with applicable Federal and State laws and regulations.

III. CONTRACTOR APPLICABILITY

- 3.01 METROs contractors and subcontractors, as required, shall comply with 49 Code of Federal Regulations Parts 40 and 655 to the extent required by Federal law.
- 3.02 The Human Resources Manager shall insure that all applicable METROs contractors and subcontractors, who are required to comply with the FTA drug and alcohol testing requirements, are in actual compliance.

IV. RESPONSIBILITIES OF DESIGNATED EMPLOYER REPRESENTATIVE AND OTHERS

- 4.01 The Human Resources Manager (or in his/her absence, the Assistant Human Resources Manager) is designated as METROs Drug and Alcohol Testing Coordinator and Designated Employer Representative (DER), and shall ensure that the administration of all drug and/or alcohol tests comply with applicable laws. The Human Resources Manager shall be knowledgeable about the DOT and FTA regulations, and METROs policies and procedures for drug and alcohol testing. The Human Resources Manager shall be immediately accessible to collection site personnel, Breath Alcohol Technicians (BAT), and Medical Review Officers (MRO) and be prepared to address drug and alcohol testing issues, make decisions and provide direction in a timely manner. An employee seeking additional information about the program can contact his or her manager and/or the Human Resources Manager, 110 Vernon Street, Santa Cruz, CA, 95060, (831) 420-2540.

Attachment A

- 4.02 The Human Resources Manager shall post and distribute METROs Drug & Alcohol Testing Policy to each safety- sensitive employee and to representatives of employee organizations.
- 4.03 The Human Resources Manager shall maintain all records and reports pertaining to the drug and alcohol-testing program in a confidential manner.
- 4.04 Each safety-sensitive employee shall receive a copy of this Policy and is responsible for reading, understanding and adhering to this Policy.
- 4.05 Managers and supervisors will be held accountable for the consistent application and enforcement of this Policy. Any manager/supervisor who knowingly disregards the requirements of this Policy, or who is found to have deliberately misused the Policy in regard to subordinates shall be subject to disciplinary action, up to and including discharge.
- 4.06 Any employee who has actual knowledge that an employee has used alcohol within four hours of performing a safety-sensitive function or is under the influence of drugs while performing a safety sensitive function shall report such knowledge immediately to either his/her Manager or the Human Resources Manager.
- 4.07 A Manager or Supervisor having actual knowledge that an employee is using alcohol while performing safety-sensitive functions shall not permit the employee to perform or continue to perform safety-sensitive functions.
- 4.08 After obtaining an applicant or employee's written consent who is seeking employment or a transfer to a safety sensitive position, the Human Resources Manager shall request the following information from DOT-regulated employers who have employed the applicant/employee during any period during the two years before the date of the applicant/employee's application or transfer request:
 - a. Alcohol tests with a result of 0.04 or higher alcohol concentration;
 - b. Verified positive drug tests;
 - c. Refusals to be tested, including verified or substituted drug test results;
 - d. Other violations of DOT agency drug and alcohol testing regulations;
 - e. With respect to any employee who violated a DOT drug and alcohol regulation, documentation of the employee's successful completion of DOT return-to-duty requirements, including follow-up tests. If no documentation is forthcoming, the Human Resources Manager shall seek to obtain the information from the applicant/employee.
- 4.09 If the applicant/employee refuses to provide written consent pursuant to Section 4.08 above, the applicant/employee shall not be permitted to perform safety-sensitive functions.

Attachment A

V. EDUCATION/TRAINING

- 5.01 The Human Resources Manager shall be responsible to establish and maintain an education and training program in order to promote the deterrence of the misuse of drugs and alcohol. The education component shall include display and distribution to every safety-sensitive employee informational material and a community service hot-line telephone number for employee assistance, if available. The Human Resources Manager shall maintain a copy of 49 CFR Part 40 in her/his office, which shall be made available to employees upon request.
- 5.02 Safety-sensitive employees shall be provided at least 60 minutes of training, which must cover the effects and consequences of prohibited drug use on personal health, safety and the work environment and include information on the signs and symptoms that indicate prohibited drug use.
- 5.03 Managers, Supervisors and/or other METRO officials who are authorized to make reasonable suspicion determinations shall undergo at least one hour of training on the physical, behavioral, and performance indicators of probable drug use and at least one hour of training on the physical, behavioral, speech and performance indicators of probable alcohol misuse.

VI. REHABILITATION

- 6.01 Drug users and alcohol abusers are encouraged to make every effort to overcome the abuse and addiction that comes from use. Successful rehabilitation hinges upon users rehabilitating themselves with the assistance of outside professionals. METRO provides an Employee Assistance Program (EAP) to assist employees in dealing with drug and alcohol related problems. Employees of METRO who have a problem with drug or alcohol use are strongly encouraged to seek help voluntarily. In addition, all employees are encouraged to make use of other available resources for treatment for alcohol and substance abuse problems.
- 6.02 An employee may voluntarily seek help through a community based alcohol and/or drug rehabilitation program or through METRO's EAP which provides assessment and referral services. A supervisor/manager may refer an employee to EAP for any problem(s) impacting job performance with the exception of an employee testing positive for drugs/alcohol in which case the employee will be referred to a Substance Abuse Professional (SAP).
- 6.03 An employee will be allowed up to a 30-day leave of absence for rehabilitation purposes. Employees may use their accumulated sick leave or annual leave for such purposes.

Attachment A

VII. TESTING

7.01 Employees shall submit to a urine test for the detection of drugs under the following circumstances:

- a. Pre-employment/Transfer to a safety sensitive position for the first time/Return to work;
- b. Post accident;
- c. Reasonable suspicion;
- d. Random; and
- e. Return-to-duty/follow-up.

7.02 An employee shall be tested for the following drugs:

- a. Marijuana;
- b. Cocaine;
- c. Opiates (codeine, heroin, morphine, 6-AM);
- d. Amphetamines (MDMA, MDA, MDE); and
- e. Phencyclidine.

7.03 Employees are prohibited from consuming the drugs identified in Section 7.02 at all times.

7.04 Employees shall submit to a breath test for the detection of alcohol in the following circumstances:

- a. Transfer to a safety sensitive position for the first time/Return to work;
- b. Post accident;
- c. Reasonable suspicion;
- d. Random; and
- e. Return-to-Duty/Follow-Up Testing.

7.05 An employee is prohibited from using alcohol while performing safety-sensitive functions.

VIII. TYPES OF TESTING

8.01 Pre-employment/Transfer Testing/Return to work:

Attachment A

- a. Applicants for METROs employment in safety-sensitive positions and employees transferring into safety-sensitive positions shall undergo urine drug testing with a verified negative result prior to employment or transfer.
- b. No pre-employment drug tests shall be given to an applicant or employee unless a contingent offer of employment or transfer subject to the applicant /employee passing the test has been made.
- c. The Human Resources Department shall inform an applicant and/or an employee seeking a safety sensitive position, prior to testing that drug tests including those for the detection of marijuana, cocaine, amphetamines, opiates, and phencyclidine will be administered. This notification shall be in writing and shall inform the applicant/employee that a positive test result shall be the basis for the decision to refuse to make the appointment or transfer as the case may be.
- d. Failure of a drug test will disqualify an applicant for employment to a safety-sensitive position.
- e. Employees attempting to transfer into safety-sensitive positions who fail a drug test shall not be permitted to transfer.
- f. Employees or applicants who have previously failed or refused a pre-employment drug test administered under this part, must provide proof of having successfully completed a referral, evaluation and treatment plan as described in section XI.
- g. When an employee has not performed a safety-sensitive function for 90 consecutive calendar days regardless of the reason, and the employee has not been in the random selection pool during that time, the employee shall take a pre-employment drug test with a verified negative result before performing safety-sensitive duties. An employee may, at the employee's discretion, take the test while he/she is still on leave as long as the applicable procedures are followed. Whether on leave or not, an employee testing positive shall be subjected to the procedures required by this policy following a positive test including disciplinary action.
- h. An applicant for METRO employment for a safety sensitive positions and employees transferring into safety sensitive positions shall undergo an alcohol test before employment or transfer.
- i. The alcohol test shall not be conducted until a contingent offer of employment or transfer subject to the applicant/employee passing the pre-employment alcohol test is made.
- j. An applicant or an employee wishing to transfer into a safety-sensitive position shall not be allowed to begin performing safety-sensitive functions unless the result of the employee's test indicates an alcohol concentration of less than 0.02

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8.02 Reasonable Suspicion Testing:

- a. An employee shall be subject to drug and alcohol tests when there is a reason to suspect that such employee has used a prohibited drug or has misused alcohol. A reasonable suspicion referral for testing will be made on the basis of specific, contemporaneous, articulable observations concerning the appearance, behavior, speech or body odors of the employee, by a manager/supervisor trained in detecting signs and symptoms of drug use and alcohol misuse.
- b. A supervisor/manager who has made the required observations may direct an employee to undergo reasonable suspicion testing for alcohol only while the employee is performing safety-sensitive functions; just before the employee is to perform safety-sensitive functions; or just after the employee has ceased performing such functions.
- c. If an alcohol test required by this section is not administered within two hours following the determinations to test, the supervisor/manager who made the observations shall prepare a report stating the reasons the alcohol test was not promptly administered. If the alcohol test is not given within eight (8) hours, following the determination to test, efforts to administer the test shall cease and the supervisor/manager shall prepare a report stating the reasons for not administering the test. All reports required by this section shall be forwarded promptly to the Human Resources Manager for review and appropriate action. The Human Resources Manager shall maintain a file for such reports.
- d. Under no circumstances shall an employee suspected of drug and/or alcohol intoxication be permitted to drive a METRO vehicle. METRO personnel shall transport such employee to the collection test site and offer to transport him/her to his/her residence or other appropriate destination after the test.
- e. The supervisor/manager who determined that there was reasonable suspicion to require a drug and alcohol test shall complete a report on a form provided by the METRO setting forth the behavioral signs and symptoms observed in the employee suspected of being under the influence of drugs and/or alcohol. A copy of the report shall be marked confidential and forwarded to the Human Resources Manager within twenty-four (24) hours of the determination.

8.03 Post Accident Testing:

- a. As soon as practicable following an accident involving the loss of human life, the METRO shall test for drugs and alcohol each surviving employee operating the **public transportation** vehicle (regardless of whether or not the vehicle is in revenue service) at the time of the accident. Any other employee whose performance could have contributed to the accident as determined by a

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manager/supervisor using the best information available at the time of the decision shall also be tested for drugs and alcohol.

- b. As soon as practicable following an accident (see “accident” definition) not involving the loss of human life, in which a **public transportation** vehicle is involved (regardless of whether or not the vehicle is in revenue service), each employee operating the **public transportation** vehicle at the time of the accident shall be tested for drugs and alcohol, unless a manager/supervisor determines using the best information available at the time of the decision that the employee’s performance can be completely discounted as a contributing factor to the accident. Such a decision must be documented in detail including the decision making process used to reach the decision not to test.
- c. Other employees whose performance could have contributed to the accident, as determined by a manager/supervisor using the best information available at the time of the decision shall also be tested for drugs and alcohol.
- d. Following an accident, the employee(s) shall be tested as soon as possible but not later than eight (8) hours for alcohol testing and 32 hours for drug testing. An employee involved in an accident must refrain from alcohol use for eight (8) hours following the accident or until (s)he undergoes a post-accident alcohol test, whichever comes first. Following an accident, an employee must remain readily available for testing. If an employee does not remain readily available, he/she **may be deemed** to have refused the tests and will be subject to employment discharge.
- e. An employee who leaves the scene of the accident without appropriate authorization prior to submission to drug and alcohol testing **may be deemed** to have refused the tests and will be subject to employment discharge.
- f. Following an accident, field supervisory personnel at the scene shall do an immediate assessment of the condition of the employee to detect possible signs of the presence of drugs or alcohol.
- g. In compliance with FTA requirements alcohol testing shall be administered as soon as practicable after an accident. If the alcohol test is not administered within two (2) hours of the accident, the responsible Manager or Supervisor shall prepare a written report stating the reason why the test was not promptly administered. A copy of such report shall be forwarded to the Human Resources Manager and shall be available for inspection by the DOT or the FTA. All attempts to administer an alcohol test shall cease after eight (8) hours and all attempts to administer a drug test shall cease after 32 hours following the accident and shall be documented in the same manner with a written report to the Human Resources Manager.

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- h. Following an accident based test, an employee shall not be allowed to perform safety-sensitive functions until the results of the test are known to METRO and the employee.
- i. Nothing in this section shall be construed to require the delay of necessary medical attention for the injured following an accident or to prohibit a safety-sensitive employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident or to obtain necessary emergency medical care.
- J. The results of a blood, urine, or breath test for the use of prohibited drugs or alcohol misuse, conducted by Federal, State or local officials having independent authority for the test shall be considered to meet the requirements of this section provided such test conforms to the applicable Federal, State or local testing requirements and that the test results are obtained by METRO. Such test results shall be used only when METRO is unable to perform a post-accident test within the required period noted above.

8.04 Random Testing:

- a. A safety-sensitive employee will be subject to random, unannounced testing for drugs and alcohol using a computer based random number selection method. Each employee in the random pool will have an equal chance of being selected for testing and shall remain in the pool even after being tested. Random testing will be administered at random times during the day (or shift) to avoid predictability. Each employee shall be assigned a unique number, which shall be entered into a pool from which the selection should be made. The dates for administering unannounced testing of randomly selected employees shall be spread reasonably throughout the calendar year.
- b. Once an employee is notified of his/her selection for a random test, he/she must be escorted immediately to the collection test site.
- c. A safety-sensitive employee shall be randomly tested for alcohol misuse while the employee is performing safety-sensitive functions; just before the employee is to perform safety-sensitive functions; or just after the employee has ceased performing such function. An employee may be randomly tested for prohibited drug use anytime while on duty.
- d. **Following a positive random drug test, the employee will be given one opportunity to receive treatment and take a return to duty test. Following a positive alcohol test of 0.04 or higher the employee will be given the opportunity to receive treatment and take a return to duty test. Alcohol test results between 0.02 and 0.039 will be treated the same as a positive DOT test result under METRO's own authority.**

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- e. An employee who is not on duty because of sickness, vacation, jury duty, leave of absence, worker's compensation, family medical leave or any other purpose shall be removed from the random pool for purposes of random testing if the Manager of Human Resources determines using the best information available at the time that such employee will be absent for at least 90 days.

8.05 Employee Retest:

- a. After notification by the Medical Review Officer or the Human Resources Manager of a confirmed verified positive drug test, an employee may, within 72 hours, request that an additional test be conducted at a different DHHS - certified laboratory specified by METRO. The request can only be made by the employee himself/herself but may be made orally. The test shall be conducted on the split sample that was provided at the same time as the original or primary sample.
- b. All costs for the employee requested testing, including the transportation of the split specimen to the second laboratory shall be paid by METRO **pursuant to METRO's own authority.**

8.06 Return to Duty:

- a. Before any employee is allowed to return to duty to perform a safety-sensitive function following a verified positive **random** drug test result, an alcohol result of **0.04** or greater, or for any other reason as required by FTA regulations, that employee must first be evaluated by a Substance Abuse Professional (SAP) and pass a return to duty test. The SAP will recommend a course of action to the employee. **Alcohol test results between 0.02 and 0.039 will be treated the same as a positive DOT test result under METRO's own authority and will be referred to a Substance Abuse Therapists (SAT).**
- b. The purpose of the return to duty test and the evaluation of an individual's return to duty status by the SAP is to provide assurance that the individual is presently free of alcohol and/or any prohibited drugs and is able to return to work without undue concern about continued substance abuse. An employee must follow the recommendations of the SAP.
- c. Before a return to duty test is performed, the employee must be evaluated by a SAP to determine whether the employee has followed the recommendations for action by the SAP, including participation in a rehabilitation program.
- d. The employee must have a verified negative drug test result or an alcohol test result of less than 0.02 to return to a safety-sensitive function. If a drug test result is canceled, the employee shall be required to submit to and pass another drug test.

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- e. All employee return-to-duty drug test specimens will be collected under direct observation¹.

8.07 Follow-Up Testing:

- a. Once allowed to return to duty, an employee shall be subject to unannounced follow-up testing for at least 12 but not more than 60 months. The frequency and duration of the follow-up testing will be recommended by the SAP as long as a minimum of six tests are performed during the first 12 months after the employee has returned to duty. All employee follow-up drug test specimens will be collected under direct observation¹.
- b. Follow-up testing is separate from and in addition to the regular random testing program. Employees subject to follow-up testing must also remain in the standard random pool and must be tested whenever their names come up for random testing even if this means being tested twice in the same day, week or month.
- c. If the employee is subject to drug follow-up tests, the employee may also be required to take one or more follow-up alcohol tests. If the employee is subject to alcohol follow-up tests, the employee may be required to take one or more follow-up drug tests with a verified negative result.
- d. **Any safety sensitive employee with a confirmed positive follow-up drug and/or alcohol test will be terminated from employment with METRO. Alcohol test results between 0.02 and 0.039 will be treated as a positive DOT test under METRO's own authority.**

IX. MEDICAL REVIEW OFFICER (MRO)

- 9.01 All positive drug testing laboratory results will be reviewed by METRO's MRO. The MRO shall verify and validate or invalidate test results.
- 9.02 The MRO shall conduct an administrative review of the control and custody form to ensure its accuracy.
- 9.03 The MRO shall review and interpret an employee's confirmed positive test by 1) reviewing the individual's medical history including any medical records and biomedical information provided, 2) affording the individual an opportunity to discuss the test result, and 3) deciding whether there is a legitimate medical explanation for the result, including legally prescribed medication.

¹ Direct Observation collections will be made according to the DOT Urine Specimen Collection Guidelines.

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- 9.04 The MRO shall attempt to notify each employee who has a verified positive test that the employee has 72 hours in which to request a test of the split specimen. If the employee requests an analysis of the split specimen within 72 hours of having been informed of a verified positive test, the MRO shall direct, in writing, the laboratory to ship the split specimen to another DHHS-certified laboratory for analysis. If the retest is determined to be negative then the first test shall be considered to have a negative result.
- 9.05 If the employee has not contacted the MRO within 72 hours of being notified of a verified positive drug test, the employee may present to the MRO information documenting that serious illness, injury, inability to contact the MRO, lack of actual notice of the verified positive test or other circumstances unavoidably prevented the employee from contacting the MRO in time.
- 9.06 If the MRO concludes that there is a legitimate explanation for the employee's failure to contact the MRO within 72 hours, the MRO shall direct that the analysis of the split specimen be performed.
- 9.07 If the MRO concludes that there is no legitimate explanation for the employee's failure to contact the MRO within 72 hours, then the MRO is not required to direct the analysis of the split specimen to be performed.
- 9.08 The MRO shall report each verified test result to the Human Resources Manager. Reporting of a verified positive result will not be delayed pending the split specimen analysis.
- 9.09 If the MRO determines that a positive drug test was dilute, the MRO and METRO shall treat the test as a verified positive test. The employee will not be permitted to take another test based on the fact that the specimen was dilute.
- 9.10 If the MRO informs METRO that a negative test was dilute, the following action will be taken:
- a. If the MRO directs METRO to conduct a recollection under direct observation² (i.e. because the creatinine concentration of the specimen was equal to or greater than 2mg/dL, but less than or equal to 5 mg/dL), METRO will cause the recollection to take place under direct observation immediately.
 - b. Otherwise (i.e., if the creatinine concentration of the dilute specimen is greater than 5 mg/dL), METRO will under its own authority direct the employee to take another test immediately pursuant to METRO's own authority. The collection of the specimen shall not be collected under direct observation unless there is another basis for such direct collection. The results of the second test, not that of the original test, will become the test of record on which the METRO will rely for purposes of this policy. If the second test is also negative and dilute, the employee will not be required to take a third test. If an employee is directed to take another test pursuant to this section and the employee declines to do so, the

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employee has refused the test for purposes of the Department of Transportation regulations and this policy and action will be taken in accordance with this policy.

X. EMPLOYEE RESPONSIBILITIES

10.01 As a condition of employment, an employee must:

- a. Submit immediately to alcohol and/or drug tests at a METRO authorized collection site when ordered by a District Manager, Supervisor or law enforcement personnel.
- b. Refrain from alcohol consumption within four (4) hours of reporting for duty or during the hours that (s)he is subject to duty, and while on-call.
- c. Refrain from reporting for duty or remaining on duty while having an alcohol concentration level of 0.02 or greater.
- d. Refrain from alcohol use for eight (8) hours following an accident or until (s)he undergoes a post-accident alcohol test, whichever occurs first.
- e. Refrain from the use of prohibited drugs.
- f. Upon arrival at the designated collection test site, he/she shall follow all instructions given by collection site personnel and METRO supervisory personnel in providing a specimen for drug and/or alcohol detection tests.
- g. Complete a drug and/or alcohol detection test, as applicable, in accordance with federal laws and regulations.
- h. Comply with the interview examination and/or evaluation as directed by the MRO.
- i. Comply with METRO requirements for treatment, after care, return to duty testing and follow-up testing.

10.02

- a. An employee shall be considered to have refused a drug and/or alcohol test under the following circumstances:
 - i. **Failure to appear for any test (excluding pre-employment) within a reasonable time, as determined by the employer, after being directed to do so by the employer;**
 - ii. **Failure to remain at the testing site until the testing process is complete;**
 - iii. **Failure to provide a urine or breath specimen for any drug or alcohol test required by Part 40 or DOT agency regulations;**

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- iv. **In the case of a directly observed or monitored collection in a drug test, failure to permit the observation or monitoring of the provision of a specimen;**
 - v. **Failure to provide a sufficient amount of urine or breath when directed, and it has been determined, through a required medical evaluation, that there was no adequate medical explanation for the failure;**
 - vi. **Failure or refusal to take a second test the employer or collector has directed;**
 - vii. **Failure to undergo a medical examination or evaluation, as directed by the MRO as part of the verification process, or as directed by the DER as part of the “shy bladder” or “shy lung” procedures;**
 - viii. **Fails to cooperate with any part of the testing process (e.g., refuse to empty pockets when so directed by the collector, behave in a confrontational way that disrupts the collection process);**
 - ix. **If the MRO reports that there is verified adulterated or substituted test result;**
 - x. **Failure or refusal to sign Step 2 of the alcohol testing form;**
 - xi. **Failure to follow the observer’s instructions during an observed collection including instructions to raise clothing above the waist, lower clothing and underpants, and to turn around to permit the observer to determine if there is present any type of prosthetic or other device that could be used to interfere with the collection process;**
 - xii. **Possession or wearing of a prosthetic or other device that could be used to interfere with the collection process;**
 - xiii. **Admitting to the collector or MRO that the specimen was adulterated or substituted.**
- b. An employee who refuses to submit to a drug and/or alcohol test as described above shall be removed from duty and immediately, referred to a SAP, and under METROs own authority, the employee shall be discharged from his/her employment with METRO.
- c. In no event shall an employee who engages in any of the conduct set forth above be permitted to perform any safety-sensitive function.
- d. An employee/applicant shall be denied transfer/appointment to a safety sensitive position under METROs own authority.
- 10.03 Any employee/applicant who is being tested for a pre-employment test will not be considered to have refused the test if he/she engages in any of the behaviors set forth in Section 10.02 unless the applicant/employee has actually begun the collection process.

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- 10.04 For an on-call employee the following procedure is established should he/she consume alcohol within 4 hours of performing a safety-sensitive function: 1) When notified that he/she must report for duty he/she must advise METRO if he/she has used alcohol, and 2) indicate whether he/she is able to perform his/her safety sensitive function.
- a. If the employee believes he/she is not capable of performing safety sensitive functions, the employee shall be excused from doing so.
 - b. If the employee believes he/she is capable of performing a safety-sensitive function, the employee shall be tested for alcohol and the employee shall be permitted to perform a safety-sensitive function if his/her alcohol concentration level measures less than 0.02. If the employee alcohol concentration level measures at 0.02 or greater, he/she shall not be permitted to work. The standards for disciplinary action set forth in Article XI shall be applicable.

XI. ACTIONS AFTER A POSITIVE TEST

The consequences for a covered employee who has a verified positive drug or a confirmed alcohol test result with an alcohol concentration of 0.04 or greater, for tests other than a random, or who refuses to submit to a test under this part, including the mandatory requirement that the covered employee be removed immediately from his or her safety-sensitive function and be evaluated by a substance abuse professional, (SAP) as required by 49 CFR Part 40.

Alcohol test results between 0.02 and 0.039 will be treated the same as a positive DOT test result under METRO's own authority. In this case an employee will be referred to a Substance Abuse Therapist (SAT) who will perform the same function as a SAP does for verified positive drug and/or alcohol tests.

Where a covered employee refused to submit to a test, has a verified positive random drug test, and/or has a confirmed random alcohol test of 0.04 or greater, METRO, before returning the employee to duty to perform a safety-sensitive function, shall follow the procedures outlined in 49 CFR Part 40. Alcohol test results between 0.02 and 0.039 will be treated the same as a positive DOT test result under METRO's own authority.

- 11.01 In the performance of its duties and responsibilities, the SAP shall follow the requirements of federal law and regulations. Neither METRO nor the employee shall seek a second evaluation by a SAP in order to obtain another recommendation. METRO is prohibited from relying on a second SAP evaluation obtained by an employee. The employee shall also be informed by the Human Resources Manager of educational and rehabilitation programs and resources available to the employee in evaluating and resolving problems associated with prohibited drug and alcohol use. Referral to the SAP does not shield an employee from disciplinary action or guarantee employment or reinstatement with METRO. Within fifteen (15) working days of providing the employee with the list of SAPS, the employee shall provide the Human Resources Manager with

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evidence of participation in a SAP's evaluation and/or a SAP's referral. Failure to do so shall result in employment termination pursuant to METRO's own authority. METRO shall pay for all SAP costs resulting from a first positive test. All treatment costs associated with a first positive test shall be the responsibility of the employee who may use his/her medical insurance, if applicable. Any SAP and/or treatment costs for a second positive test are the sole responsibility of the employee.

- 11.02 When an employee has a verified positive, adulterated, or substituted test result or has otherwise violated a DOT agency drug & alcohol regulation, the employee will not be returned to the performance of safety-sensitive functions until or unless the employee successfully completes the return to duty process set forth herein.
- 11.03 A positive test for drugs or alcohol shall result in disciplinary proceedings being initiated pursuant to METRO's own authority.
- 11.04 The following disciplinary standards shall apply for an employee who tests positive for drugs or alcohol:
- a. If the breath sample tests at an alcohol concentration level of 0.02 - 0.039 (other than random), the employee shall be immediately removed from duty, referred to a **SAT**, and shall not be allowed to return to duty for at least eight hours. Such employee must follow the recommendations of the **SAT**. If an employee tests a second time at a concentration level of 0.02 or greater or tests at this level in a follow-up test, such employee shall be discharged.
 - b. When a test (other than random) shows the presence of alcohol, at a concentration level of 0.04 or greater, or drugs the following disciplinary standards shall apply:
 - i. Illegal Drugs - The safety-sensitive employee will be discharged following a positive test result.
 - ii. Alcohol - The safety-sensitive employee will be discharged following a positive test result.
 - c. When a random test shows the presence of drugs or alcohol in a concentration level of **0.04** or greater the following disciplinary standards shall apply:
 - i. Such employee shall be allowed to return to duty after compliance with Articles 8.06 Return to Duty and 8.07 Follow-Up Testing. **Alcohol test results between 0.02 and 0.039 will be treated the same as a positive DOT test result under METRO's own authority.**
 - ii. An employee who tests positive on a second test for alcohol, at a concentration level of **0.04** or greater, or drugs shall be discharged from his/her employment. **Alcohol test results between 0.02 and 0.039 will be treated the same as a positive DOT test result under METRO's own authority.**

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- 11.05 Nothing contained herein shall prevent METRO from imposing a more severe disciplinary action should the specific facts and circumstances of the situation warrant such action.
- 11.06 Voluntary enrollment in the EAP or the SAP rehabilitation program does not excuse or exempt an employee from discipline if (s)he has alcohol or illegal drugs in his/her system while on duty.
- 11.07 Violations of this Policy shall be grounds for disciplinary action, up to and including discharge. Refusal to submit immediately to drug and alcohol tests at a METRO authorized collection site when ordered by a District Manager, Supervisor or law enforcement personnel shall subject employees to discharge proceedings for insubordination and gross misconduct. Such refusal shall be considered an admission of guilt.
- 11.08 When an employee has a verified positive drug test result, or has a confirmed alcohol test of 0.04 or greater, or refuses to submit to a drug or alcohol test required, the Human Resources Manager shall advise the employee of the resources available for evaluating and resolving problems associated with prohibited drug use and alcohol misuse, including the names, addresses and telephone number of SAPs and counseling and treatment programs.

XII. RELEASE OF TESTING RESULTS

- 12.01 METRO is not authorized by federal law to release any testing records to law enforcement.
- 12.02 METRO is allowed to release testing records in a criminal or civil action resulting from an employee's performance of safety-sensitive duties in which a court of competent jurisdiction determines that the drug or alcohol test information sought is relevant to the case and issues an order directing METRO to produce the information.
- 12.03 METRO will provide drug/alcohol-testing information of an employee or former employee to other agencies/companies, or an identified person when authorized in writing by such employee(s).
- 12.04 METRO will release information pertaining to an employee's drug or alcohol test including the results, without the employee's consent in certain legal proceedings including a lawsuit, grievance (e.g. An arbitration concerning disciplinary action taken by METRO against the employee) or administrative proceeding brought by, or on behalf of, the employee and resulting from a positive DOT drug or alcohol test or a refusal to test (including, but not limited to, adulterated or substituted test results).

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- 12.05 In addition to the foregoing, METRO will release drug or alcohol test information only as allowed by federal law or regulations.
- 12.06 METRO will immediately notify the employee in writing of any information released pursuant to sections 12.02 and 12.04.
- 12.07 METRO will comply with a request from DOT representatives as follows:
- a. Access to the facilities used for drug/alcohol program functions;
 - b. Release of all written, printed and computer based drug/alcohol program record, reports, files, materials, data, documents, agreements, contracts, policies and statements that are required by federal laws and regulations relating to drug/alcohol testing.

XIII. RETENTION OF RECORDS

- 13.01 The Human Resources Manager shall maintain records of the anti-drug and alcohol misuse programs as required by federal laws and regulations. The records shall be maintained in a secure location with controlled access.
- 13.02 METRO shall keep the following records for the following periods of time:

Records of alcohol test results with alcohol concentration of 0.02 or greater	5 years
Records of verified positive drug test results and refusals	5 years
Documentation of refusals to take required alcohol/drug tests (including substituted or adulterated drug test results)	5 years
Referrals to the SAP, SAP reports, Copies of annual MIS reports submitted to FTA	5 years
All follow-up tests and schedules for follow-up tests	5 years
Information obtained from previous employers concerning drug and alcohol test results of employees	3 years
Records of the inspection, maintenance, and calibration of EBTs, Records related to the collection process and employee training.	2 years
Records of negative drug test results and alcohol test results with a concentration of less than 0.02	1 year

XIV. DEFINITIONS

- 14.01 Accident - Accident means an occurrence associated with the operation of a vehicle, including the operation of the lift or ramp, if as a result: 1) an individual dies; or 2) an individual suffers a bodily injury and immediately receives medical treatment away from the scene of the accident; or 3) one or more vehicles (including non-FTA funded

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vehicles) incurs disabling damage as the result of the occurrence and such vehicle or vehicles are transported away from the scene by a tow truck or other vehicle.

- 14.02 Alcohol Misuse - Occurs when an employee arrives at the work site with alcohol in his/her system; consumes a beverage containing alcohol while on duty, subject to duty, within four hours of reporting for duty, or during coffee and/or lunch breaks; or is late to work or absent from work due to the consumption of alcohol.
- 14.03 Breath Alcohol Technician (BAT) - Alcohol breath tests must be performed by a BAT who is trained in proficiency in the operation of the EBT he/she is using and in the alcohol procedures specified in the regulations.
- 14.04 Collection Site - A place designated by the employer where individuals present themselves for the purpose of providing a specimen of their urine to be analyzed for the presence of drugs.
- 14.05 Contractor – a person or organization that provides a safety-sensitive service for METRO consistent with a specific understanding or arrangement. The understanding can be a written contract or informal arrangement that reflects an ongoing relationship between the parties.
- 14.06 Controlled Substances - Any drugs that are classified by the Drug Enforcement Administration (DEA) into the five schedules or classes on the basis of their potential for abuse, accepted medical use and accepted safety for use under medical supervision. A drug in any of these schedules identifies that it is a controlled substance and determines the nature of supervisory control that must be exercised. Medications containing any controlled substances must be prescribed by a physician having a valid DEA license number.
- 14.07 DHHS - Department of Health and Human Services
- 14.08 Dilute specimen: A specimen with creatinine and specific gravity values that are lower than expected for human urine.
- 14.09 DOT - United States Department of Transportation.
- 14.10 Drug Abuse - Use of any illegal drug or controlled substance without a valid prescription, misuse of legally prescribed drugs, or use of illegally obtained prescription drugs. This includes use of prescription drugs legally prescribed to another individual other than one's self.
- 14.11 Employee - See Section 14.23 Safety-Sensitive Employee.
- 14.12 Evidential Breath Testing (EBT) Device - A device approved by the National Highway Traffic Safety Administration (NHTSA) for the evidential testing of breath and placed on

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the NHTSA's "Conforming Products List of Evidential Breath Measurement Devices" (CPL).

- 14.13 Follow-Up Testing - Unannounced drug and alcohol testing given to employees who have returned to duty after evaluation by the SAP. This type of test may be done up to a total of five years from the date the employee returns to duty. A minimum of six tests during the first twelve months is required.
- 14.14 FTA - Federal Transit Administration, an agency of the U.S. Department of Transportation.
- 14.15 Illegal Use - Use of any illegal drug, misuse of legally prescribed drugs and use of illegally obtained prescription drugs.
- 14.16 Incident - A single event or occurrence, which triggers drug and alcohol tests, as defined in this policy.
- 14.17 **Public Transportation** Vehicle - Bus, van or automobile.
- 14.18 Medical Review Officer (MRO) - A METRO authorized licensed physician (medical doctor or doctor of osteopathy) responsible for receiving laboratory drug test results, who has knowledge of substance abuse disorders but who has been trained to interpret and evaluate laboratory test results in conjunction with an employee's medical history. A MRO verifies a positive test result by reviewing a laboratory report and an employee's unique medical history to determine whether the result was caused by the use of prohibited drugs or by an employee's medical condition.
- 14.19 Metabolite - A modified form of a drug that has been chemically altered by the body's metabolic system.
- 14.20 On-Call - See "Subject to Duty." See Section 14.24.
- 14.21 Positive Alcohol Test - The presence of alcohol in the body at a concentration of 0.02 or greater as measured by an Evidential Breath Testing (EBT) Device. Refusal to take a breath test without a valid medical explanation also constitutes a positive alcohol test.
- 14.22 Positive Drug Test - Any urine or blood that is chemically tested (screened and confirmed), shows the presence of controlled substances and is verified by the MRO. Refusal to take a drug test without a valid medical explanation also constitutes a positive drug test.
- 14.23 Safety-Sensitive Employee - An employee whose job functions are, or whose job description includes the performance of functions, related to the safe operation of **public transportation** service. Performing a safety sensitive function is defined as any time the employee is actually performing, ready to perform, or immediately available to perform such functions. Safety-sensitive means any of the following types of duties:

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- a. operating a revenue service vehicle, including when not in revenue service;
- b. operating a non-revenue service vehicle when required to be operated by a holder of a Commercial Driver's License (CDL);
- c. maintaining (including repairs, overhauls and rebuilding) revenue service vehicles or equipment used in revenue service; and,
- d. controlling dispatch or movement of a revenue service vehicle or equipment used in revenue service.

Any supervisor who performs or whose job description includes the performance of any function listed above is considered a safety-sensitive employee.

- 14.24 Subject-to-Duty - The status of an employee who is scheduled to report for work at an assigned time and/or who has not been finally and completely released from the responsibility of performing further work that day. Subject-to-Duty also means any employee who is responsible for being available to perform work on an emergency basis when called to do so, i.e., in an on call status, if said employee is guaranteed extra compensation because of his/her status as being on call. An employee who is simply responsible for responding if available when said employee is not within either definition above is not considered to be subject-to-duty for the purpose of this Policy.
- 14.25 Substance Abuse Professional (SAP) - A METRO authorized licensed physician, or a licensed or certified psychologist, social worker, employee assistance professional, or a certified addiction counselor with knowledge of and clinical experience in the diagnosis and treatment of drug and alcohol related disorders.
- 14.26 Use - The presence of any controlled substance in the body or the consumption of any beverage mixture or preparation, including any medication containing alcohol.
- 14.27 Vehicle - A bus, electric bus, van, automobile, rail car, trolley car, trolley bus or vessel. A **public transportation** vehicle is a vehicle used for **public transportation**.
- 14.28 Vehicle Disabling Damage - Damage, which precludes departure of the vehicle from the scene of the accident in its usual manner in daylight after simple repairs. It includes damage to vehicles that could have been operated but would have been further damaged if so operated.
- a. Inclusion: Damage to vehicles that could have been driven but would have been further damaged if so driven.
 - b. Exclusions:
 - i. Damage, which can be remedied temporarily at the scene of the accident without special tools or parts.
 - ii. Tire disablement without damage even if no spare tire is available.

Attachment A

- iii. Headlamp or tail light damage.
- iv. Damage to turn signals, horn, or windshield wipers, which make it inoperable.

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Attachment A

ATTACHMENT 1

FACT SHEETS

DRUG DETECTION PERIODS

Detection periods vary; rates of metabolism and excretion are different for each drug and use. Detection periods should be viewed as estimates. Cases can always be found to contradict these approximations.

Drug	Detection Period
Amphetamines: Amphetamine Methamphetamine MDMA, MDA, MDEA	2-4 days 2-4 days 1-4 days
Cocaine: Benzoylecgonine	12-72 hours
Cannabinoids (Marijuana) Casual Use Chronic Use	2-7 days Up to 30 days
Ethanol (Alcohol)	12-24 hours
Opiates: Codeine Hydromorphone (Dilaudid) Morphine (for Heroin) Heroin 6-AM (a marker for heroin)	2-4 days 2-4 days 2-4 days 2-4 days 2-4 days
Phencyclidine (PCP) Casual Use Chronic Use	2-7 days Up to 30 days

Attachment A

ATTACHMENT 2

ALCOHOL FACT SHEET

Alcohol is a socially acceptable drug that has been consumed throughout the world for centuries. It is considered a recreational beverage when consumed in moderation for enjoyment and relaxation during social gatherings. However, when consumed primarily for its physical and mood-altering effects, it is a substance of abuse. As a depressant, it slows down physical responses and progressively impairs mental functions.

SIGNS AND SYMPTOMS OF USE

- ___ Dulled mental processes
- ___ Lack of coordination
- ___ Odor of alcohol on breath
- ___ Possible constricted pupils
- ___ Sleepy or stuporous condition
- ___ Slowed reaction rate
- ___ Slurred speech

HEALTH EFFECTS

The chronic consumption of alcohol (average of three 12-oz. servings of beer per day, 1 ounce of whiskey, or six ounces of wine) over time may result in the following health hazards:

- ___ Decreased sexual functioning
- ___ Dependency (up to 10 percent of all people who drink alcohol become physically and/or mentally dependent on alcohol and can be termed "alcoholic")
- ___ Fatal liver diseases
- ___ Increased cancers of the mouth, tongue, pharynx, esophagus, rectum, breast, and malignant melanoma
- ___ Kidney disease
- ___ Pancreatitis
- ___ Spontaneous abortion and neonatal mortality
- ___ Ulcers
- ___ Birth defects (up to 54% of all birth defects are alcohol related).

SOCIAL ISSUES

- ___ Two-thirds of all homicides are committed by people who drink prior to the crime.
- ___ Two to three percent of the driving population is legally drunk at any one time. This rate is doubled at night and on weekends.
- ___ Two-thirds of all Americans will be involved in an alcohol-related vehicle accident during their lifetimes.
- ___ The rate of separation and divorce in families with alcohol dependency problems is 7 times the average.
- ___ 40% of family court cases are alcohol problem related.
- ___ Alcoholics are 15 times more likely to commit suicide than are other segments of the population.

Attachment A

- More than 60% of burns, 40% of falls, 69% of boating accidents and 76% of private aircraft accidents are alcohol-related.

THE ANNUAL TOLL

- 24,000 people will die on the highway due to the legally impaired driver.
- 12,000 more will die on the highway due to the alcohol-affected driver.
- 15,800 will die in non-highway accidents.
- 30,000 will die due to alcohol caused liver disease.
- 10,000 will die due to alcohol induced brain disease or suicide.
- Up to another 125,000 will die due to alcohol related conditions or accidents.

WORKPLACE ISSUES

- It takes one hour for the average person (150 pounds) to process one serving of an alcoholic beverage from the body.
- Impairment in coordination and judgment can be objectively measured with as little as two drinks in the body.
- A person who is legally intoxicated is 6 times more likely to have an accident than a sober person.

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Attachment A

ATTACHMENT 3

AMPHETAMINE FACT SHEET

Amphetamines are central nervous system stimulants that speed up the mind and body. The physical sense of energy at lower doses and the mental exhilaration at higher doses are the reasons for their abuse. Although widely prescribed at one time for weight reduction and mood elevation, the legal use of amphetamines is now limited to a very narrow range of medical conditions. Most amphetamines that are abused are illegally manufactured in foreign countries and smuggled into the U.S. or clandestinely manufactured in crude laboratories.

DESCRIPTION

- Amphetamine is sold in counterfeit capsules or as white, flat, double-scored “mini-bennies.” It is usually taken by mouth.
- Methamphetamine is often sold as a creamy white and granular powder or in lumps and is packaged in aluminum foil wraps or sealable plastic bags. Methamphetamine may be taken orally, injected, or snorted into the nose.
- Trade/street names include Biphphetamine, Delcobese, Desotyn, Detedrine, Chetrol, Ritalin, Speed, Meth, Crank, Crystal, Monster, Black Beauties, and Rits.

SIGNS AND SYMPTOMS OF USE

- Hyperexcitability, restlessness
- Dilated pupils
- Increased heart rate and blood pressure
- Heart palpitations and irregular beats
- Profuse sweating
- Rapid respiration
- Confusion
- Panic
- Talkativeness
- Inability to concentrate
- Heightened aggressive behavior.

HEALTH EFFECTS

- Regular use produces strong psychological dependence and increasing tolerance to drug.
- High doses may cause toxic psychosis resembling schizophrenia.
- Intoxication may induce a heart attack or stroke due to spiking of blood pressure.
- Chronic use may cause heart and brain damage due to severe constriction of capillary blood vessels.
- The euphoric stimulation increases impulsive and risk-taking behaviors, including bizarre and violent acts.
- Withdrawal from the drug may result in severe physical and mental depression.

Attachment A

WORKPLACE ISSUES

- Since amphetamines alleviate the sensation of fatigue, they may be abused to increase alertness because of unusual overtime demands or failure to get rest.
- Low-dose amphetamine use will cause a short-term improvement in mental and physical functioning. With greater use or increasing fatigue, the effect reverses and has an impairing effect. Hangover effect is characterized by physical fatigue and depression, which may make operation of equipment or vehicles dangerous.

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Attachment A

ATTACHMENT 3 (Continued)

COCAINE FACT SHEET

Cocaine is used medically as a local anesthetic. It is abused as a powerful physical and mental stimulant. The entire central nervous system is energized. Muscles are more tense, the heart beats faster and stronger, and the body burns more energy. The brain experiences exhilaration caused by a large release of neurohormones associated with mood elevation.

DESCRIPTION

- The source of cocaine is the coca bush, grown almost exclusively in the mountainous regions of northern South America.
- Cocaine Hydrochloride - “snorting coke” is a white to creamy granular or lumpy powder that is chopped into a fine powder before use. It is snorted into the nose, rubbed on the gums, or injected in veins. The effect is felt within minutes and lasts 40 to 50 minutes per “line” (about 60 to 90 milligrams). Common paraphernalia include a single-edged razor blade and a small mirror or piece of smooth metal, a half straw or metal tube, and a small screw cap vial or folded paper packet containing the cocaine.
- Cocaine Base - a small crystalline rock about the size of a small pebble. It boils at a low temperature, is not soluble in water, and is up to 90 percent pure. It is heated in a glass pipe and the vapor is inhaled. The effect is felt within seven seconds. Common paraphernalia includes a “crack pipe” (a small glass smoking device for vaporizing the crack crystal) and a lighter, alcohol lamp, or small butane torch for heating.
- Trade/street names include Coke, Rock, Crack, Free Base, Flake, Snow, Smoke and Blow.

SIGNS AND SYMPTOMS OF USE

- Financial problems
- Frequent and extended absences from meeting or work assignment 0%
- Increased physical activity and fatigue
- Isolation and withdrawal from friends and normal activities
- Secretive behaviors, frequent non-business visitors, delivered packages, phone calls
- Unusual defensiveness, anxiety, agitation
- Wide mood swings
- Runny or irritated nose
- Difficulty in concentration
- Dilated pupils and visual impairment
- Restlessness
- Formication (sensation of bugs crawling on skin)
- High blood pressure, heart palpitations, and irregular rhythm
- Hallucinations
- Hyperexcitability and overreaction to stimulus
- Insomnia
- Paranoia and hallucinations
- Profuse sweating and dry mouth
- Talkativeness

Attachment A

HEALTH EFFECTS

- Research suggests that regular cocaine use may upset the chemical balance of the brain. As a result, it may speed up the aging process by causing irreparable damage to critical nerve cells. The onset of nervous system illnesses such as Parkinson's disease could also occur.
- Cocaine use causes the heart to beat faster and harder and rapidly increases blood pressure. In addition, cocaine causes spasms of blood vessels in the brain and heart. Both effects lead to ruptured vessels causing strokes or heart attacks.
- Strong psychological dependency can occur with one "hit" of crack. Usually, mental dependency occurs within days (crack) or within several months (snorting coke). Cocaine causes the strongest mental dependency of any known drug.
- Treatment success rates are lower than for other chemical dependencies.
- Cocaine is extremely dangerous when taken with depressant drugs. Death due to overdose is rapid. The fatal effects of an overdose are not usually reversible by medical intervention. The number of cocaine overdose deaths has tripled in the last four years.
- Cocaine overdose was the second most common drug emergency in 1986 - up from 11th place in 1980.

WORKPLACE ISSUES

- Extreme mood and energy swings create instability. Sudden noises can cause a violent reaction.
- Lapses in attention and ignoring warning signals greatly increase the potential for accidents.
- The high cost of cocaine frequently leads to workplace theft and/or dealing.
- A developing paranoia and withdrawal create unpredictable and sometimes violent behavior.
- Work performance is characterized by forgetfulness, absenteeism, tardiness, and missed assignments.

Attachment A

ATTACHMENT 3 (Continued)

CANNABINOIDS (MARIJUANA) FACT SHEET

Marijuana is one of the most misunderstood and underestimated drugs of abuse. People use marijuana for the mildly tranquilizing and mood - and perception-altering effects it produces.

DESCRIPTION

- Usually sold in plastic sandwich bags, leaf marijuana will range in color from green to light tan. The leaves are usually dry and broken into small pieces. The seeds are oval with one slightly pointed end. Less prevalent, hashish is a compressed, sometimes tar like substance ranging in color from pale yellow to black. It is usually sold in small chunks wrapped in aluminum foil. It may also be sold in an oily liquid.
- Marijuana has a distinctly pungent aroma resembling a combination of sweet alfalfa and incense.
- Cigarette papers, roach clip holders, and small pipes made of bone, brass, or glass are commonly found. Smoking “bongs” (large bore pipes for inhaling large volumes of smoke) can easily be made from soft drink cans and toilet paper rolls.
- Trade/street names include Marinol, THC, Pot, Grass, Joint, Reefer, Acapulco Gold, Sinsemilla, Thai Sticks, Hash, and Hash Oil.

SIGNS AND SYMPTOMS OF USE

- Reddened eyes (often masked by eye drops)
- Slowed speech
- Distinctive odor on clothing
- Lackadaisical “I don’t care” attitude
- Chronic fatigue and lack of motivation
- Irritating cough, chronic sore throat

HEALTH EFFECTS GENERAL

- When marijuana is smoked, it is irritating to the lungs. Chronic smoking causes emphysema-like conditions.
- One joint causes the heart to race and be overworked. People with undiagnosed heart conditions are at risk.
- Marijuana is commonly contaminated with the fungus *Aspergillus*, which can cause serious respiratory tract and sinus infections.
- Marijuana smoking lowers the body’s immune system response, making users more susceptible to infection. The U.S. government is actively researching a possible connection between marijuana smoking and the activation of AIDS in positive human immunodeficiency virus (HIV) carriers.

Attachment A

PREGNANCY PROBLEMS AND BIRTH DEFECTS

- The active chemical, tetrahydrocannabinol (THC), and 60 other related chemicals in marijuana concentrate in the ovaries and testes.
- Chronic smoking of marijuana in males causes a decrease in sex hormone, testosterone, and an increase in estrogen, the female sex hormone. The result is a decrease in sperm count, which can lead to temporary sterility. Occasionally, the onset of female sex characteristics including breast development occurs in heavy users.
- Chronic smoking of marijuana in females causes a decrease in fertility and an increase in testosterone.
- Pregnant women who are chronic marijuana smokers have a higher than normal incidence of stillborn births, early termination of pregnancy, and higher infant mortality rate during the first few days of life.
- In test animals, THC causes birth defects, including malformations of the brain, spinal cord, forelimbs, and liver and water on the brain and spine.
- Offspring of test animals who were exposed to marijuana have fewer chromosomes than normal, causing gross birth defects or death of the fetus. Pediatricians and surgeons are concluding that the use of marijuana by either or both parents, especially during pregnancy, leads to specific birth defects of the infant's feet and hands.
- One of the most common effects of prenatal cannabinoid exposure is underweight newborn babies.
- Fetal exposure may decrease visual functioning and causes other ophthalmic problems.

MENTAL FUNCTION

Regular use can cause the following effects:

- Delayed decision-making
- Diminished concentration
- Impaired short-term memory, interfering with learning
- Impaired signal detection (ability to detect a brief flash of light), a risk for users who are operating machinery
- Impaired tracking (the ability to follow a moving object with the eyes) and visual distance measurements
- Erratic cognitive function
- Distortions in time estimation
- Long-term negative effects on mental function known as "acute brain syndrome," which is characterized by disorders in memory, cognitive function, sleep patterns, and physical condition.

ACUTE EFFECTS

- Aggressive urges
- Anxiety
- Confusion
- Fearfulness
- Hallucinations
- Heavy sedation

Attachment A

- Immobility
- Mental dependency
- Panic
- Paranoid reaction
- Unpleasant distortions in body image.

WORKPLACE ISSUES

- The active chemical, THC, stores in body fat and slowly releases over time. Marijuana smoking has a long-term effect on performance.
- A 500 to 800 percent increase in THC concentration in the past several years makes smoking three to five joints a week today equivalent to 15 to 40 joints a week in 1978.
- Combining alcohol or other depressant drugs and marijuana can produce a multiplied effect, increasing the impairing effect of both the depressant and marijuana.

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Attachment A

ATTACHMENT 3 (Continued)

OPIATES (NARCOTICS) FACT SHEET

Opiates (also called narcotics) are drugs that alleviate pain, depress body functions and reactions, and, when taken in large doses, cause a strong euphoric feeling.

DESCRIPTION

- Natural and natural derivatives - opium, morphine, codeine, and heroin
- Synthetics - meperidine (Demerol), exyomorphone (Numorphan), and oxycodone (Percodan)
- May be taken in pill form, smoked, or injected, depending upon the type of narcotic used.
- Trade/street names include Smack, Horse, Emma, Big D, Dollies, Juice, Syrup, and China White.

SIGNS AND SYMPTOMS OF USE

- Mood changes
- Impaired mental functioning and alertness
- Constricted pupils
- Depression and apathy
- Impaired coordination
- Physical fatigue and drowsiness
- Nausea, vomiting, and constipation
- Impaired respiration.

HEALTH EFFECTS

- IV needle users have a high risk for contracting hepatitis and AIDS due to the sharing of needles.
- Narcotics increase pain tolerance. As a result, people could more severely injure themselves or fail to seek medical attention after an accident due to the lack of pain sensitivity.
- Narcotics' effects are multiplied when used in combination with other depressant drugs and alcohol, causing increased risk for an overdose.

SOCIAL ISSUES

- There are over 500,000 heroin addicts in the U.S., most of whom are IV needle users.
- An even greater number of medicinal narcotic-dependent persons obtain their narcotics through prescriptions.
- Because of tolerance, there is an ever-increasing need for more narcotics to produce the same effect.
- Strong mental and physical dependency occurs.
- The combination of tolerance and dependency creates an increasing financial burden for the user. Costs for heroin can reach hundreds of dollars a day.

Attachment A

WORKPLACE ISSUES

- Unwanted side effects such as nausea, vomiting, dizziness, mental clouding, and drowsiness place the legitimate user and abuser at higher risk for an accident.
- Narcotics have a legitimate medical use in alleviating pain. Workplace use may cause impairment of physical and mental functions.

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Attachment A

ATTACHMENT 3 (Continued)

PHENCYCLIDINE (PCP) FACT SHEET

Phencyclidine (PCP) was originally developed as an anesthetic, but the adverse side effects prevented its use except as a large animal tranquilizer. Phencyclidine acts as both a depressant and a hallucinogen, and sometimes as a stimulant. It is abused primarily for its variety of mood-altering effects. Low doses produce sedation and euphoric mood changes. The mood can change rapidly from sedation to excitation and agitation. Larger doses may produce a coma-like condition with muscle rigidity and a blank stare with eyelids half closed. Sudden noises or physical shocks may cause a “freak out” in which the person has abnormal strength, extremely violent behavior, and an inability to speak or comprehend communication.

DESCRIPTION

- PCP is sold as a creamy, granular powder and is often packaged in one-inch square aluminum foil or folded paper “packets.”
- It may be mixed with marijuana or tobacco and smoked. It is sometimes combined with procaine, a local anesthetic, and sold as imitation cocaine.
- Trade/street names include Angel Dust, Dust, and Hog.

SIGNS AND SYMPTOMS OF USE

- Impaired coordination
- Severe confusion and agitation
- Extreme mood shifts
- Muscle rigidity
- Nystagmus (jerky eye movements)
- Dilated pupils
- Profuse sweating
- Rapid heartbeat
- Dizziness

HEALTH EFFECTS

- The potential for accidents and overdose emergencies is high due to the extreme mental effects combined with the anesthetic effect on the body.
- PCP is potentiated by other depressant drugs, including alcohol, increasing the likelihood of an overdose reaction.
- Misdiagnosing the hallucinations as LSD induced, and then treating with Thorazine, can cause a fatal reaction.
- Use can cause irreversible memory loss, personality changes, and thought disorders.
- There are four phases to PCP abuse. The first phase is acute toxicity. It can last up to three days and can include combativeness, catatonia, convulsions, and coma. Distortions of size, shape, and distance perception are common. The second phase, which does not always follow the first, is a toxic psychosis. Users may experience visual and auditory delusions, paranoia, and agitation. The third phase is a drug-induced schizophrenia that may last a

Attachment A

month or longer. The fourth phase is PCP-induced depression. Suicidal tendencies and mental dysfunction can last for months.

WORKPLACE ISSUES

- PCP abuse is less common today than in recent years. It is also not generally used in a workplace setting due to the severe disorientation that occurs.

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Attachment A

ATTACHMENT 4

LIST OF SAFETY SENSITIVE JOB CLASSIFICATIONS BY TITLE

Vehicle Service Worker I/II
Vehicle Service Detailer
Vehicle Service Technician
Upholsterer
Body Repair Mechanic
Mechanic I/II/III
Lead Mechanic
Fleet Maintenance Supervisor
Fleet Maintenance Manager
Electronic Technician

Bus Operator
Transit Supervisor
Safety and Training Coordinator
Fixed Route Superintendent
Operations Manager
Assistant Safety & Training Coordinator

Paratransit Superintendent
Assistant Superintendent
Paratransit Reservation and Scheduling Coordinator
Paratransit Safety & Road Response Coordinator
Paratransit Dispatch / Scheduler
Paratransit Dispatcher
Paratransit Operator
Paratransit Mechanic I and II
Paratransit Supervisor

NOTE: List is subject to change as classifications are amended or added.



DATE: January 22, 2016
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
SUBJECT: REVISED METRO ADVISORY COMMITTEE (MAC) BYLAWS

I. RECOMMENDED ACTION

That the Board of Directors:

- 1) Approve the revised MAC Bylaws as presented in Attachment A to this report;**
- 2) Clarify that achieving a seven member MAC will occur by attrition, thereby allowing the current eight members to serve their appointment terms, as reflected in this report; and,**
- 3) Concur that the January 20, 2016 MAC meeting will not count as one of the 2016 quarterly meetings**

II. SUMMARY

- On December 11, 2015 the Board Ad Hoc MAC Bylaws Committee presented the Board with a revised MAC Bylaws recommendation.
- The Ad Hoc MAC Bylaws Committee had met four times between September 23, 2015 and November 30, 2015.
- The process included involvement of the MAC Chair at two of the four meetings and provided an opportunity for review and comment of the draft Bylaws by the MAC.
- Following the MAC review, the Ad Hoc MAC Bylaws Committee met one additional time to make further adjustments to the Bylaws based on written comments received from the MAC.
- At the December 11, 2015 Board meeting, the Board requested a few additional edits to the MAC Bylaws as a result of public testimony.
- Further, that the revised MAC Bylaws be returned to the Board for final approval as a Consent Item at a future Board meeting.
- Following Board direction, additional edits were made to: Add back the language in Section 2.1 from the previous MAC Bylaws; reword Section 5.1; simplify Section 5.8; and, add METRO website to Section 6.4.
- Additionally, following the December 11, 2015 Board meeting, the MAC Chair communicated that the MAC would like to reelect Ms. Elsea as their Chair. The CEO then polled the Board Ad Hoc Committee members and language

was then added to allow the Chair to be the Chair for up to two consecutive terms.

- The revised MAC Bylaws are provided in Attachment A to this report and are effective January 1, 2016.

III. DISCUSSION/BACKGROUND

On June 26, 2015 Director McPherson asked the CEO to include in his upcoming Board report regarding Board meeting frequency, a recommendation relative to the frequency of METRO MAC meetings. On August 14, 2015 the Board approved a recommendation to establish a Board Ad Hoc MAC Bylaws Committee to work with the CEO and District Counsel to evaluate the MAC Bylaws and to develop revisions for Board consideration. The Ad Hoc MAC Bylaws Committee members were identified as Directors Hagen, Bustichi and McPherson. The Ad Hoc MAC Bylaws Committee met four times between September 23, 2015 and November 30, 2015.

The first meeting of the Ad Hoc MAC Bylaws Committee resulted in identifying an inclusive process and a goal to return to the Board with revised Bylaws in December. It was determined that the MAC Chair should be invited to at least two of the planned meetings: once to provide comments on the current Bylaws and once to provide comments on the initial draft of the proposed revised Bylaws.

The Ad Hoc MAC Bylaws Committee met with the MAC Chair on October 15, 2015 and received numerous suggested MAC Bylaws revisions. The Ad Hoc MAC Bylaws Committee discussed the suggested revisions and then directed the CEO and District Counsel to work together to craft an initial draft of revised Bylaws for discussion at the next Ad Hoc MAC Bylaws Committee meeting. On November 16, 2015 the Ad Hoc MAC Bylaws Committee met to review and further edit the proposed revised MAC Bylaws. The MAC Chair was invited and participated in this meeting. On November 18, 2015 the MAC Chair presented the initial draft of the proposed Bylaws to the full MAC and, following that meeting, the MAC Chair communicated additional comments to the CEO. The Ad Hoc MAC Bylaws Committee then met one final time on November 30, 2015 to consider the MAC comments and to make some additional edits to the proposed Bylaws. The final version of the proposed MAC Bylaws can be found in Attachment A of this report.

The following represents many of the revisions to the MAC Bylaws:

- Addition of a MAC “Purpose” statement.
- Addition of language reflecting that the MAC shall follow either Robert’s Rules of Order or Sturgis, the Standard Code of Parliamentary Procedure

- Clarifications to the Limitations of Authority, including clarification on MAC presentations to the METRO Board and a twice a year (June & December) requirement that the MAC Chair or Vice Chair attend a METRO Board meeting and present a report on MAC activities.
- Reduction of the MAC membership from eleven members to seven members.
- Elimination of the prior requirement that each METRO Board member appoint one member to the MAC.
- A new MAC appointment process in which each year the METRO Board Chair establishes an Ad Hoc Committee that will meet when there is a MAC vacancy, review the list of Board MAC nominees and citizen self-initiated applications and recommend appointment(s) to the full Board.
- The establishment of a preferred list of seven areas of focus that the Ad Hoc MAC Bylaws Committee should consider when reviewing Board nominees and citizen applications.
- A new process for notifying METRO Board members of a MAC vacancy and providing Board members 30 days to consider nominating citizens for appointment consideration.
- Increasing appointment terms from two years to four years.
- Establishment of appointment terms such that half of the appointments expire in a particular year and the other half expire two years later.
- Changing the MAC frequency of meetings from not less than once a quarter to not more than once a quarter.
- Creating a process by which the MAC can convene additional “Special” meetings during the year to address emergent or time sensitive issues such as proposed service changes, fare increases or fiscal year budget review.
- Process clarifications concerning METRO support staff and the development of a MAC agenda.
- Clarifications concerning adding MAC Agenda items and the requirement to follow the Brown Act.
- A MAC agenda process that provides the CEO the opportunity to ensure the proposed discussion items are appropriate for MAC consideration and that staff support costs are judiciously managed.

The final area the Ad Hoc MAC Bylaws Committee considered related to how best to go from the current eight active appointments to the new proposed seven active appointments. In an abundance of respect and gratitude for the current appointments, the Ad Hoc MAC Bylaws Committee felt it best to engage an attrition approach. That is, when the next MAC member resigns or is termed-

out, that seat will not be filled. Please note that of the current eleven MAC seats, only eight are filled.

Finally, the Ad Hoc MAC Bylaws Committee recommends that the current MAC members be provided new appointment ending terms based on their longevity with the MAC. Half the current members who have been appointed for the longest period of time will have terms expiring in two years (December 31, 2017) and the remaining half will have terms expiring in four years (December 31, 2019), as noted below.

- Pisano – 12/31/2019
- Taylor – 12/31/2019
- Martinez – 12/31/2019
- Saldana – 12/31/2019

- Gunther – 12/31/2017
- Peattie – 12/31/2017
- Elsea – 12/31/2017
- Keesaw – 12/31/2017

The Ad Hoc MAC Bylaws Committee also recommends that upon completion of the appointment term, MAC members can request to continue to serve an additional term and, upon request, will be considered for reappointment in the Board Ad Hoc Committee appointment process.

December 11, 2015 METRO Board Meeting

- At the December 11, 2015 Board meeting, the Board requested a few additional edits to the MAC Bylaws as a result of public testimony.
- Further, that the revised MAC Bylaws be returned to the Board for final approval as a Consent Item at a future Board meeting.
- Following Board direction, additional edits were made to: Add back the language in Section 2.1 from the previous MAC Bylaws; reword Section 5.1; simplify Section 5.8; and, add METRO website to Section 6.4.
- Additionally, following the December 11, 2015 Board meeting, the MAC Chair communicated that the MAC would like to reelect Ms. Elsea as their Chair. The CEO then polled the Board Ad Hoc Committee members and language was then added to allow the Chair to be the Chair for up to two consecutive terms.

IV. FINANCIAL CONSIDERATIONS/IMPACT

There may be nominal budget savings but the real value of once a quarter MAC meetings is in the staff time savings that can be reinvested in other mission critical projects and tasks.

V. ALTERNATIVES CONSIDERED

- Decline to adopt the proposed revised Bylaws and keep the current Bylaws in place.
- Offer additional edits to be considered by the Board.

VI. ATTACHMENTS

Attachment A: Revised MAC Bylaws

Prepared By: Alex Clifford, CEO/General Manager

VII. APPROVALS:

Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

BYLAWS FOR THE SANTA CRUZ METRO ADVISORY COMMITTEE

Article I GENERAL PROVISIONS

§1.1 Purpose - Bylaws

These Bylaws shall govern the proceedings of the METRO Advisory Committee (MAC), an advisory committee established by the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO).

§1.1.1 Purpose – METRO Advisory Committee (MAC)

The MAC members serve at the pleasure of the Santa Cruz Metropolitan Transit District Board of Directors. The purpose of the MAC is to provide a citizen forum (advisory committee) in which the METRO Board and CEO/General Manager can delegate topics for discussion and in which recommendations can be formulated and communicated to the METRO Board of Directors. MAC members should be current frequent riders of the fixed-route, paratransit or commuter services provided by Santa Cruz METRO and should approach their review of topics from a regional thinker perspective in their review of matters referred by the METRO Board of Directors or the CEO/General Manager.

§1.2 Construction of Bylaws

As used in these Bylaws, “MAC” means the METRO Advisory Committee. These Bylaws shall govern the MAC’s proceedings to the extent they are not inconsistent with METRO Administrative Code or Regulations or California or Federal law. These Bylaws or amendments become effective upon approval by the METRO Board of Directors.

§1.2.1 Orderly Administration of MAC Meetings

The MAC shall follow Robert’s Rules of Order or Sturgis, the Standard Code of Parliamentary Procedure, as may be adopted by the current Chair of MAC.

§1.3 Definitions: As used in these Bylaws:

- a. “Chair” means the Chair of the MAC Committee.
- b. “Vice chair” means the Vice Chair of the MAC Committee.
- c. “Staff” means staff members that are assigned to support the MAC Committee by the METRO CEO/General Manager.

Attachment A

Article II DUTIES AND AUTHORITY

§2.1 Duties

It shall be the duty of the MAC to provide recommendations to the Board of Directors on matters referred to the MAC by the Board or CEO/General Manager, and to perform such additional duties as assigned by the Board. The MAC may also address issues which members or the public raise with respect to the quantity and quality of services provided by METRO.

§2.2 Limitations on Authority

The sole jurisdiction and authority of the MAC is to serve in an advisory capacity to the Board of Directors. MAC shall not have any authority to take actions that bind METRO or the Board of Directors. With the approval of the CEO/General Manager, and subject to budget considerations, the MAC may design informational signs to be placed on the inside of buses and it may design and distribute an informational brochure to increase the public's knowledge of the operation and existence of the MAC. MAC members are not allowed to give direction to the administrative support personnel or any other METRO employee.

- a. Reports to the Santa Cruz METRO Board of Directors.

Communications by the MAC to the Board of Directors shall be through the CEO/General Manager. All such communications shall be provided to the Board of Directors and placed on the next available Board agenda as a consent item under the heading of "communications to the Board from the MAC."

At the request of the MAC Chair or Vice Chair, and upon concurrence of a majority of the MAC members, matters which the MAC intends to discuss with the Board of Directors may be placed on the Board of Director's agenda by the CEO/General Manager. MAC shall comply with all requirements for the inclusion of such items on the Board's agenda as are deemed appropriate by the CEO/General Manager.

The MAC Chair or Vice Chair shall provide the Board of Directors an oral report on MAC activities twice a year, once in June and once in December.

Attachment A

Article III MEMBERSHIP

§3.1 Membership

a. Appointment to the MAC.

The MAC shall be composed of no greater than 7 members appointed by the Board of Directors. All MAC members shall serve for a term of 4 years and will serve at the pleasure of the Board of Directors. Members wishing to resign from an appointment may submit such resignation to the CEO/General Manager.

The METRO Board of Directors shall nominate individuals to be considered for appointment as members of the MAC. Additionally, Santa Cruz County residents who have submitted an application directly to METRO shall be considered. Annually, the METRO Board Chair shall appoint an Ad Hoc Committee composed of four members of the Board and who shall meet as needed to review the list of Board nominees and other citizen applications and make appointment recommendations to the full Board. Appointments to the METRO Advisory Committee shall be made by the METRO Board of Directors.

b. Composition of Membership on MAC.

All members shall be residents of the County of Santa Cruz. When making its appointments, the Board shall strive to balance the membership to reflect the ethnic, gender, and geographic diversity of the County.

To the extent it is practical, representation on MAC will be regular riders of the system and will include representatives of the following consumer groups:

- i. At least one member from the Disability community.
- ii. At least one member from University of California, Santa Cruz, who is either a student or employee of the same.
- iii. At least one member who is a commuter using the Highway 17 service.
- iv. At least one member of the Disadvantaged Business Community.
- v. At least one member from Cabrillo College, who is either a student or an employee of the same.
- vi. At least one member who is a rider of Paratransit.

No member of the Board of Directors or elected public official shall be appointed to the Committee.

No employee of METRO or any agency that provides funding to, or contracts with, METRO shall be appointed to the Committee. However, individuals

Attachment A

who are employed by the University of California, Santa Cruz in departments other than the Transportation and Parking Services (TAPS), or in the offices that directly supervise TAPS, shall be exempt from the financial/contracting prohibition for MAC members outlined in this section.

§3.2 Members' Terms

- a. The term of membership of each MAC member shall be four years, commencing with the date of appointment by the METRO Board of Directors and terminating on December 31st of the year in which the seat expires. Members may be considered by the Board Ad Hoc Committee for re-appointment for additional terms, as approved by the METRO Board of Directors.
- b. There are eight current MAC members as of the Board adoption date of the revised Bylaws (December 11, 2015). Eight members will continue to serve and a seven member MAC will be achieved over time through attrition.
- c. Those currently seated on the MAC shall initially be designated as terms expiring December 31, 2017 and December 31, 2019, based on the individual's current respective longevity with the MAC. The four members with the highest longevity will serve through 2017 and the remaining three members through 2019. Thereafter, four seats shall be vacated and filled at the end of 2021, 2025, 2029, etc., and the other three seats shall be vacated and filled at the end of 2023, 2027, 2031, etc.
- d. If a seat is vacated prior to the end of its designated term, the newly appointed MAC member shall fill the seat vacated through its designated termination date.

§3.3 Attendance at MAC meetings.

If a member accumulates no less than two consecutive absences from MAC Meetings, without a reasonable excuse, in any rolling twelve-month period, the position shall automatically be declared vacant. In the event of a known absence to an upcoming MAC Meeting, it is expected of the MAC Member(s) that they will contact the Santa Cruz Metropolitan Transit District Front Office Administration Staff by telephone as soon as the absence is known, but no later than 12:00PM (noon) on the day of the meeting, and that failure to make said contact will constitute an unexcused absence unless circumstances restrict such contact. The Board of Directors shall then be notified of the vacancy so the Ad Hoc Committee can then meet and recommend to the METRO Board a successor to be appointed to fill the remainder of the vacated MAC member's term.

Attachment A

§3.4 Compensation of MAC members

No individual member of the MAC shall be entitled to compensation from METRO, with the exception that Members of the Committee shall receive one (1) system-wide day passes for each meeting that they attend. Any request for reimbursement for travel or other expenses shall not be considered unless approved in advance by the CEO/General Manager.

§3.5 Vacancies

When a vacancy is created or a MAC member's term expires, the METRO Board shall be solicited for nominations. The METRO Board nomination period shall be open for thirty (30) days following the notification to METRO Board Members of the vacancy(s). The METRO Board shall be notified of the open nomination period via email correspondence. Following the conclusion of the thirty-day nomination period, the Ad Hoc Committee shall convene and review current MAC applications on file and current Board Member nominations. The Ad Hoc Committee shall then make new appointee recommendation(s) to the full METRO Board for consideration and approval to fill the expired seat, or the remainder of the vacated MAC member's term.

Article IV OFFICERS

§4.1 Chair and Vice Chair

The MAC shall elect from its membership a Chair and a Vice Chair at the end of the agenda for the last meeting of the calendar year, to serve for a one-year term. The Chair shall preside at all meetings of the MAC and represent the MAC before the METRO Board of Directors. The Vice Chair shall perform the duties of the Chair when the Chair is absent. In the event of a vacancy in the Chair's position, the Vice Chair shall succeed as Chair for the balance of the Chair's term and the MAC shall elect a successor to fill the vacancy in the Vice Chair's position. In the event of a vacancy in the Vice Chair's position, the MAC shall elect a successor from its membership to fill the Vice Chair's position for the remainder of the Vice Chair's term. If the Chair vacates the position prior to the end of his/her one-year appointment, the Vice Chair will be allowed to complete the vacated Chair's term and one full year following the end of the vacated Chair's term.

The Chair may be elected for up to two consecutive terms, and again multiple times during their appointment term(s) provided there is a minimum of a one-year break after having served two consecutive terms.

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§4.2 Staff Support

The CEO/General Manager of METRO shall determine the proper staff support for MAC meetings, if any, and furnish administrative personnel to prepare and distribute the MAC's agendas, notices, minutes, correspondence and other materials. The METRO administrative personnel assigned to support the MAC shall maintain a record of all proceedings of the MAC as required by law and shall perform other support duties to the committee as assigned by the CEO/General Manager. The minutes of each meeting, when approved by the MAC shall be made available on the Santa Cruz METRO website on the MAC page. The METRO Board of Directors are encouraged to review these minutes after each MAC meeting.

Article V MEETINGS

§5.1 Regular Meetings

Regular meetings of the MAC shall be held not more than once each calendar quarter (e.g.: March, June, September & December), on the third Wednesday of the month that is selected for the meeting. Whenever a regular meeting falls on a holiday observed by METRO, the meeting shall be held on another day or canceled at the direction of the MAC. A rescheduled regular meeting shall be designated a regular meeting. With the approval of the CEO/General Manager, or at the direction of the METRO Board, the MAC may convene additional "Special" meetings during the calendar year to address time sensitive issues. e.g.: service changes, fare increases, Fiscal Year Budget review. All such "Special" meetings shall be posted in compliance with Article V, Section 5.3 and Article 6, Section 6.4 below.

At the MAC's last meeting of the calendar year it shall establish a calendar of its regular meetings for the following year. MAC's regular meeting schedule shall be posted on the METRO website once adopted by the MAC.

§5.2 Calling and Noticing of Meetings

All meetings shall be called, noticed and conducted in accordance with the applicable provisions of the Ralph M. Brown Act (commencing with Section 54950 of the Government Code). The CEO/General Manager and METRO Counsel shall be given notice of all meetings.

§5.3 Quorum; Vote

The presence of a majority of the appointed (4) members shall constitute a quorum for the transaction of business. However, when there are vacancies on the MAC the quorum shall be reduced to a majority of the number of Members

Attachment A

appointed to the MAC with the provision that a quorum shall never be less than three (3) Members. All official acts of the MAC shall require the affirmative vote of the majority of members present, providing that a quorum is maintained at all times.

§5.4 Thirty Minute Rule

If a quorum has not been established within thirty minutes of the noticed starting time for the meeting, the Chair, or Vice Chair, shall declare the meeting cancelled.

§5.5 Matters Not Listed On the Agenda Requiring Committee Action

All items requiring MAC discussion and/or action are required to be posted on the Agenda and in compliance with Article V, Section 5.3 and Article 6, Section 6.4.

§5.6 Time Limits for Speakers

Each member of the public appearing at a MAC meeting shall be limited to three minutes in his or her presentation, unless the Chair, at his or her discretion, permits further remarks to be made. Any person addressing the MAC may submit written statements, petitions or other documents to complement his or her presentation. Public presentations that have been scheduled prior to the meeting with the MAC Chair shall not be subject to the time limits contained in this section.

§5.7 Impertinence; Disturbance of Meeting

Any person making personal, impertinent or indecorous remarks while addressing the MAC may, as the Chair's discretion, have their testimony immediately terminated and may, at the Chair's discretion, be barred from further appearance before the MAC at that meeting, unless permission to continue is granted by an affirmative majority vote of the MAC. The Chair may order any person removed from the MAC meeting who causes a disturbance or interferes with the conduct of the meeting, and the Chair may direct the meeting room cleared when deemed necessary to maintain order.

§5.8 Access to Public Records Distributed at Meetings

Writings which are public records and which are distributed during a MAC meeting shall be made available for public inspection at the meeting if prepared by the METRO staff or a member of the MAC, or after the meeting if prepared by some other person. In all instances, every effort shall be made to provide all writings in an accessible format. Anyone having difficulties accessing specific documents should contact the METRO Administrative Office for assistance.

Attachment A

Except as provided above, all public records requests for MAC records shall be made to Santa Cruz METRO pursuant to Santa Cruz METRO's policies and procedures for the same.

Article VI AGENDAS AND MEETING NOTICES

§6.1 Agenda Format

The agenda shall specify the location, starting time and anticipated ending time of each meeting. Each matter to be considered by MAC shall contain a brief general description of each item of business to be transacted or discussed at the meeting. The description shall be reasonably calculated to adequately inform the public of the subject matter of each agenda item. The agenda may include recommendations for MAC action as appropriate.

§6.2 Public Communications

Each agenda for a regular meeting shall provide an opportunity for members of the public to address the MAC on matters of interest to the public either before or during the MAC's consideration of the item, if it is listed on the agenda, or, if it is not listed on the agenda but is within the jurisdiction of the MAC, under the agenda item heading "Oral/Written Communications". The MAC shall not act upon an item that is not listed on the agenda. Each notice for a special meeting shall provide an opportunity for members of the public to directly address the MAC concerning any item that has been described in the notice for the meeting before or during consideration of that item.

§6.3 Agenda Preparation

The METRO administrative personnel assigned to the MAC shall prepare the agenda for each meeting. One week prior to the posting date of the MAC Agenda, the MAC Chair will work with the assigned METRO administrative personnel to create a draft MAC Agenda. Prior to finalizing the MAC Agenda, the MAC Chair, or Vice Chair, shall meet with the CEO/General Manager, either in person or by phone, to discuss the draft Agenda and to determine whether or not certain items should be included in the MAC Agenda. Since the CEO/General Manager is responsible for oversight of METRO personnel and budget, the CEO/General Manager will have the final approval on the contents of the MAC Agenda, as it relates to all items requiring METRO staff support and compliance with the MAC Bylaws.

§6.4 Agenda Posting and Delivery

The written agenda for each regular meeting and each meeting continued for more than five calendar days shall be posted by the METRO Staff at least 72 hours

Attachment A

before the meeting is scheduled to begin. The written agenda for every special meeting shall be posted by the METRO Staff at least 24 hours before the special meeting is scheduled to begin. The agenda shall be posted in a location that is freely accessible to members of the public. The MAC agenda will also be posted to the METRO website (www.scmttd.com) under the Agency Information tab.

The agenda together with supporting documents shall be transmitted to each MAC member, the CEO/General Manager and the METRO Counsel at least three days before each regular meeting and at least 24 hours before each special meeting.

Article VII MISCELLANEOUS

§7.1 Adoption and Amendment of Bylaws

These Bylaws shall be effective upon approval by the METRO Board of Directors and may be revised and amended only by the METRO Board of Directors. The MAC shall have no authority to amend these Bylaws without approval by the Board of Directors

§7.2 MAC Process

The intent of the MAC is to provide consensus based advice and recommendations regarding all matters that have been referred to it by the METRO Board of Directors. However, when such consensus cannot be reached, the Chair of MAC shall present a report that includes the majority consequences and provides a summary of the comments made by those who have not voted with the majority. If no majority consensus is reached, then the report shall so state the same.

Approved by Board of Directors:

September 26, 2003
Revised for 10/24/03
Revised for 12/19/03
Amended/Adopted 12/19/03
Amended/ Adopted 7/23/04
Amended/Adopted 6/23/06
Amended/Adopted 4/27/07
Amended/Adopted 5/25/07
Amended/Adopted 12/16/11
Revised 01/22/16 – Effective 01/01/16

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DATE: January 22, 2016
TO: Board of Directors
FROM: Angela Aitken, Finance Manager
**SUBJECT: ACCEPTANCE OF FINANCIAL STATEMENTS WITH INDEPENDENT
AUDITOR'S REPORT FOR THE YEAR ENDED JUNE 30, 2015**

I. RECOMMENDED ACTION

That the Board of Directors formally accept the audited financial statements and reports prepared by the firm of Brown Armstrong, Certified Public Accountants, for the year ended June 30, 2015.

II. SUMMARY

- The **Financial Statements with Independent Auditor's Report** (Attachment A) prepared by the firm Brown Armstrong, Certified Public Accountants present Santa Cruz METRO's financial position as of June 30, 2015. The auditors have found that Santa Cruz METRO's financial statements present fairly, in all material respects, the financial position of Santa Cruz METRO as of June 30, 2015.
- In the **Independent Auditor's Report on Compliance Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with the Statutes, Rules, and Regulations of the California Transportation Development Act and the Allocation Instructions and Resolutions of the Transportation Commission** (page 45-46), the auditors found nothing that came to their attention that indicated Santa Cruz METRO failed to comply with the Statutes, Rules, and Regulations of the California Transportation Development Act, and the allocation instructions and resolutions of the Santa Cruz County Regional Transportation Commission during the course of their audit. Additionally, the auditors verified all Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) program receipts and expenses for the year audited.
- In the **Schedule of Findings and Questioned Costs** (pages 47- 48), the auditors identified no findings associated with their testing of major federal program expenditures in connection with their audit performed under *Government Auditing Standards* and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.
- The **Required Communication to the Board of Directors in Accordance with Professional Standards** letter (Attachment B) provides information related to the auditor's responsibilities under generally accepted auditing standards as well as observations arising from the audit.

- There were no current year audit findings or recommendations and there were no prior year audit findings to correct, therefore no **Agreed upon Conditions Designed to Increase Efficiency, Internal Controls, and/or Financial Reporting** letter was issued by the auditors this year.

III. DISCUSSION/BACKGROUND

Attachment A – Financial Statements with Independent Auditor’s Report

The **Independent Auditor’s Report** (page 1) documents that the audit was conducted in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The auditors have found that Santa Cruz METRO’s financial statements present fairly, in all material aspects, the financial position of Santa Cruz METRO as of June 30, 2015.

While the basic financial statements and notes (pages 11-34) describe Santa Cruz METRO’s financial position in detail, the **Management’s Discussion and Analysis** (pages 3-10) presents narrative highlights of the financial statements, an overview of the agency’s financial activities, and information that enhances overall financial disclosure. This report is prepared by Santa Cruz METRO management.

The **Statement of Net Position** (pages 11-12) presents current and noncurrent assets and liabilities on a full accrual basis. Net position represents the difference between total assets plus deferred outflows of resources and total liabilities plus deferred inflows of resources.

The **Statement of Revenues, Expenses and Changes in Fund Net Position** (page 13) presents Santa Cruz METRO’s revenues, expenses and the net impact these activities had on its net position for the year.

The **Statement of Cash Flows** (page 14) demonstrates how changes in balance sheet accounts and income affect cash and cash equivalents.

The **Notes to Basic Financial Statements** (pages 15-34) are an integral component of the financial statement report, as they provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes describe the nature of Santa Cruz METRO’s operations and significant accounting policies, as well as clarify financial information unique to Santa Cruz METRO.

The **Required Supplementary Information** section of the report highlights information that is considered essential for placing the financial statement and note information in an appropriate context, in accordance with generally accepted accounting principles. The Schedule of Changes in the Net Pension Liability and Related Ratios (page 35) and the Schedule of Contributions (page 36) for Santa Cruz METRO's defined benefit pension plan are required under new standards on accounting and financial reporting for pension plans (GASB 68). The Schedule of Funding Progress for the net obligation for post-employment medical, dental, vision and life insurance benefits (OPEB) (page 37) presents multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. At this time, Santa Cruz METRO is not prefunding the liability for retiree medical benefits or other post-employment benefits.

The Statement of Operating Expenses (page 38) is presented as **Supplementary Information**, showing the total operating costs that were reported in the financials in further detail, broken out by natural expense classification.

Attachment B - Required Communication to the Board of Directors in Accordance with Professional Standards

The **Required Communication to the Board of Directors in Accordance with Professional Standards** is a letter from Brown Armstrong that serves to communicate to those charged with governance the scope of audit procedures performed, significant findings or misstatements, and other information, such as significant accounting estimates, audit adjustments, any difficulties or disagreements with management, and other matters that are not communicated in the audited financial statements.

IV. FINANCIAL CONSIDERATIONS/IMPACT

There is no fiscal impact with the Board's acceptance of the financial statements and audit reports. However, in order to continue to receive Transportation Development Act (TDA) payments from the Santa Cruz County Regional Transportation Commission (SCCRTC), the final audit must be submitted to the SCCRTC within 180 days of the end of the fiscal year. Santa Cruz METRO has met this TDA compliance requirement and SCCRTC has accepted the FY15 audited financial statements.

V. ALTERNATIVES CONSIDERED

N/A

VI. ATTACHMENTS

- Attachment A:** Financial Statements with Independent Auditor's Report for the year ended June 30, 2015
- Attachment B:** Required Communication to the Board of Directors in Accordance with Professional Standards (letter from Brown Armstrong)

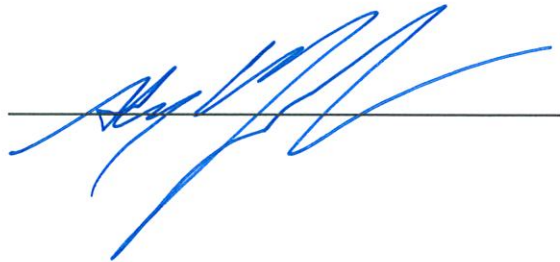
Prepared by: Lorraine Bayer, Accountant II

VII. APPROVALS:

Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT**

JUNE 30, 2015

10-17A.1

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT JUNE 30, 2015

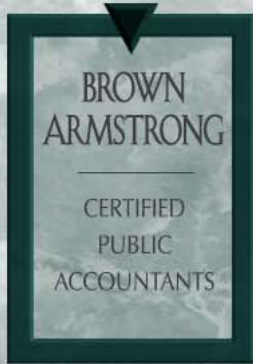
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Attachment A

FINANCIAL SECTION

Attachment A



BROWN ARMSTRONG *Certified Public Accountants*

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Santa Cruz Metropolitan Transit District
Santa Cruz, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprises the Santa Cruz METRO's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Santa Cruz METRO's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Santa Cruz METRO's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Attachment A

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Santa Cruz METRO as of June 30, 2015 and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Schedule of Changes in the Net Pension Liability and Related Ratios, and Schedule of Contributions on page 35 and 36, as well as the schedule of funding progress for Santa Cruz METRO's other postemployment benefit (OPEB) plan on page 37, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The statements of operating expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The statements of operating expenses and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statements of operating expenses and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2015, on our consideration of Santa Cruz METRO's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Santa Cruz METRO's internal control over financial reporting and compliance.

Bakersfield, California
December 22, 2015

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
2 *Accountancy Corporation*

10-17A.5

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2015

Introduction

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of Santa Cruz Metropolitan Transit District (Santa Cruz METRO) provides a narrative and analytical overview of the financial activities of Santa Cruz METRO with selected comparative information for the years ended June 30, 2015 and 2014. Following the MD&A are the basic financial statements of Santa Cruz METRO together with the notes thereto, which are essential for a full understanding of the data contained in the financial statements.

Activities and Highlights

Santa Cruz METRO is an independent agency formed in 1969 by the legislature of the State of California for the purpose of providing Fixed Route bus service to the general public in Santa Cruz County (County). Santa Cruz METRO assumed direct operation of federally mandated Americans with Disabilities Act (ADA) complementary paratransit (Paracruz) services in November 2004. Prior to 2004, the paratransit service was delivered under contract. Santa Cruz METRO also operates the Highway 17 (Commuter) Express bus service to Santa Clara County in cooperation with the Santa Clara Valley Transportation Authority (VTA), AMTRAK, San Joaquin Joint Powers Authority (SJJPA), and the Capitol Corridor Joint Powers Authority (CCJPA). Overseeing the employees who work in the public interest, the Chief Executive Officer/General Manager coordinates the operation of Santa Cruz METRO according to the policy and direction of the governing Board of Directors, composed of eleven directors and one ex-officio director as described in Note 1.A.

The Financial Statements

Santa Cruz METRO's basic financial statements are prepared using proprietary fund (enterprise fund) accounting that uses the same basis of accounting as private-sector business enterprises. Santa Cruz METRO reports its financial results using one enterprise fund under the accrual method of accounting, which records revenue when earned and expenses when incurred.

The Statement of Net Position presents complete information on Santa Cruz METRO's assets and deferred outflows of resources, as well as liabilities and deferred inflows of resources, with the difference reported as net position. Changes in net position that occur over time may serve as an indicator of the Santa Cruz METRO's financial position.

The Statement of Revenues, Expenses, and Changes in Fund Net Position reports the operating revenues and expenses, non-operating revenues and expenses, and capital grant contributions. Federal capital grant expenses are listed in the Schedule of Expenditures of Federal Awards and are included in the current year increase in capital assets.

The Statement of Cash Flows reports the sources and uses of cash for the fiscal year resulting from *operating* activities, *non-capital financing* activities (operating grants and sales tax receipts), *capital and related financing* activities (capital acquisitions and disposals), and *investing* activities (interest and rental receipts). The net result of these activities, added to the cash balances at the beginning of the year, reconciles to the cash balances (current plus restricted) at the end of the current fiscal year on the Statement of Net Position.

The Notes to the Financial Statements are an integral component of the report, as they provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes describe the nature of Santa Cruz METRO's operations and significant accounting policies as well as clarify financial information unique to Santa Cruz METRO.

Following the basic financial statements and footnotes is the Required Supplementary Information, which provides a schedule of changes in the net pension liability, schedule of contributions to Santa Cruz METRO's defined benefit pension plan and a schedule of funding progress for other postemployment benefits (OPEB) obligations.

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued) JUNE 30, 2015

The Statement of Operating Expenses, located in the Supplementary Information section of the financial statements, reports expenses in greater detail.

Financial Highlights

The following discussion provides an overview of the financial activities related to operations (operating revenue and expense) and capital funding (contributions) received for facilities improvements and the purchase of capital equipment for the year ended June 30, 2015.

Operating Revenue and Expense

Santa Cruz METRO utilizes five primary sources of revenue to operate its public transit services: passenger fares, sales tax, local transportation funds (TDA), federal funds, and other non-transportation related revenues (including advertising income, investment income, and rental income). After the economic recession of 2008, and in an effort to bridge the resulting operating budget gap, two sources of revenue that were used historically to fund the capital program were re-directed from the capital budget to the operating budget. These funding sources, Federal Transit Administration – Small Transit Intensive Cities (FTA-STIC) and State Transit Assistance (STA) have allowed Santa Cruz METRO to continue to provide and maintain a consistent level of service to the public, despite operating budgetary shortfalls. It was anticipated that the temporary waiver that allowed Santa Cruz METRO to use STA in the operating budget would expire in 2016. Senate Bill (SB) 508 (Beall) – commencing on July 1, 2016 provides transit properties the flexibility to use STA for operations or capital and limits the penalties for non-compliance with the efficiency standards, allowing Santa Cruz METRO to continue to use STA to partially meet future operating budgetary shortfalls.

Operating expenses are classified into ten basic categories: labor and fringe benefits, services, mobile materials and supplies, other materials and supplies, utilities, insurance costs (casualty and liability), taxes, purchased transportations costs, miscellaneous expense, and leases and rental expenses. These categories are consistent with the Uniform System of Accounts (USOA) and National Transit Database (NTD) reporting.

As with many transit and public agencies across the region and throughout the state, Santa Cruz METRO continues to face financial challenges due to significant increases in operating and capital costs with no significant increases in operating or capital contributions. The fiscal year 2015 operating budget is a balanced budget using operating revenues, STIC, STA and Cash Reserves to fill the budget gap. However, the fiscal year 2015 operating budget is not a structurally balanced budget, as recurring expenses exceed recurring revenues. In fiscal year 2015, Santa Cruz METRO staff conducted a series of workshops and Board of Directors' presentations in studying and identifying the systemic causes of the structural deficit that has occurred in recent years. A major contributing factor to the structural deficit has been identified as the reduction in sales tax revenue since the economic downturn of 2008. Operating costs have continued to rise and outpace any sales tax revenue recovery experienced since then. Resolving the ongoing budgetary funding issues will require a multi-year approach.

Capital Program

In fiscal year 2015, Santa Cruz METRO spent over \$9.5 million in capital contributions on new and ongoing capital projects. These capital projects were funded by a variety of sources including the Federal Transportation Administration (FTA), California Proposition 1B Transportation Bonds (Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) and the Transit System Safety, Security, and Disaster Response Account (TSSSDRA)), State Transit Assistance (STA), the State-Local Partnership Program (SLPP), the State Transportation Improvement Program (STIP), FTA construction settlement funds, and local cash reserves.

Operating buses and owning/maintaining transit facilities is a capital intensive business. Funding Santa Cruz METRO's overall operation is a delicate balance between identifying the resources to operate the

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued) JUNE 30, 2015

service and identifying the resources to purchase and maintain the vehicles and facilities with which to operate the service. Santa Cruz METRO needs to reduce its dependence on using capital-eligible funds and cash reserves in the operating budget, and concentrate on restoring these funding sources to the capital program in order to achieve a "state-of-good-repair" and ensure that new capital grant opportunities that require matching funds from reserves can be pursued. To that end, the Santa Cruz METRO Board has recently adopted a Reserve Fund Policy that provides for the gradual restoration of STIC and STA funding to the capital program.

Significant capital asset activity includes:

- Construction nears completion on the Judy K. Souza Operations Facility, which began in spring 2013. This operations building and bus parking structure is another phase of the transit Santa Cruz METRO's MetroBase consolidated operations in the Harvey West area of Santa Cruz. The project budget is approximately \$26 million, with the majority of funding provided by the PTMISEA program, which was established through Proposition 1B. The current estimated completion date is January, 2016. This project is in progress.
- Purchase and installation of Land Mobile Radio (LMR) Equipment, Fiber Optic Cable at Watsonville Transit Center, and Video Surveillance Room Air Conditioning System at Pacific Station – funding provided by Cal-OES TSSSDRA (Proposition 1B) funds over 10 consecutive years starting in fiscal year 2009 – The LMR portion of the project is a fully functioning fleet mobile radio system for the fixed route, paratransit and non-revenue (service) vehicles that meets the Federal Communication Commission (FCC) mandated requirement for narrowband migration by January 1, 2013. Additionally, this system will be compliant for the future narrowband migration that is required tentatively by the year 2018. The LMR portion of this comprehensive transit security project should be complete by 2016. Santa Cruz METRO collaborated with the City of Watsonville to find solutions to reduce crime in the area in which the Watsonville Transit Center is located. A fiber optic cable connection was installed that allows the Watsonville Police Department (WPD) access to the Watsonville Transit Center (WTC) video surveillance camera system. It will also allow the WPD access to their network while working out of the WTC lobby police substation office; another project that was funded with proceeds from this grant. This portion of the transit security project was completed in October 2014. In August 2015, an air conditioning system was installed as a follow-up to the video surveillance project at the Pacific Station (downtown) transit center.
- Bus Stop Improvements – funded with local cash reserves - The Bus Stop Improvements Project provided for professional engineering services required on several bus stop projects throughout the county, including the San Lorenzo Valley High School bus stop, the Highway 236 at Ridge Drive, Boulder Creek bus stop, the Felton Faire bus stop, and execution of a contract to finish construction on the Green Valley at Airport Boulevard bus stop in Watsonville. These bus stop projects should be completed in 2016.
- Purchase and replacement of two (2) new Paratransit Vans funded by a STIP grant. This grant provides funding for four (4) replacement alternatively-fueled vehicles. These two (2) vehicles are powered by gasoline; Santa Cruz METRO's intention is to replace gasoline-fueled vehicles with CNG-fueled vehicles whenever the alternative CNG-fueled model is available. Project partially complete.
- Replace three (3) Transit Supervisor Vehicles: Three replacement Ford Focus' were received in August 2014, with funding provided by STA funds. These vehicles are used by the transit supervisors for monitoring transit service and responding to incidents and accidents throughout a 365 square mile service area within the County. Vehicle reliability is critical due to severe weather conditions, emergencies and disasters that occur in the county.

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued) JUNE 30, 2015

- Ticket Vending Machine – San Lorenzo Valley – An additional ticket vending machine (TVM) was purchased to provide after-hours ticket and pass purchasing and Smart Card value loading options, for riders in the San Lorenzo Valley area. Santa Cruz METRO is currently working towards locating a site to install this TVM. It will be the sixth TVM placed in service since 2011. Other TVM locations include, Santa Cruz Metro Center, 920 Pacific Avenue, Santa Cruz, Cabrillo College, 6500 Soquel Drive, Aptos, Capitola Mall, 1855 - 41st Avenue, Capitola Mall, Bart Cavallaro Transit Center, 246 Kings Village Road, Scotts Valley, and the Watsonville Transit Center, 475 Rodriguez Street, Watsonville. Funding was provided by STA and local cash reserves. Project will be complete when the site is finalized.

Ridership

Santa Cruz METRO provided 5,802,094 rides through both its fixed-route and paratransit services in fiscal year 2015, an increase of 191,046 rides from the prior year.

Future Outlook

Looking ahead, Santa Cruz METRO will be addressing the structural deficit over the next few years by taking steps to increase revenues and decrease expenses. Fare increases, service reductions, personnel cost containment, as well as administrative and operational efficiency measures are ways that will enhance operating revenue, minimize costs and bring the budget back into structural balance.

Fare Increases: In an effort to increase operating revenue, reduce operating costs and increase efficiency, the Board approved a fare restructuring of the Highway 17 (Commuter) Express, as well as service realignments and fare modifications for ParaCruz service effective September 10, 2015.

Personnel Cost Containment: Labor and fringe benefit costs accounted for 75% of total operating expenses in the current year; measures to control personnel costs will have a significant effect on Santa Cruz METRO's fiscal imbalance. In August 2015, Santa Cruz METRO drivers and management stepped up to help solve Santa Cruz METRO's budgetary challenge and worked with the Board of Directors to defer a previously negotiated cost of living salary and wage increase. Staff is working efficiently at full capacity as several funded positions have been put on hold and left unfilled in order to keep personnel costs down. In August 2015, the Board of Directors approved an early retirement incentive for qualified employees upon their retirement prior to December 31, 2015.

System-Wide Restructuring: In August 2015, Santa Cruz METRO began efforts on a Comprehensive Operational Analysis (COA). The study will take a fresh look at Santa Cruz METRO's current service offering to ensure that it properly serves the needs of the community, and analyze how best to provide service within budgetary limitations. The COA will identify system-wide and chronic problems, as well as new service opportunities through an in-depth qualitative and quantitative analysis that can be used to recommend immediate, short and long-term service changes to the existing fixed route service. As a way to align fixed route service levels with recurring operating revenues, the COA will be a critical next step towards solving the structural deficit and providing efficient, sustainable transit service to the County.

Future Funding: The financial challenges facing Santa Cruz METRO are not unique. The Federal government's inability to agree on a long-term surface transportation funding program has resulted in numerous short-term Continuing Resolutions and provided relatively flat Federal operating assistance since fiscal year 2010, which has placed public transit funding on perilous footing nationwide. In December 2015, President Obama signed the Fixing America's Surface Transportation (FAST) Act into law. This long-awaited successor to the Moving Ahead for Progress in the 21st Century Act (MAP-21) increases annual spending authority for transit programs from its current level of \$8.6 billion to \$9.35 billion in fiscal year 2016 and up to \$10.15 billion in fiscal year 2020, an increase of 18% over the life of the bill. As a result, California public transit agencies will receive \$1.32 billion in 2016, growing to over \$1.43 billion in 2020. The bill includes important policy and structural changes to federal surface transportation programs that are intended to improve mobility, streamline capital project construction and

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued) JUNE 30, 2015

acquisition, and increase the safety of public transportation systems across the country. Santa Cruz METRO will continue to work with state and federal funding partners to pursue new grant opportunities that will help Santa Cruz METRO with capital and operations funding challenges as well as bring new initiatives to fruition.

Future Operational Improvements:

Automatic Vehicle Locators (AVL) – Santa Cruz METRO is seeking state and federal grants to purchase AVL. This technology will provide data that will be used to improve on-time performance. AVL uses global positioning satellite information that allows for electronic signs at bus stops and a smart phone application that will predict when the next bus will arrive. AVL will significantly enhance customer real-time information on bus arrival times, system disruptions and provide better system performance from better ridership data.

Wi-Fi – Currently, free Wi-Fi service is available to riders on the Highway 17 (Commuter) Express. Santa Cruz METRO is investigating new grant opportunities that might result in the addition of Wi-Fi to other commuter-like service corridors and to the transit centers.

Zero Emission Vehicles (ZEVs) – Santa Cruz METRO is studying the possibility of augmenting their fleet with zero emission electric buses. In December 2015, the Board of Directors approved the submittal of a \$6 million grant application to the FTA for the purchase of five (5) electric buses. The addition of electric buses will help with the unfunded and ongoing need for replacement buses. Santa Cruz County residents will applaud a renewed commitment by METRO to air quality and sustainability.

Future Capital Projects:

Re-design and remodel of Pacific Station in Santa Cruz - Located in the heart of downtown, Pacific Station is the City of Santa Cruz's primary multi-modal public transit center. Constructed in 1984, the existing building has endured over three decades of heavy use. Santa Cruz METRO and the City of Santa Cruz are partnering to redesign the downtown Pacific Station mixed use transit center. A redesigned transit center presents an opportunity to improve the experiences of both commuters and Santa Cruz METRO employees. Three rounds of community engagement have been completed to gather input on needs and opportunities, collect feedback on site and use options, and to present the design alternatives. Design consultants presented the Conceptual Development Strategy Report to the Board of Directors and the Santa Cruz City Council in the spring of 2015. Santa Cruz METRO and City staff are in the process of determining the next steps for the Pacific Station project in regards to both funding sources and project schedule.

Watsonville Transit Center Renovations – The Watsonville Transit Center (WTC) serves intermodal passenger connections among Santa Cruz METRO, Monterey Salinas Transit (MST), and Greyhound buses, as well as ParaCruz vehicles, taxis and bicycles. The WTC has been serving riders in South Santa Cruz County for 20 years; these aging facilities require renovation. In winter 2012, staff conducted a series of public outreach efforts which included one-on-one surveys, focus groups and public outreach meetings. With the information generated from the public outreach, Santa Cruz METRO staff was able to narrow down design options and in 2013 began working with conceptual design consultants for the WTC renovations. The final conceptual design plans were presented to the Board of Directors in the fall of 2015. Santa Cruz METRO is now in the process of determining the next steps for the project in regards to funding sources and environmental and construction documentation.

Financial Analysis

Following are the condensed comparative financial statements, which highlight key financial data. Certain significant year-to-year variances are discussed following the statements.

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued) JUNE 30, 2015

Statements of Net Position:

	2015	2014	2015 to 2014	
			Increase/(Decrease) Amount	%
Assets				
Current assets	\$ 25,709,446	\$ 28,667,981	\$ (2,958,535)	-10%
Capital assets - net	82,753,490	78,497,841	4,255,649	5%
Restricted assets	14,463,480	12,433,687	2,029,793	16%
Total assets	\$ 122,926,416	\$ 119,599,509	\$ 3,326,907	3%
Deferred Outflows of Resources				
Pension Contributions	3,903,126	N/A		
Total deferred outflows of resources	\$ 3,903,126	N/A		
Liabilities				
Current liabilities	\$ 7,315,473	\$ 6,936,367	\$ 379,106	5%
Non-current liabilities	15,304,383	15,774,448	(470,065)	-3%
Other Long-term liabilities	69,040,678	21,854,235	47,186,443	216%
Total liabilities	\$ 91,660,534	\$ 44,565,050	\$ 47,095,484	106%
Deferred Inflows of Resources				
Pension Investment Earnings	7,432,943	N/A		
Total deferred inflows of resources	\$ 7,432,943	N/A		
Net Position				
Net investment in capital assets	\$ 82,753,490	\$ 78,497,841	\$ 4,255,649	5%
Unrestricted net position	(55,017,425)	(3,463,382)	(51,554,043)	1489%
Total net position	\$ 27,736,065	\$ 75,034,459	\$ (47,298,394)	-63%

2015 vs 2014 Analysis

Key changes include:

- *Current assets* decreased by \$2.9 million or (10%) to \$25.7 million, primarily due to decreases in cash and cash equivalents. Unrestricted cash was used to bridge the fiscal year 2015 budget gap and fund operations, as well as purchase capital assets.
- *Capital assets – net* increased by \$4.3 million or 5% to \$82.8 million, primarily due to increases in capital construction in progress related to the progress payments made for the construction of the new Judy K. Souza Operations Facility.
- *Restricted assets* increased by \$2.0 million or 16% to \$14.5 million. While unearned grant funds previously received from PTMISEA were spent down on Metrobase construction during the year, receipt of \$5.9 million of restricted PTMISEA funding was received in fiscal year 2015.

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued) JUNE 30, 2015

- *Deferred Outflows of Resources* of \$3.9 million in pension contributions was recognized in the current year due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68 in fiscal year 2015.
- *Current liabilities* increased by \$379 thousand or 5% to \$7.3 million in total, primarily due to increases in accrued payroll and employee benefits.
- *Non-current liabilities* decreased by \$470 thousand or (3%) to \$15.3 million due to the spending down of unearned grant funds on construction and capital acquisition during the year. Grant funds received are restricted and reported as liabilities until spent on the specific purpose for which they were awarded.
- *Other Long-term liabilities* increased by \$47.2 million or 216% to \$69.0 million primarily due to the first year implementation of GASB Statement No. 68 in fiscal year 2015, resulting in recognition of a net pension liability of \$42.3 million in the financial statements.
- *Deferred Inflows of Resources* of \$7.4 million in pension investment earnings was recognized in the current year due to the implementation of GASB Statement No. 68 in fiscal year 2015.

Statements of Revenues, Expenses, and Changes in Fund Net Position:

	2015	2014	2015 to 2014	
			Increase/(Decrease) Amount	%
Operating Revenues	\$ 9,796,024	\$ 9,511,613	\$ 284,411	3%
Operating Expenses	(54,939,475)	(55,356,660)	417,185	-1%
Operating Loss	(45,143,451)	(45,845,047)	701,596	-2%
Non-Operating Revenues	34,812,002	34,188,736	623,266	2%
Capital Grant Contributions	9,270,417	11,503,229	(2,232,812)	-19%
Decrease in Net Position	\$ (1,061,032)	\$ (153,082)	\$ (907,950)	593%

2015 vs 2014 Analysis

Operating Revenues (Passenger Fares) increased by \$284 thousand or 3% this year primarily due to increased revenue from ridership contracts with public agencies and University of California, Santa Cruz.

Operating Expenses decreased by \$417 thousand or (1%) overall when compared to last year due to a decrease in depreciation expense as certain capital assets became fully depreciated in the prior year.

Non-Operating Revenues increased by \$623 thousand, or 2% over last year primarily due to an increase in sales tax revenue generated by increased consumer spending in fiscal year 2015, along with an increase in alternative fuel tax credits received. The alternative fuel incentives were retroactively extended by the Tax Increase Prevention Act of 2014, enacted in fiscal year 2015.

Capital Contributions are capital grant funds received for facilities improvements and the purchase of capital equipment including revenue vehicles. The receipt of capital grant funds can fluctuate year over year based on a variety of factors including project eligibility requirements, formula-based funding criteria, the economy, etc. Capital contributions decreased by 19% over last year primarily due to the purchase of six (6) new CNG buses in fiscal year 2014.

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued) JUNE 30, 2015

Statement of Cash Flows:

	2015	2014	2015 to 2014 Change
Net Cash Used in Operating Activities	\$ (39,649,655)	\$ (39,178,568)	\$ (471,087)
Net Cash Provided by Non-Capital Financing Activities	34,501,675	34,117,855	383,820
Net Cash Provided by (Used in) Capital and Related Financing Activities	3,724,925	(2,152,710)	5,877,635
Net Cash Provided by Non-Transportation Activities	<u>245,062</u>	<u>233,780</u>	<u>11,282</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(1,177,993)	(6,979,643)	5,801,650
Cash and Cash Equivalents, Beginning of Year	<u>33,161,856</u>	<u>40,141,499</u>	<u>(6,979,643)</u>
Cash and Cash Equivalents, End of Year	<u>\$ 31,983,863</u>	<u>\$ 33,161,856</u>	<u>\$ (1,177,993)</u>

Contacting Santa Cruz METRO's Financial Management

Santa Cruz METRO's financial report is designed to provide Santa Cruz METRO's Board of Directors, management, and the public with an overview of Santa Cruz METRO's finances. For additional information about this report, please contact Angela Aitken, Finance Manager, at 110 Vernon Street, Santa Cruz, CA 95060.

Attachment A

BASIC FINANCIAL STATEMENTS

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT STATEMENT OF NET POSITION JUNE 30, 2015

	<u>2015</u>
ASSETS	
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 17,520,383
Sales Tax, Grants, and Other Receivables	6,993,415
Inventory	660,859
Prepays	<u>534,789</u>
Total Current Assets	<u>25,709,446</u>
RESTRICTED ASSETS	
Cash and Cash Equivalents	<u>14,463,480</u>
CAPITAL ASSETS	
Building and Improvements	47,505,460
Revenue Vehicles	50,605,014
Operations Equipment	6,433,325
Other Equipment	2,061,303
Other Vehicles	1,178,619
Office Equipment	<u>3,904,539</u>
Total Depreciated Capital Assets	111,688,260
Less Accumulated Depreciation	<u>(61,136,862)</u>
Total Depreciated Capital Assets Net of Accumulated Depreciation	50,551,398
Construction-in-Progress	20,605,781
Land	<u>11,596,311</u>
Total Capital Assets	<u>82,753,490</u>
Total Assets	<u>122,926,416</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension Contributions	<u>3,903,126</u>

The accompanying notes are an integral part of these financial statements.

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT STATEMENT OF NET POSITION (Continued) JUNE 30, 2015

	<u>2015</u>
LIABILITIES	
CURRENT LIABILITIES	
Accounts Payable and Accrued Liabilities	\$ 1,987,300
Accrued Payroll and Employee Benefits	3,975,145
Deferred Rent	2,885
Workers' Compensation Liabilities, Current	919,137
Other Accrued Liabilities	415,622
Security Deposit	<u>15,384</u>
Total Current Liabilities	7,315,473
NON-CURRENT LIABILITIES	
Unearned Revenue - Settlement Agreement	780,861
Unearned Revenue - State Transit Assistance	1,304,185
Unearned Revenue - PTMISEA Grant	12,847,226
Unearned Revenue - Proposition 1B Grant	372,111
OTHER LONG-TERM LIABILITIES	
Workers' Compensation Liabilities, Net of Current	3,484,177
Other Post Employment Benefit Liabilities	23,244,745
Net Pension Liability	<u>42,311,756</u>
Total Liabilities	<u>91,660,534</u>
DEFERRED INFLOWS OF RESOURCES	
Pension Investment Earnings	<u>7,432,943</u>
NET POSITION	
Net Investment in Capital Assets	82,753,490
Unrestricted Net Position	<u>(55,017,425)</u>
Total Net Position	<u><u>\$ 27,736,065</u></u>

The accompanying notes are an integral part of these financial statements.

Attachment A

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>2015</u>
OPERATING REVENUES	
Passenger Fares	\$ 5,636,565
Special Transit Fares	<u>4,159,459</u>
Total Operating Revenues	<u>9,796,024</u>
OPERATING EXPENSES	
Wages, Salaries, and Employee Benefits	41,465,990
Purchased Transportation Services	170,746
Materials and Supplies	3,878,833
Other Expenses	4,098,558
Depreciation	<u>5,325,348</u>
Total Operating Expenses	<u>54,939,475</u>
Net Operating Loss	<u>(45,143,451)</u>
NON-OPERATING REVENUES (EXPENSES)	
Sales and Use Taxes	16,405,582
Transportation Development Act Assistance (TDA)	6,444,515
State Transit Assistance (STA)	5,075,779
Federal Transit Administration (FTA) Section 5307 Operating Assistance	5,478,097
FTA Section 5311 Rural Operating Assistance	212,267
Alternative Fuel Tax Credit	638,208
Planning Grants	29,488
Interest Income	85,908
Rental Income	159,154
Other Revenue	289,389
Loss on Sale and Disposal of Property, Equipment, and Inventory	<u>(6,385)</u>
Total Non-Operating Revenues	<u>34,812,002</u>
Net Loss Before Capital Contributions	<u>(10,331,449)</u>
CAPITAL CONTRIBUTIONS	
Grants Restricted for Capital Expenditures	<u>9,270,417</u>
NET POSITION	
Change in Net Position	(1,061,032)
Total Net Position, Beginning of Year	75,034,459
Prior Period Adjustment	<u>(46,237,362)</u>
Total Net Position, End of Year	<u>\$ 27,736,065</u>

The accompanying notes are an integral part of these financial statements.

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2015

	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 9,738,456
Payments to Employees	(41,074,101)
Payments to Suppliers	(7,918,221)
Payments to Other	<u>(395,789)</u>
Net Cash Used in Operating Activities	<u>(39,649,655)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Operating Grants Received, Including Sales and Use Taxes	<u>34,501,675</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Proceeds from Sale of Property and Equipment	5,370
Capital Grants Received	13,312,307
Capital Expenditures	<u>(9,592,752)</u>
Net Cash Provided by Capital and Related Financing Activities	<u>3,724,925</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investment and Rental Income Received	<u>245,062</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,177,993)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>33,161,856</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 31,983,863</u>
RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Net Operating Loss	\$ (45,143,451)
Adjustments to Reconcile Net Operating Loss to Net Cash Used in Operating Activities:	
Depreciation	5,325,348
Changes in Assets and Liabilities:	
Increase in Receivables	(57,568)
Decrease in Inventory	69,634
Increase in Prepaid Expenses	(21,010)
Increase in Accounts Payable and Accrued Liabilities	182,492
Decrease in Net Pension Liability	(395,789)
Increase in Other Liabilities	<u>390,689</u>
Net Cash Used in Operating Activities	<u>\$ (39,649,655)</u>

The accompanying notes are an integral part of these financial statements.

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2015

NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Organization

The Santa Cruz Metropolitan Transit District (Santa Cruz METRO) was formed February 9, 1969, following a favorable election in conformity with Section 9800 et. seq. of the Public Utilities Code (PUC). The transit system serves the general public in the cities of Santa Cruz, Watsonville, Scotts Valley, and Capitola and the unincorporated areas of Santa Cruz County. A Board of eleven directors and one Ex-Officio director representing the University of California, Santa Cruz governs Santa Cruz METRO. At June 30, 2015, the directors were as follows:

Chairperson:	Dene Bustichi		
Vice Chair:	Mike Rotkin		
Members:	Cynthia Chase	Zach Friend	Donald Norm Hagen
	Karina Cervantez	Don Lane	John Leopold
	Jimmy Dutra	Ed Botorff	Bruce McPherson
Ex-Officio:	Donna Blitzer		

Santa Cruz METRO also serves the Highway 17 corridor into Santa Clara County to provide a commuter express service through a memorandum of understanding with the San Joaquin Joint Powers Authority (SJJPA), the Capitol Corridor Joint Powers Authority (CCJPA), and the Santa Clara Valley Transportation Authority (VTA). Amtrak Thruway bus service is also provided by Santa Cruz METRO on the same corridor.

B. Reporting Entity

Santa Cruz METRO and the Santa Cruz Civic Improvement Corporation (the Corporation) have a financial and operational relationship, which meets the reporting entity definition criteria of Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 39, *The Financial Reporting Entity*, for inclusion of the Corporation as a blended component unit of Santa Cruz METRO. Accordingly, the financial activities of the Corporation have been included in the basic financial statements of Santa Cruz METRO. For the year ending June 30, 2015, these activities were minimal.

Scope of Public Service:

The Corporation is a nonprofit, public benefit corporation incorporated under the laws of the State of California and recorded by the Secretary of State in July 1986. The Corporation was formed for the sole purpose of providing financial assistance to Santa Cruz METRO for the construction and acquisition of major capital facilities.

The following are those aspects of the relationship between Santa Cruz METRO and the Corporation which satisfy GASB Statement No. 14/39 criteria.

Accountability:

1. Santa Cruz METRO's Board of Directors appointed the Corporation's Board of Directors.

Attachment A

NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Reporting Entity (Continued)

2. Santa Cruz METRO is able to impose its will upon the Corporation based on the following:
 - All major financing arrangements, contracts, and other transactions of the Corporation must have the consent of Santa Cruz METRO.
 - Santa Cruz METRO exercises significant influence over operations of the Corporation as it is anticipated that Santa Cruz METRO will be the sole lessee of all facilities owned by the Corporation. Likewise, it is anticipated that Santa Cruz METRO's lease payments will be the sole revenue source of the Corporation.
3. The Corporation provides specific financial benefits or imposes specific financial burdens on Santa Cruz METRO based upon the following:
 - Santa Cruz METRO has assumed a “moral obligation,” and potentially a legal obligation, for any debt incurred by the Corporation.

C. Basis of Accounting and Presentation

Santa Cruz METRO is accounted for as a Business-Type Activity, as defined by GASB Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*, and its basic financial statements are presented on the accrual basis of accounting. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Santa Cruz METRO adopted GASB Statement No. 34 as amended by GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, as of and for the year ended June 30, 2003, and applied those standards on a retroactive basis. GASB Statement No. 34 establishes standards for external financial reporting for state and local governments and requires that resources be classified for accounting and reporting purposes into three net asset categories; namely, those invested in capital assets, net of related debt; restricted net position; and unrestricted net position.

Contributed Capital/Reserved Retained Earnings:

Santa Cruz METRO receives grants from the Federal Transit Authority (FTA) and other agencies of the U.S. Department of Transportation, state, and local transportation funds for the acquisition of transit-related equipment and improvements. Prior to July 1, 2001, capital grants were recognized as donated capital to the extent that project costs under the grant had been incurred. Capital grant funds earned, less amortization equal to accumulated depreciation of the related assets, were included in contributed capital. As required by GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, Santa Cruz METRO changed its method of accounting for capital grants from capital contributions to reserved non-operating revenues. In accordance with GASB Statement No. 33, capital grants are required to be included in the determination of net income (loss) resulting in an increase in net revenue of \$9,270,417 for the fiscal year 2015.

Under GASB Statement No. 34, contributed capital and reserved retained earnings are presented in the net position section as net position invested in capital assets.

Attachment A

NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting and Presentation (Continued)

Proprietary Accounting and Financial Reporting:

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of Santa Cruz METRO are passenger fares and special transit fares. Operating expenses for Santa Cruz METRO include the wages, purchased transportation, materials and supplies, depreciation/amortization on capital assets, and other expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Net Position:

Net position represents the residual interest in Santa Cruz METRO's assets after liabilities are deducted. In accordance with GASB Statement No. 34, the fund equity section on the statements of net position was combined to report total net position and present it in three broad components: net investment in capital assets, restricted, and unrestricted. Net position invested in capital assets includes capital assets net of accumulated depreciation. Net position is restricted when constraints are imposed by third parties or by law through constitutional provisions or enabling legislation. All other net position is unrestricted.

When both restricted and unrestricted resources are available for use, generally it is Santa Cruz METRO's policy to use restricted resources first, and then unrestricted resources as they are needed.

D. Cash and Cash Equivalents

Santa Cruz METRO considers all highly liquid investments with a maturity date within three months of the date acquired to be cash equivalents. Santa Cruz METRO deposits funds into an external investment pool maintained by Santa Cruz County. These deposits are considered cash equivalents. The Santa Cruz County Pooled Investment Fund is authorized to invest in obligations of the U.S. Treasury agencies and instrumentalities, commercial paper rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool. Cash and cash equivalents are stated at fair value. For purposes of the statements of cash flows, Santa Cruz METRO considers all highly liquid investments (including restricted assets) to be cash equivalents.

E. Inventory

Inventory is carried at cost using the first-in/first-out (FIFO) method. Inventory held by Santa Cruz METRO consists of spare bus parts and operating supplies that are consumed by Santa Cruz METRO and are not for resale purposes.

F. Restricted Assets

Certain assets are classified as restricted assets on the statements of net position because their use is subject to externally imposed stipulations, either by laws or regulations.

The cash resulting from a settlement agreement, as described in Note 8, represents proceeds restricted by the FTA. The State Transit Assistance (STA) Grant, Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) Grant, and the Proposition 1B Office of Homeland Security (OHS) California Transit Security Grant Program (CTSGP) Grant are restricted for capital expenditures. Restricted assets at June 30 are as follows:

Attachment A

NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Restricted Assets (Continued)

	2015
Cash and Cash Equivalents	
FTA Grant	\$ 780,861
Proposition 1B PTMISEA Grant	12,847,226
Proposition 1B OHS CTSGP Grant	372,111
STA Grant	463,282
Total Restricted Assets	\$ 14,463,480

G. Property and Equipment

Property and equipment are recorded at cost. Depreciation for all such assets is computed on a straight-line basis. Estimated useful lives of assets are as follows:

Buildings and improvements	20-39 years
Revenue vehicles	12 years
Other vehicles and equipment	3-10 years

Depreciation expense on assets acquired with capital grant funds are transferred to net position, invested in capital assets, net of related debt, after being charged to operations.

Major improvements and betterments to existing facilities and equipment are capitalized. Costs for maintenance and repairs, which do not extend the useful lives of the applicable assets, are charged to expense as incurred. Upon disposition, costs and accumulated depreciation are removed from the accounts and resulting gains or losses are included in operations.

Santa Cruz METRO completed and capitalized the Scotts Valley Transit Center in fiscal year 1999. The cost of this facility totaled \$4,063,634, which was funded by federal, state, and local funds. The former Scotts Valley Redevelopment Agency, a political subdivision of the State of California, was one of Santa Cruz METRO's funding sources for this project and the Successor Agency has retained an interest in the property. The title to the property is retained by both Santa Cruz METRO and the Successor Agency as tenants in common with each party holding an individual interest in proportion to each party's financial participation in the project. The Successor Agency's portion of the property is 13.87%. The Successor Agency's portion is not recorded in Santa Cruz METRO's basic financial statements.

H. Sales and Use Tax

Santa Cruz METRO receives a 0.5% sales and use tax levied on all taxable sales in Santa Cruz County, which is collected and administered by the California State Board of Equalization. During the fiscal year ended June 30, 2015, sales tax revenue of \$2,358,336 was used as the local match for capital projects funded by the State-Local Partnership Program (SLPP), as required by this formula program. Actual receipts of sales tax for the fiscal year ended June 30, 2015, were \$18,763,918.

Additionally, Santa Cruz METRO is allocated, through the Santa Cruz County Regional Transportation Commission, a portion of the 0.25% sales and use tax levied by the Transportation Development Act (TDA).

I. Operating Assistance Grants

Operating assistance grants are recognized as revenue in the grant period when earned.

Attachment A

NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Self-Insurance

Santa Cruz METRO is self-insured for the first \$250,000 of general and vehicular liability. For settlements in excess of \$250,000, Santa Cruz METRO has total coverage up to \$25,000,000 per occurrence. Additionally, Santa Cruz METRO is self-insured up to \$350,000 for workers' compensation claims. Santa Cruz METRO has recorded a liability for estimated claims to be paid, including incurred but not reported claims.

K. Employee Benefits

Annual and medical leave benefits are accrued when earned and reduced when used. Any paid medical leave accrued beyond 96 hours may, at the employee's option, be converted to annual leave and credited to the employee's annual leave schedule or paid in cash, depending on the bargaining unit, at 100% of the earned rate. Employees are paid accrued and unused annual leave at the time of separation from Santa Cruz METRO service.

L. Payroll

Santa Cruz METRO contracts with the Santa Cruz County Auditor-Controller to provide payroll processing services.

M. Pension Costs

Pension costs are expensed as incurred. These costs equal the actuarially determined annual contribution amount.

N. Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

O. Reclassifications

Certain reclassifications have been made to prior period amounts to conform to the classifications used in the current period. Such reclassifications had no effect on Santa Cruz METRO's financial positions or results of operations for the periods presented.

P. Implementation of Governmental Accounting Standards Board Statement

GASB Statement No. 68 – *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement No. 27*. The provisions of GASB Statement No. 68 are effective for fiscal years beginning after June 15, 2014. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions by establishing standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses. Note disclosures and required supplementary information requirements about pensions are also addressed. The requirements of this Statement will improve the decision-usefulness of information in employer financial reports and will enhance its value for assessing accountability and inter-period equity by requiring recognition of the entire net pension liability and a more comprehensive measure of pension expense. Santa Cruz METRO has implemented the provisions of GASB Statement No. 68 in the current year. As a result of this implementation, Santa Cruz METRO reported a prior period adjustment to net position in the amount of \$46,237,362 and recognized a net pension liability, deferred outflow of resources and deferred inflow of resources associated with the pension liability as of June 30, 2015. See Note 10 for detailed discussion of the effects on the Santa Cruz METRO's current and prior period financial statements as a result of the adoption of this standard.

Attachment A

NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. Implementation of Governmental Accounting Standards Board Statement (Continued)

GASB Statement No. 69 – *Government Combinations and Disposals of Government Operations*. The provisions of GASB Statement No. 69 are effective for fiscal years beginning after December 15, 2013. There was no effect on the Santa Cruz METRO's accounting or financial reporting as a result of implementing this standard.

GASB Statement No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date* amends paragraph 137 of GASB Statement No. 68. The provisions of this statement were applied simultaneously with the provisions of GASB Statement No. 68. There was no effect on the Santa Cruz METRO's accounting or financial reporting as a result of implementing this standard.

Q. Future Governmental Accounting Standards Board Statements

GASB Statement No. 72 – *Fair Value Measurement and Application*. The provisions of this statement are effective for financial statements for reporting periods beginning after June 15, 2015. The Santa Cruz METRO has not fully judged the effect of the implementation of GASB Statement No. 72 as of the date of the basic financial statements.

GASB Statement No. 73 – *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68*. The provisions of this statement are effective for fiscal years beginning after June 15, 2015 – except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of GASB Statement No. 68, which are effective for fiscal years beginning after June 15, 2016. The Santa Cruz METRO has not fully judged the effect of the implementation of GASB Statement No. 73 as of the date of the basic financial statements. The Santa Cruz METRO does not expect a material effect on accounting or financial reporting as a result of implementing this standard.

GASB Statement No. 74 – *Financial Reporting for Postemployment Benefits Other than Pension Plans*. The provisions of this statement are effective for fiscal years beginning after June 15, 2016. The Santa Cruz METRO has not fully judged the effect of the implementation of GASB Statement No. 74 as of the date of the basic financial statements.

GASB Statement No. 75 – *Accounting and Financial Reporting for Postemployment Benefits Other than Pension Plans*. The provisions of this statement are effective for fiscal years beginning after June 15, 2017. The Santa Cruz METRO has not fully judged the effect of the implementation of GASB Statement No. 75 as of the date of the basic financial statements.

GASB Statement No. 76 – *Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The provisions of this statement are effective for fiscal years beginning after June 15, 2015. The Santa Cruz METRO has not fully judged the effect of the implementation of GASB Statement No. 76 as of the date of the basic financial statements. The Santa Cruz METRO does not expect a material effect on accounting or financial reporting as a result of implementing this standard.

GASB Statement No. 77 – *Tax Abatement Disclosures*. The requirements of this statement are effective for reporting periods beginning after December 15, 2015. The Santa Cruz METRO has not fully judged the effect of the implementation of GASB Statement No. 77 as of the date of the basic financial statements. The Santa Cruz METRO does not expect a material effect on accounting or financial reporting as a result of implementing this standard.

GASB Statement No. 79 – *Certain External Investment Pools and Pool Participant*. The requirements of this statement are effective for fiscal years beginning after June 15, 2015, except for the provisions in paragraphs 18, 19, 23–26, and 40, which are effective for reporting periods beginning after December 15, 2015. The Santa Cruz METRO has not fully judged the effect of the implementation of GASB Statement No. 79 as of the date of the basic financial statements.

Attachment A

NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Q. Future Governmental Accounting Standards Board Statements (Continued)

GASB Statement No. 78 – *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The requirements of this statement are effective for fiscal years beginning after December 15, 2015. The Santa Cruz METRO has not fully judged the effect of the implementation of GASB Statement No. 78 as of the date of the basic financial statements.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following at June 30, 2015:

	<u>2015</u>
Cash on Hand	\$ 15,792
Demand Deposits	315,823
Certificate of Deposit (CD)	40,611
Deposits in Santa Cruz County Pooled Investment Fund	<u>31,611,637</u>
	<u>\$ 31,983,863</u>

Cash on Hand and Cash in Banks

Investments Authorized by the California Government Code and Santa Cruz METRO’s Investment Policy

The table below identifies the **investment types** that are authorized for Santa Cruz METRO by the California Government Code (or Santa Cruz METRO’s investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or Santa Cruz METRO’s investment policy, where more restrictive) that address **interest rate risk**, **credit risk**, and **concentration of credit risk**.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Bankers’ Acceptances	180 days	None	None
Commercial Paper	270 days	None	None
Negotiable CDs	5 years	None	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	None	None
Medium-Term Notes	5 years	None	None
Mutual Funds	N/A	None	None
Money Market Mutual Funds	N/A	None	None
Mortgage Pass-Through Securities	5 years	None	None
Santa Cruz County Pooled Investment Funds	N/A	100%	None
Local Agency Investment Fund (LAIF)	N/A	None	None

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Attachment A

NOTE 2 – CASH AND CASH EQUIVALENTS (Continued)

Cash on Hand and Cash in Banks (Continued)

Disclosures Relating to Interest Rate Risk (Continued)

Information about the sensitivity of the fair values of Santa Cruz METRO's investments to market interest rate fluctuations is provided by the following table that shows the distribution of Santa Cruz METRO's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Santa Cruz County Pooled Investment Fund	\$ 31,611,637	\$ 31,611,637	\$ -	\$ -	\$ -

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, Santa Cruz METRO's investment policy, and the actual rating as of year-end for each investment type. The column marked "exempt from disclosure" identifies those investment types for which GASB Statement No. 40 does not require disclosure as to credit risk:

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Year-End		
				AAA	Aa	Not Rated
Santa Cruz County Pooled Investment Fund	\$ 31,611,637	N/A	\$ -	\$ -	\$ -	\$ 31,611,637

Concentration of Credit Risk

The investment policy of Santa Cruz METRO contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Santa Cruz METRO did not have any investments in any one issuer (other than external investment pools) that represent 5% or more of total Santa Cruz METRO's investments at June 30, 2015.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and Santa Cruz METRO's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

Custodial Credit Risk

GASB Statement No. 40 requires that the following disclosure be made with respect to custodial credit risks relating to deposits and investments: None of Santa Cruz METRO's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

Attachment A

NOTE 2 – CASH AND CASH EQUIVALENTS (Continued)

Cash on Hand and Cash in Banks (Continued)

Investment in Santa Cruz County Pooled Investment Fund

Santa Cruz METRO is a voluntary participant in the Santa Cruz County Pooled Investment Fund. The fair value of Santa Cruz METRO's investment in this pool is reported in the accompanying basic financial statements at amounts based upon Santa Cruz METRO's pro-rata share of the fair value provided by the Santa Cruz County for the entire Santa Cruz County portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the Santa Cruz County, which are recorded on an amortized cost basis.

NOTE 3 – RECEIVABLES

Receivables at June 30 are as follows:

	<u>2015</u>
Federal Grants	\$ 413,449
State Grants	2,712,069
Sales Tax Revenue	3,021,200
Other	<u>846,697</u>
	<u>\$ 6,993,415</u>

NOTE 4 – CHANGES IN CAPITAL ASSETS

Facilities, property, and equipment at June 30 are summarized as follows:

	<u>Balance July 1, 2014</u>	<u>Additions and Transfers</u>	<u>Retirements and Transfers</u>	<u>Balance June 30, 2015</u>
Non-Depreciated Assets				
Land	\$ 11,596,311	\$ -	\$ -	\$ 11,596,311
Construction-in-Progress	<u>11,744,657</u>	<u>9,592,751</u>	<u>(731,627)</u>	<u>20,605,781</u>
Total Non-Depreciated Assets	23,340,968	9,592,751	(731,627)	32,202,092
Depreciated Assets				
Building and Improvements	47,449,888	65,559	(9,987)	47,505,460
Revenue Vehicles	51,920,525	106,514	(1,422,025)	50,605,014
Operations Equipment	6,387,675	49,324	(3,674)	6,433,325
Other Equipment	2,061,303	-		2,061,303
Other Vehicles	1,197,180	56,430	(74,991)	1,178,619
Office Equipment	<u>3,492,756</u>	<u>453,800</u>	<u>(42,017)</u>	<u>3,904,539</u>
Total Depreciated Assets	112,509,327	731,627	(1,552,694)	111,688,260
Less Accumulated Depreciation	<u>(57,352,454)</u>	<u>(5,325,348)</u>	<u>1,540,940</u>	<u>(61,136,862)</u>
Depreciated Assets Net of Accumulated Depreciation	<u>55,156,873</u>	<u>(4,593,721)</u>	<u>(11,754)</u>	<u>50,551,398</u>
Total Capital Assets	<u>\$ 78,497,841</u>	<u>\$ 4,999,030</u>	<u>\$ (743,381)</u>	<u>\$ 82,753,490</u>

Depreciation expense at June 30, 2015, was \$5,325,348.

Attachment A

NOTE 5 – CAPITAL GRANTS

Santa Cruz METRO receives grants from the FTA, which provides financing for the acquisition of rolling stock and construction of facilities. Santa Cruz METRO also receives grants under the State TDA primarily for the acquisition of rolling stock and support equipment, and purchase of furniture and fixtures.

A summary of federal and state grant activity for the year ended June 30 is as follows:

	<u>2015</u>
Federal Grants	\$ 393,306
State Grants	8,629,132
Other - Settlement Agreement Proceeds	<u>247,979</u>
Total Capital Grants	<u>\$ 9,270,417</u>

NOTE 6 – COMMITMENTS

Santa Cruz METRO leases a number of its facilities under operating leases through 2020. For the year ended June 30, 2015, rental costs relating to the leases were \$396,409. In addition, Santa Cruz METRO receives rent income from retail space in their transit centers. Minimum net lease payments for existing operating leases are as follows:

<u>Year Ending June 30</u>	<u>Lease Commitments</u>	<u>Rental Income</u>	<u>Net</u>
2016	\$ 312,339	\$ 121,581	\$ 190,758
2017	50,986	50,746	240
2018	23,786	34,468	(10,682)
2019	24,261	14,700	9,561
2020	<u>24,747</u>	<u>12,000</u>	<u>12,747</u>
	<u>\$ 436,119</u>	<u>\$ 233,495</u>	<u>\$ 202,624</u>

NOTE 7 – JOINT VENTURES (JOINT POWERS AUTHORITY WITH CalTIP)

Santa Cruz METRO participates in a joint powers authority (JPA), the California Transit Indemnity Pool (CalTIP). The relationship between Santa Cruz METRO and the JPA is such that the JPA is not a component unit of Santa Cruz METRO for financial reporting purposes.

CalTIP arranges for and provides property and liability insurance for its 34 members. CalTIP is governed by a board that controls the operations of CalTIP, including selection of management and approval of operating budgets, independent of any influence by the member districts. Each member district pays a premium commensurate with the level of coverage requested and shares in surpluses and deficits proportionate to their participation in CalTIP.

Attachment A

NOTE 7 – JOINT VENTURES (JOINT POWERS AUTHORITY WITH CalTIP) (Continued)

Condensed audited financial information of CalTIP for the years ended April 30 (most recent information available) is as follows:

	<u>2015</u>	<u>2014</u>
Total Assets	\$ 25,819,506	\$ 24,998,709
Total Liabilities	<u>16,342,076</u>	<u>13,647,614</u>
Fund Balance	<u>\$ 9,477,430</u>	<u>\$ 11,351,095</u>
Total Revenues	\$ 8,447,347	\$ 7,776,176
Total Expenditures	<u>10,321,012</u>	<u>9,744,461</u>
Net Decrease in Fund Balance	<u>\$ (1,873,665)</u>	<u>\$ (1,968,285)</u>

CalTIP has not calculated Santa Cruz METRO's share of year-end assets, liabilities, or fund balance.

NOTE 8 – WATSONVILLE FLEET MAINTENANCE FACILITY SETTLEMENT RECEIPT

Santa Cruz METRO's fleet maintenance facility in Watsonville was damaged in the Loma Prieta earthquake (the earthquake) in October 1989. An engineering study concluded that the demolition of the existing facility and construction of a new facility was the most practical course of action. Therefore, the net book value of the facility was written off the books in a prior year.

In addition, due to design and construction deficiencies by the design and building contractors involved in the original project, Santa Cruz METRO initiated litigation against the contractors and came to a settlement agreement with said contractors on May 30, 1995. In accordance with this agreement, the contractors remitted \$4,776,858 (including \$171,538 in costs) to Santa Cruz METRO during fiscal year 1996, representing damages less attorney fees. FTA Section 3/5309 restricts the use of these proceeds, and the interest earned thereon. Accordingly, the net restricted amount of \$780,861 is reflected on the statement of net position as unearned revenue at June 30, 2015.

NOTE 9 – CONTINGENCIES

Santa Cruz METRO has received state and federal funds for specific purposes that are subject to review and audit by grantor agencies. Although such audits could generate expenditure disallowances under the terms of the grants, Santa Cruz METRO believes that any required reimbursement will not be material.

Additionally, Santa Cruz METRO is party to various claims and litigation in the normal course of business. In the opinion of management and in-house counsel, any ultimate losses have been adequately provided for in the basic financial statements.

Attachment A

NOTE 10 – DEFINED BENEFIT PENSION PLAN

A. General Information About the Pension Plans

Plan Description

Santa Cruz METRO's defined benefit pension plan, the Miscellaneous Plan for Santa Cruz Metropolitan Transit District (the Plan), provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Plan is part of the Public Agency portion of the California Public Employees' Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers with the State of California. A menu of benefit provisions, as well as other requirements, is established by state statutes within the Public Employees' Retirement Law. Santa Cruz METRO selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through Board of Directors action. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Funding Policy

There are 334 active plan members in the Plan as of June 30, 2015, which are required to contribute a percentage of their annual covered salary. In lieu of salary increases and for employees who agreed to salary reductions in certain prior years, Santa Cruz METRO agreed to pay a portion of the employee contribution, based on formulas negotiated in their labor agreements. Santa Cruz METRO is also required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for the fiscal year ended June 30, 2015, was 20.651%. The contribution requirements of the Plan members are established by state statute and the employer contribution rate is established and may be amended by CalPERS.

The Plan's provisions and benefits in effect at June 30, 2015, are summarized as follows:

Hire Date	<u>Prior to January 1, 2013</u>	<u>On or after January 1, 2013</u>
Benefit Formula	2.5%@55	2%@62
Benefit Vesting Schedule	5 years service	5 years service
Benefit Payments	monthly for life	monthly for life
Retirement Age	50	52
Monthly Benefits, as a Percentage of Eligible Compensation	2.000% - 2.500%	1.000%-2.500%
Required Employee Contribution Rates	8.000%	6.250%
Required Employer Contribution Rates	20.651%	20.651%

Employees Covered – At June 30, 2015, the following employees were covered by the benefit terms for each Plan:

Inactive Employees or Beneficiaries Currently Receiving Benefits	244
Inactive Employees Entitled to but not yet Receiving Benefits	123
Active Employees	<u>334</u>
Total	<u><u>701</u></u>

Attachment A

NOTE 10 – DEFINED BENEFIT PENSION PLAN (Continued)

B. Net Pension Liability

Santa Cruz METRO's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2014, using an annual actuarial valuation as of June 30, 2013, rolled forward to June 30, 2014, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liabilities in the June 30, 2013, actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2013
Measurement Date	June 30, 2014
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.50%
Inflation	2.75%
Payroll Growth	3.00%
Projected Salary Increase	Varies by Entry Age and Service ⁽¹⁾
Investment Rate of Return	7.5% ⁽²⁾
	Derived using ⁽³⁾
	CalPERS' Membership
Mortality	Data for all Funds

⁽¹⁾ Depending on age, service, and type of employment.

⁽²⁾ Net of pension plan investment expenses, including inflation.

⁽³⁾ The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability was 7.50%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.50% will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of GASB Statement No. 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50% investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65%. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

Attachment A

NOTE 10 – DEFINED BENEFIT PENSION PLAN (Continued)

B. Net Pension Liability (Continued)

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB Statements No. 67 and No. 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as it has changed its methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 ^(a)	Real Return Years 11+ ^(b)
Global Equity	47.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99	2.43
Inflation Sensitive	6.00%	0.45	3.36
Private Equity	12.00%	6.83	6.95
Real Estate	11.00%	4.50	5.13
Infrastructure and Forestland	3.00%	4.50	5.09
Liquidity	2.00%	(0.55)	(1.05)
Total	100.00%		

^(a) An expected inflation of 2.5% used for this period.

^(b) An expected inflation of 3.0% used for this period.

Attachment A

NOTE 10 – DEFINED BENEFIT PENSION PLAN (Continued)

C. Changes in the Net Pension Liability

The changes in the Net Pension Liability for each Plan follow:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2013 ⁽¹⁾	\$ 144,528,243	\$ 94,622,877	\$ 49,905,366
Changes in the year:			
Service Cost	3,200,114	-	3,200,114
Interest on the Total Pension Liability	10,709,850	-	10,709,850
Differences between Actual and Expected Experience	-	-	-
Changes in Assumptions	-	-	-
Changes in Benefit Terms	-	-	-
Contribution - Employer	-	3,668,004	(3,668,004)
Contribution - Employee (Paid by Employer)	-	-	-
Contribution - Employee	-	1,573,391	(1,573,391)
Net Investment Income ⁽²⁾	-	16,262,179	(16,262,179)
Administrative Expenses	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(6,660,594)	(6,660,594)	-
Net Changes	7,249,370	14,842,980	(7,593,610)
Balance at June 30, 2014 ⁽¹⁾	\$ 151,777,613	\$ 109,465,857	\$ 42,311,756

⁽¹⁾ The fiduciary net position includes receivables for employee service buybacks, deficiency reserves, fiduciary self-insurance and other postemployment benefits (OPEB) expense. This may differ from the Plan assets reported in the funding actuarial valuation report.

⁽²⁾ Net of administrative expenses.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the Plan, calculated using the discount rate for the Plan, as well as what the Santa Cruz METRO's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

1% Decrease Net Pension Liability	\$ 60,693,573
Current Discount Rate Net Pension Liability	\$ 42,311,756
1% Increase Net Pension Liability	\$ 26,875,334

Pension Plan Fiduciary Net Position – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Attachment A

NOTE 10 – DEFINED BENEFIT PENSION PLAN (Continued)

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2015, the Santa Cruz METRO recognized a pension expense of \$3,507,337. At June 30, 2015, the Santa Cruz METRO reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 3,903,126	\$ -
Net Differences between Projected and Actual Earnings on Plan Investments	-	(7,432,943)
Total	\$ 3,903,126	\$ (7,432,943)

\$3,903,126 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30	
2015	\$ (1,858,236)
2016	(1,858,236)
2017	(1,858,236)
2018	(1,858,235)
Total	\$ (7,432,943)

E. Payable to the Pension Plan

At June 30, 2015, the Santa Cruz METRO reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2015.

NOTE 11 – DEFERRED COMPENSATION PLAN

Santa Cruz METRO offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and provisions of the Government Code of the State of California. The plan, available to all Santa Cruz METRO employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, or unforeseeable emergency. Santa Cruz METRO employees participate in two such plans, the Great-West Life and Annuity Insurance (Great-West) plan and the other through CalPERS.

At June 30, 2015, all amounts held under the Great-West plan and the CalPERS plan are held in trust and are not reflected on the accompanying statements of net position as required under GASB Statement No. 27, *Accounting Standards for Pensions by State and Local Governmental Employers*.

Complete financial statements for Great-West can be obtained from Great-West at P.O. Box 173764, Denver, Colorado 80217-3764. Complete financial statements for CalPERS can be obtained from CalPERS at Lincoln Plaza North, 400 Q Street, Sacramento, California 94229.

Attachment A

NOTE 12 – RISK MANAGEMENT

Santa Cruz METRO is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which Santa Cruz METRO carries commercial insurance. Santa Cruz METRO has also established limited risk management programs for workers' compensation, and general and vehicular liability, as described in Note 1.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The IBNR for workers' compensation was based on an actuarial study dated May 2013. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. Changes in the balances of claims liabilities are as follows:

	<u>2015</u>
Workers' Compensation Liabilities:	
Unpaid Claims, Beginning of Fiscal Year	\$ 4,190,177
Other Adjustments (Including IBNRs)	(405,983)
Claim Payments	<u>619,120</u>
Unpaid Claims Liability, End of Fiscal Year	<u>\$ 4,403,314</u>

NOTE 13 – TRANSPORTATION DEVELOPMENT ACT/CALIFORNIA ADMINISTRATIVE CODE

Santa Cruz METRO is subject to compliance with the TDA provisions, Sections 6634 and 6637 of the California Administrative Code and Sections 99267, 99268.1, and 99314.6 of the PUC.

Section 6634

Pursuant to Section 6634, a transit claimant is precluded from receiving monies from the Local Transportation Fund (LTF) and the STA Fund in an amount which exceeds the claimant's capital and operating costs, less the required fares, and local support. Santa Cruz METRO did not receive TDA, STA, or LTF revenues in excess of the prescribed formula amounts.

Section 6637

Pursuant to Section 6637, a claimant must maintain its accounts and records in accordance with the Uniform System of Accounts and Records for Transit Operators adopted by the State Controller. Santa Cruz METRO did maintain its accounts and records in accordance with the Uniform System of Accounts and Records for Transit Operators.

Sections 99267, 99268.1, and 99314.6

Pursuant to the Transportation Development Act, Santa Cruz METRO meets the 50% Expenditure Limitation required by Public Utilities Code §99268 and does not use the Alternative Revenue Ratio to determine eligibility for TDA funds.

Attachment A

NOTE 14 – PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT, AND SERVICE ENHANCEMENT ACCOUNT (PTMISEA)

In November 2006, California voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, Proposition 1B. Of the \$19.925 billion of state general obligation bonds authorized, \$4 billion was set aside by the State, as instructed by the statute, as PTMISEA. These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety, or modernization improvements; capital service enhancements or expansions; new capital projects; bus rapid transit improvements; or for rolling stock procurement, rehabilitation, or replacement.

The audit of public transportation operator finances, pursuant to Section 99245 of the PUC and required under the TDA, was expanded to include verification of receipt and appropriate expenditure of PTMISEA bond funds.

The Santa Cruz County Regional Transportation Commission (SCCRTC) is responsible for allocating the Proposition 1B PUC Section 99313 funds in Santa Cruz County. In December 2007, the SCCRTC programmed 100% of its share of Section 99313 Proposition 1B PTMISEA funds (approximately \$2.1 million) to Santa Cruz METRO for the Consolidated MetroBase Project. Funds audited include the SCCRTC share of PUC Section 99313 Proposition 1B transit funds that have been passed-through to Santa Cruz METRO.

During the fiscal year ended June 30, 2015, Santa Cruz METRO applied for and received proceeds of \$5,949,126 and earned interest of \$53,188 from the State's PTMISEA account for construction funding for the Consolidated MetroBase Project. During the fiscal year ended June 30, 2015, qualifying expenditures of \$3,061,817 were incurred and the remaining balance of \$12,847,226 including accrued interest was deferred. Qualifying expenditures must be encumbered within three years from the date of the allocation and expended within three years from the date of encumbrance.

**Schedule of PTMISEA Proposition 1B Grants
For the Year Ended June 30, 2015**

	2015
Balance - beginning of the year	\$ 9,906,729
Receipts:	
Grant received	5,949,126
Interest accrued 7/1/2014 through 6/30/2015	53,188
Expenses:	
MetroBase Construction	(3,061,817)
Balance - end of year	\$ 12,847,226

NOTE 15 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description

Santa Cruz METRO provides post-retirement CalPERS medical benefits to qualified retired employees age 50 and older (including eligible dependents) who have completed at least five years of CalPERS eligible service. Santa Cruz METRO pays medical premiums depending on bargaining union and PEMHCA contract requirements. If the retiree has ten years of Santa Cruz METRO eligible service, Santa Cruz METRO provides post-retirement dental and vision benefits for qualified retirees (including eligible dependents), and life insurance for the retiree only, until the retiree reaches age 65. The costs of providing these benefits are recognized when paid. Santa Cruz METRO has recognized approximately \$2,487,455 of expense for these benefits for the year ending June 30, 2015.

Attachment A

NOTE 15 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation

Santa Cruz METRO's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. For fiscal year 2014-15, Santa Cruz METRO's annual OPEB cost was \$7,201,292. Santa Cruz METRO's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2015, were as follows:

	2015
Annual required contribution	\$ 7,331,665
Interest on net OPEB obligation	741,236
Adjustments to annual required contribution	(871,609)
Annual OPEB cost	7,201,292
Contributions made	2,487,455
Change in net OPEB obligation (asset)	4,713,837
Net OPEB obligation (asset) - beginning of year	18,530,908
Net OPEB obligation (asset) - end of year	\$ 23,244,745

Year Ended June 30,	Annual OPEB Cost	Actual Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net Ending OPEB Obligation
2015	\$ 7,201,292	\$ 2,487,455	34.54%	\$ 23,244,745

Funding Policy, Funded Status, and Funding Progress

Santa Cruz METRO's required contribution is based on pay-as-you-go financing requirements. For fiscal year 2014-15, Santa Cruz METRO contributed \$2,487,455 to the plan.

As of July 1, 2013, the most recent actuarial valuation date, the projected actuarial accrued liability (AAL) for benefits was \$76,452,944 all of which was unfunded.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and probability about the occurrence of future events far into the future. Amounts determined regarding the funded status of a plan and the annual required contributions of Santa Cruz METRO are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Attachment A

NOTE 15 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (Continued)

Actuarial Methods and Assumptions

Calculations of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with long-term perspective of the calculations.

The actuarial assumptions used for rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare inflation and interest were based on a standard set of actuarial assumptions modified as appropriate for Santa Cruz METRO. Turnover, mortality, and retirement rates were taken from the CalPERS actuarial table for miscellaneous employees, which closely matches Santa Cruz METRO experience. Healthcare inflation rates are based on the general health care environment. Actual healthcare premiums through 2014 were used and then projected to increase in future years by 8.5% in 2015, with the increases gradually declining until reaching 4.50% in 2024 (4.64% future premiums increases assumed for all years after 2024). The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis over 30 years from June 30, 2008, with 23 years remaining as of June 30, 2015.

NOTE 16 – PRIOR PERIOD ADJUSTMENT

A prior period adjustment was made to Net Position as follows:

Net Position June 30, 2014	\$ 75,034,459
Implementation of GASB Statement No. 68	
Net pension liability (measurement date)	(49,905,366)
Deferred outflows of resources - PERS contributions made during the fiscal year ended 2014	<u>3,668,004</u>
Prior period adjustment	<u>(46,237,362)</u>
Restated net position at June 30, 2014	<u>\$ 28,797,097</u>

NOTE 17 – SUBSEQUENT EVENTS

Subsequent events were evaluated by management through December 22, 2015, which is the date of issuance. There were no subsequent events identified by management which would require disclosure in these financial statements.

Attachment A

REQUIRED SUPPLEMENTARY INFORMATION

Attachment A

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
AN AGENT MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED JUNE 30, 2015
LAST 10 YEARS***

	<u>Measurement Period 2013/14</u>
Total Pension Liability	
Service Cost	\$ 3,200,114
Interest on Total Pension Liability	10,709,850
Benefit Payments, Including Refunds of Employee Contributions	<u>(6,660,594)</u>
Net Change in Total Pension Liability	7,249,370
Total Pension Liability - Beginning	<u>144,528,243</u>
Total Pension Liability - Ending (a)	<u><u>\$ 151,777,613</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 3,668,004
Contributions - Employee	1,573,391
Net Investment Income	16,262,179
Benefit Payments	<u>(6,660,594)</u>
Net Change in Plan Fiduciary Net Position	14,842,980
Plan Fiduciary Net Position - Beginning	<u>94,622,877</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 109,465,857</u></u>
Net Pension Liability - Ending [(a) - (b)]	<u><u>\$ 42,311,756</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.12%
Covered-Employee Payroll	\$ 18,385,116
Net Pension Liability as a Percentage of Covered- Employee Payroll	230.14%

* Fiscal year 2015 was the 1st year of implementation; therefore, only one year is shown.

Notes to Schedule:

Benefit changes. In 2015, there were no benefit changes.

Changes in assumptions. In 2015, there were no changes in assumptions.

Attachment A

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
AN AGENT MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED JUNE 30, 2015
LAST 10 YEARS***

	Fiscal Year 2013-14
Actuarially Determined Contributions	\$ 3,668,004
Contributions in Relation to the Actuarially Determined Contributions	<u>(3,668,004)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>
Covered-Employee Payroll	\$ 18,385,116
Contributions as a Percentage of Covered- Employee Payroll	19.95%

* Fiscal year 2015 was the 1st year of implementation; therefore, only one year is shown.

Attachment A

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS
JUNE 30, 2015**

Supplementary information in intended to show the progress made towards funding benefit obligations. Required three-year supplemental information, available to date, for Santa Cruz METRO is as follows:

Actuarial Valuation Date*	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b - a)/c]
4/1/2010	\$ -	\$ 43,442,791	\$ 43,442,791	0.00%	\$ 16,109,672	269.67%
6/30/2011	-	59,164,000	59,164,000	0.00%	15,925,000	371.52%
7/1/2013	-	72,397,782	72,397,782	0.00%	18,682,878	387.51%

*Based on the latest actuarial valuation

Attachment A

SUPPLEMENTARY INFORMATION

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT STATEMENT OF OPERATING EXPENSES FOR THE YEAR ENDED JUNE 30, 2015

	<u>2015</u>
Labor	
Operators' salaries and wages	\$ 8,947,861
Other salaries and wages	7,037,245
Overtime	<u>2,897,520</u>
	<u>18,882,626</u>
Fringe Benefits	
Absence with pay	3,690,590
Pension plans	3,507,337
Vision, medical, and dental plans	9,363,094
Workers' compensation insurance	829,705
Disability insurance	337,417
Other fringe benefits	184,402
Other postemployment benefits	<u>4,670,819</u>
	<u>22,583,364</u>
Services	
Accounting	84,494
Administrative and banking	350,240
Professional and technical services	666,954
Security	477,038
Outside repairs	928,346
Other services	<u>142,019</u>
	<u>2,649,091</u>
Materials and Supplies Consumed	
Fuels and lubricants	2,262,328
Tires and tubes	252,890
Vehicle parts	965,831
Other materials and supplies	<u>400,505</u>
	<u>3,881,554</u>
Utilities	501,147
Casualty and Liability Costs	491,907
Taxes and Licenses	42,698
Purchased Transportation Services	
Paratransit	170,746
Miscellaneous Expenses	195,770
Equipment and Facility Lease	215,224
Depreciation	
Property acquired with operator funds	311,386
Property acquired by federal, state, or Transportation Development Act funds	<u>5,013,962</u>
	<u>5,325,348</u>
Total Operating Expenses	<u><u>\$ 54,939,475</u></u>

Attachment A

OTHER SCHEDULES AND REPORTS

10-17A.45

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2015

Federal Grantor / Program Title	Federal CFDA No.	Pass-Through Grantor's Number	Total Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION			
Direct Programs:			
Federal Transit Administration (FTA)			
Cluster Defined by the Department of Transportation			
Section 3/5309 Consolidation			
Pacific Station Expansion FY2008 (Design/Engineering)	20.500	CA-04-0102	\$ 378,528
State of Good Repair (SGR #2) CNG Bus Purchase	20.500	CA-04-0225	<u>14,779</u>
			<u>393,307</u>
Section 9/5307			
Operating Assistance	20.507	CA-90-Z210	5,478,097
Section 18/5311-5317			
Rural Operating Assistance - 5311	20.509	6414169	212,267
Section 18/5304			
AMBAG Transit Planning Student Internships	20.515	N/A	<u>14,103</u>
Total Expenditures of Federal Awards			<u><u>\$ 6,097,774</u></u>

See accompanying notes to schedule of expenditures of federal awards.

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2015

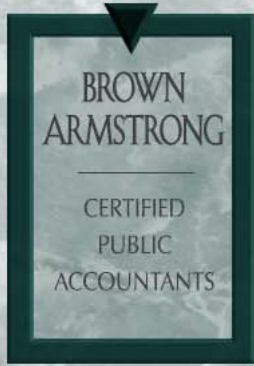
NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO). Federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other governmental agents, is included on the schedule.

NOTE 2 – BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Federal capital grant funds are used to purchase property, plant, and equipment. Federal grants receivable are included in capital and operating grants receivable, which also includes receivables from state and local grant sources.

Attachment A



BROWN ARMSTRONG
Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Santa Cruz Metropolitan Transit District
Santa Cruz, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Santa Cruz METRO's basic financial statements, and have issued our report thereon dated December 22, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Santa Cruz METRO's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Santa Cruz METRO's internal control. Accordingly, we do not express an opinion on the effectiveness of Santa Cruz METRO's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Santa Cruz METRO's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Attachment A

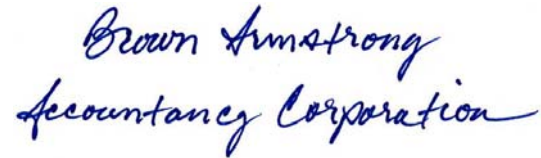
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Santa Cruz METRO's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

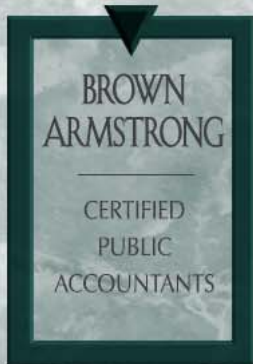
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Santa Cruz METRO's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Santa Cruz METRO's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive style and is positioned below the printed name of the firm.

Bakersfield, California
December 22, 2015

Attachment A



BROWN ARMSTRONG
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Directors
Santa Cruz Metropolitan Transit District
Santa Cruz, California

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Report on Compliance for Each Major Federal Program

We have audited the Santa Cruz Metropolitan Transit District's (Santa Cruz METRO) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of Santa Cruz METRO's major federal programs for the year ended June 30, 2015. Santa Cruz METRO's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Santa Cruz METRO's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Santa Cruz METRO's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Santa Cruz METRO's compliance.

Opinion on Each Major Federal Program

In our opinion, Santa Cruz METRO complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Attachment A

Report on Internal Control Over Compliance

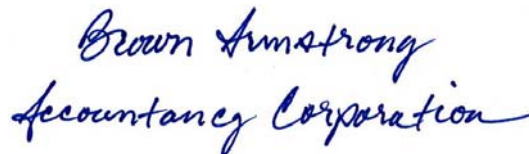
Management of Santa Cruz METRO is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Santa Cruz METRO's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Santa Cruz METRO's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

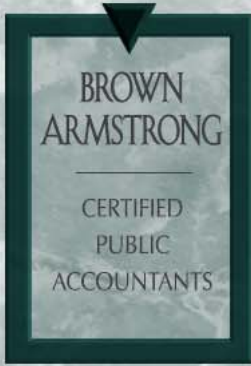
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation".

Bakersfield, California
December 22, 2015

Attachment A



BROWN ARMSTRONG *Certified Public Accountants*

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH THE STATUTES, RULES, AND REGULATIONS OF THE CALIFORNIA TRANSPORTATION DEVELOPMENT ACT AND THE ALLOCATION INSTRUCTIONS AND RESOLUTIONS OF THE TRANSPORTATION COMMISSION

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To the Board of Directors
Santa Cruz Metropolitan Transit District
Santa Cruz, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) as of and for the year ended June 30, 2015, and have issued our report thereon dated December 22, 2015.

Compliance

As part of obtaining reasonable assurance about whether the Santa Cruz METRO's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Additionally, we performed tests to determine that allocations made and expenditures paid by Santa Cruz METRO were made in accordance with the allocation instructions and resolutions of the Transportation Commission and in conformance with the California Transportation Development Act. Specifically, we performed each of the specific tasks identified in the California Code of Regulations Sections 6666 and 6667 that are applicable to Santa Cruz METRO. In connection with our audit, nothing came to our attention that caused us to believe Santa Cruz METRO failed to comply with the Statutes, Rules, and Regulations of the California Transportation Development Act and the allocation instructions and resolutions of the Transportation Commission. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

Also as part of our audit, we performed tests of compliance to determine whether certain state funds were received and expended in accordance with the applicable bond act and state accounting requirements.

Other Matters

In November 2006, California voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B). Of the \$19.925 billion of state general obligation bonds authorized, \$4 billion was set aside by the State as instructed by statute as the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA). These funds are available to the California Department of

Attachment A

Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety, or modernization improvements; capital service enhancements or expansions; new capital projects; bus rapid transit improvements; or for rolling stock procurement, rehabilitation, or replacement.

During the fiscal year ended June 30, 2015, Santa Cruz METRO received \$5,949,126 from the State's PTMISEA funds for the purpose of construction of the Consolidated MetroBase Project. As of June 30, 2015, PTMISEA interest received and funds expended were verified in the course of our audit as follows:

Schedule of PTMISEA Proposition 1B Grants For the Year Ended June 30, 2015

	<u>2015</u>
Balance - beginning of the year	\$ 9,906,729
Receipts:	
Grant received	5,949,126
Interest accrued 7/1/2014 through 6/30/2015	53,188
Expenses:	
MetroBase Construction	<u>(3,061,817)</u>
Balance - end of year	<u><u>\$ 12,847,226</u></u>

The results of our tests indicated that, with respect to the items tested, Santa Cruz METRO complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that Santa Cruz METRO had not complied, in all material respects, with those provisions.

Purpose of this Report

The purpose of this report is solely to describe the scope of our internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Santa Cruz METRO's internal control or on compliance. Accordingly, this report is not suitable for any other purpose.

This report is intended solely for the information and use of management and the Board of Directors of Santa Cruz METRO, the California Department of Transportation, the State Controller's Office, and officials of applicable grantor agencies. However, this report is a matter of public record and its distribution is not limited.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Bakersfield, California
December 22, 2015

Attachment A

FINDINGS AND QUESTIONED COSTS SECTION

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT SCHEDULE OF FINDINGS AND QUESTIONED COSTS JUNE 30, 2015

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness identified? Yes No

Reportable conditions identified that are not considered to be material weaknesses? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

Material weakness identified? Yes No

Reportable conditions identified that are not considered to be material weaknesses? Yes None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section .510(a)? Yes No

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Clusters

20.500

Federal Transit Capital Investment Grants – Section 3

20.507

Federal Transit Formula Grants – Section 9

Dollar threshold used to distinguish type A and B programs: \$300,000

Auditee qualified as low risk auditee? Yes No

II. Findings Relating to Financial Statements Required Under Generally Accepted Government Auditing Standards

None.

III. Federal Award Findings and Questioned Costs

None.

Attachment A

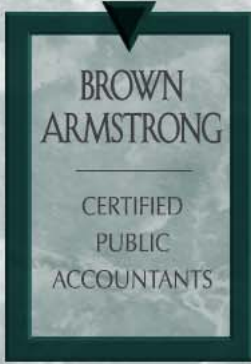
IV. State Award Findings and Questioned Costs

None.

V. A Summary of Prior Audit (all June 30, 2014) Findings and Current Year Status Follows

None.

Attachment B



BROWN ARMSTRONG *Certified Public Accountants*

To the Board of Directors
Santa Cruz Metropolitan Transit District
Santa Cruz, California

We have audited the financial statements of Santa Cruz Metropolitan Transit District (Santa Cruz METRO) for the year ended June 30, 2015. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, and *Government Auditing Standards* and the U.S. Office of Management and Budget (OMB) Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 14, 2015. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Santa Cruz METRO are described in Note 1 to the financial statements. During the year ended June 30, 2015, Santa Cruz METRO implemented Governmental Accounting Standards Board (GASB) Statement No. 68 – *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. We noted no transactions entered into by Santa Cruz METRO during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements were:

Management's estimate of future pension and other postemployment benefits (OPEB) are based on actuarial valuations that involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. We evaluated the key factors and assumptions used to develop the pension and other post employment benefits valuation in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the accrued claims is based on management's past experience and expected useful life. We evaluated the key factors and assumptions used to develop the accrued claims in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of Defined Benefit Pension Plan Net Pension liability in Note 10, Annual OPEB Cost and Net OPEB Obligation in Note 15 and unpaid claims in Note 12 to the financial statements is based on actuarial assumptions adopted by management.

10-17B.1

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Attachment B

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to Santa Cruz METRO's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 22, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Santa Cruz METRO's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Santa Cruz METRO's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Schedule of Funding Progress, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Attachment B

Restriction on Use

This information is intended solely for the use of the Board of Directors and management of Santa Cruz METRO and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

*Brown Armstrong
Accountancy Corporation*

Bakersfield, California
December 22, 2015

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DATE: January 22, 2016
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
SUBJECT: METRO PARTICIPATION IN THE BUS COALITION

I. RECOMMENDED ACTION

That the Board of Directors receive and file this report

II. SUMMARY

- At the November 13, 2015 Board meeting, the Board Chair requested an update on Santa Cruz Metropolitan Transit District's (METRO) participation in The Bus Coalition
- The METRO Board authorized participation in The Bus Coalition in 2014
- METRO pays \$1,000/year to participate in The Bus Coalition
- The Bus Coalition's Mission: Ensure America's bus transit systems are adequately funded by the Federal Government to provide the American people (our riders) safe and reliable public bus transportation.
- Approximately 52 transit properties, located in 36 states, participate in The Bus Coalition
- The Bus and Bus Facilities discretionary grant program was not included in the 2012 transportation reauthorization Moving Ahead for Progress in the 21st Century Act (MAP-21)
- The Bus Coalition has been the only entity singularly focused on the reestablishment of the Bus and Bus Facilities discretionary grant program
- The Bus Coalition is to be credited with the successful inclusion of the Bus and Bus Facilities discretionary grant program in the recently approved Fixing America's Surface Transportation Act (FAST Act)
- Under the FAST Act, the reestablished Bus and Bus Facilities discretionary grant program, plus the formula program, result in an FY16 Federal funding level at about 29% below the pre-MAP-21 (2011) funding levels. By FY20, the funding level will improve to about 18% below the pre-MAP-21 funding level.

III. DISCUSSION/BACKGROUND

At the November 13, 2015 Board meeting, the Board Chair requested an update on METRO's participation in The Bus Coalition. In 2014, the METRO Board

authorized participation in The Bus Coalition. METRO pays \$1,000/year to participate in The Bus Coalition. Approximately 52 transit properties, located in 36 states, participate in The Bus Coalition.

In 2012, under the Moving Ahead for Progress in the 21st Century Act (MAP-21), the Federal Bus and Bus Facilities discretionary grant program was removed from Federal transit reauthorization and replaced with a formula program. Over the years before 2012, METRO had competed well in this discretionary program and obtaining Federal earmarks, achieving an average award level of approximately \$1.82 million/year over a five-year period. METRO had become dependent upon the Bus and Bus Facilities grant program and Federal earmarks to fund new bus purchases and new facilities. Since 2012, the MAP-21 Bus and Bus Facilities formula grant program has provided METRO about \$450,000/year. New buses cost in excess of \$600,000/each. METRO has invested these formula grant funds in new ParaCruz vehicles. In the absence of the Bus and Bus Facilities discretionary grant program and Federal earmarks, METRO has been unable to procure new buses, thereby resulting in an increase in the average age of METRO's fixed-route bus fleet.

The Bus Coalition has been the only entity singularly focused on the reestablishment of the Bus and Bus Facilities discretionary grant program and should be credited with the successful reestablishment of the Bus and Bus Facilities discretionary grant program in the recently approved Fixing America's Surface Transportation Act (FAST Act). Under the FAST Act, the reestablished Bus and Bus Facilities discretionary grant program, plus the formula program, result in an FY16 Federal funding level at about 29% below the pre-MAP-21 funding levels. By FY20, the funding level will improve to about 18% below the pre-MAP-21 funding level.

Given that the FAST Act is a five-year Act, in the coming years we will need to continue to work with The Bus Coalition to help Federal legislators understand the capital needs of transit properties across the nation and to seek increased capital funding five years from now.

The CEO recommends that METRO continue to be an active participant in The Bus Coalition. Absent Board direction to the contrary, the CEO will continue to budget the cost of participation in The Bus Coalition through the annual budget process.

IV. FINANCIAL CONSIDERATIONS/IMPACT

Continued participation in The Bus Coalition will result in an annual expense of \$1,000. The CEO is responsible for budgeting this expense annually through the budget process.

V. ALTERNATIVES CONSIDERED

- Direct the CEO to discontinue participation in The Bus Coalition starting in the FY17 budget.

VI. ATTACHMENTS

Attachment A: Various documents associated with The Bus Coalition

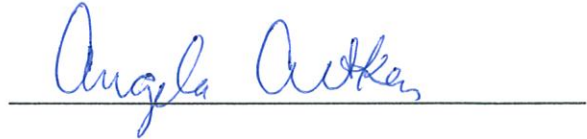
Prepared By: Alex Clifford, CEO/General Manager

VII. APPROVALS:

Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A



A Few Words About Us:

The Bus Coalition® is a broad coalition comprised of public, private, and non-profit bus industry leaders from across the United States. Our members range from bus transit systems management, bus transit manufacturers, bus transit suppliers, and bus transit support groups who are passionate and dedicated to ensuring all bus transit systems in America are funded at a level which will ensure safe and reliable service to all Americans.

Founded in April 2014 with only 17 founding members, we have grown substantially to a coalition containing over 100 supporters and members of all sizes. As we work hard towards becoming one of the voices for our nation's bus transit systems, we are not only focused on the DEVASTATING MAP-21 bill but all issues transit systems have as a whole.

The Bus Coalition is working in concert with APTA and CTAA on the mutual goal of increasing overall transit funding and restoring bus transit funding. Bus capital needs have continued to grow during the two years that MAP-21 has been in existence and the lack of available funding is creating a crisis in the delivery of safe and reliable bus service.

Lastly, The Bus Coalition is an IRS registered 501(c)(6) nonprofit organization and a successfully Registered Trademark.

We support the agenda of:



The Bus Coalition® urges Congress to restore bus transit funding for capital needs!

Problem:

- Under MAP-21, dedicated bus capital funds were reduced from over 20% of dedicated transit capital funding, to 9.5% of the funds.
- MAP-21 eliminated the \$984 million competitive Bus and Bus Facilities program, moving \$422 million to a Formula Bus program (Section 5339) and created a net loss of \$562 million, or 57 percent, to dedicated bus capital funding.

Request:

- The Bus Coalition requests that Congress, in addition to the (Section 5339), Bus Facilities and Formula Grants Program, establish a competitive Bus State of Good Repair program as a counterpart to the State of Good Repair program (Section 5337) or restore the old Bus & Bus Facilities with modifications.
- Either should be funded out of the Mass Transit Account of the Highway Trust Fund.
- Either should be funded with at least \$492 M for FY16, \$ 687 M for FY17, \$777 M for FY18, \$878 M for FY19, \$992 for FY20, 1.389B for FY21 with the proviso that no more than 4 percent would be available to any one recipient in any one grant year. These amounts represent 50% of the total bus-funding program with the remaining 50% coming from the Formula Bus program.
- The Formula Bus program (5339) should remain funded as is but designated recipient status should mirror 5307.

Justification:

- Bus Transit needs have continued to grow during the three years that MAP-21 has been in existence and the lack of available funding is creating a crisis in the delivery of safe and reliable bus service. The longer bus systems go without proper funding, the greater the possibility systems will be forced to use older, higher-mileage buses to support their service area. This will increase maintenance costs, and decrease funds available for the purchase of newer and more efficient buses.
- While core formula funds can be used for bus capital needs, funds specific to capital investment are critical for transit agencies to plan their bus and facility replacement needs.
- Bus systems in the United States carry more than 52% of all transit riders and receive only 9.5% of transit capital program funds under MAP-21.



Attachment A

The Bus Coalition

1001 Office Park Road, Ste. 105
West Des Moines, IA 50265
Website: www.buscoalition.com
Email: info@buscoalition.com

Alex Clifford
Santa Cruz Metro. Transit District
110 Vernon Street
Santa Cruz, CA 95060

Steering Committee

Mark Little, Chairman
MET Transit
Waterloo, IA

Todd Morrow, Treasurer
Community Transit
Snohomish County, WA

Bev Thomas, Membership
Iowa Public Transit Assoc.
West Des Moines, IA

Jeff Hamm
C-Tran
Vancouver, WA

Jeff Meilbeck
NAIPTA
Flagstaff, AZ

Randy Hume
Fayetteville Transit
Fayetteville, NC

Ron Kilcoyne
Lane Transit District
Springfield, OR

David Armijo
AC Transit
Oakland, CA

Jeff Nelson
Metro Link
Moline, IL

Mark Huffer
Kansas City, MO

Leslie White
Santa Cruz, CA

Ed Redfern
Executive Director

Dear Alex,

2015 has been a momentous year for The Bus Coalition. Thanks to you, our members and supporters, and the tireless efforts of Ed Redfern and Lance Husak, The Bus Coalition was singularly responsible for at least \$267 million more in authorized federal funding for Bus and Bus Facilities over the next five years than would otherwise have been the case. When new funding for Bus and Bus Facilities failed to materialize in early bills, The Bus Coalition's efforts alone galvanized Congresswoman Jaime Herrera – Beutler, Senator Jerry Moran and many others into champions for boosting Bus and Bus Facilities funding back to pre MAP-21 levels by shifting Program 5340 High Density States funding. Controversial? Yes. Effective? Yes. The Bus Coalition took the need for a bus competitive grant program directly to more than 80 key members of Congress and pressed Committee staff for its inclusion in the draft bills. We succeeded in getting Congress to put directives in the bill to require FTA to consider age and mileage of buses when making grants and to ensure that no single grantee could garner more than 10% of year's total Bus and Bus Facilities grant apportionment thus spreading the funds out to more systems.

Are we done? Several of us discussed this question on an all-member conference call two weeks ago. We concluded there is value in continuing The Bus Coalition. Bus and Bus Facilities federal funding authorization remains well below pre-MAP-21 levels. For the next five years Congress will have to decide annually how much it wishes to appropriate to each FTA funding program from its respective authorized level. We can be sure that budget changes and financing revisions to the FAST Act will occur down the line. These all represent threats and opportunities. Our "partnership" with APTA remains a work in progress. Our "two oars in the water" strategy discussed in San Francisco earlier this year remains in place. We seek a collaborative, coordinated working relationship with APTA but if our interests diverge significantly, The Bus Coalition is prepared to go it alone.

Attached you will find an invoice (or) a membership application form for the dues for membership in The Bus Coalition. Dues are based on last year's dues structure. The Bus Coalition is a 501 (c) (6) organization. Part of our efforts in 2016 will be to better organize our leadership and communication structure. Please help us by renewing your membership to guarantee we continue to protect and grow federal bus transit programs in the future. Thanks for your consideration.

Mark Little, Chair

Jeff Hamm, Vice- Chair

10-18A.2



THE BOARD OF DIRECTORS PROUDLY PRESENTS THIS

CERTIFICATE OF APPRECIATION

TO

MARIA GRANADOS-BOYCE
CUSTOMER SERVICE SUPERVISOR

FOR THE COMPLETION OF **35** YEARS OF SERVICE
BETWEEN 1981 AND 2016.

GIVEN THIS 22ND DAY OF JANUARY 2016

CHAIR, BOARD OF DIRECTORS

CEO/GENERAL MANAGER

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BEFORE THE BOARD OF DIRECTORS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Resolution No.
On the Motion of Director:
Duly Seconded by Director:
The Following Resolution is Adopted:

RESOLUTION OF APPRECIATION FOR THE SERVICES OF GERALD ANDRADE AS BUS OPERATOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

WHEREAS, the provision of public transportation service requires a competent, dedicated workforce, and

WHEREAS, the METRO, requiring an employee with expertise and dedication appointed Gerald Andrade to serve in the position of Bus Operator, and

WHEREAS, Gerald Andrade served as a member of the Operations Department of METRO for the time period of July 12, 2007 to December 29, 2015, and

WHEREAS, Gerald Andrade provided METRO with dedicated service and commitment during the time of employment, and

WHEREAS, Gerald Andrade served METRO with distinction, and

WHEREAS, the service provided to the residents of Santa Cruz County by Gerald Andrade resulted in reliable, quality public transportation being available in the most difficult of times, and

WHEREAS, during the time of Gerald Andrade's service, METRO expanded service, improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

WHEREAS, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by Gerald Andrade.

NOW, THEREFORE, BE IT RESOLVED, that upon his retirement as Bus Operator, the Board of Directors of METRO does hereby commend Gerald Andrade for efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, METRO staff and all of the residents of Santa Cruz County.

BE IT FURTHER RESOLVED, that a copy of this resolution will be presented to Gerald Andrade, and that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 22nd Day of January, 2016 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Leslyn K. Syren, District Counsel

BEFORE THE BOARD OF DIRECTORS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Resolution No.
On the Motion of Director:
Duly Seconded by Director:
The Following Resolution is Adopted:

RESOLUTION OF APPRECIATION FOR THE SERVICES OF DANIEL GARCIA AS BUS OPERATOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

WHEREAS, the provision of public transportation service requires a competent, dedicated workforce, and

WHEREAS, METRO, requiring an employee with expertise and dedication appointed Daniel Garcia to serve in the position of Bus Operator, and

WHEREAS, Daniel Garcia served as a member of the Operations Department of METRO for the time period of January 9, 2004 to December 29, 2015, and

WHEREAS, Daniel Garcia provided METRO with dedicated service and commitment during the time of employment, and

WHEREAS, Daniel Garcia served METRO with distinction, and

WHEREAS, the service provided to the residents of Santa Cruz County by Daniel Garcia resulted in reliable, quality public transportation being available in the most difficult of times, and

WHEREAS, during the time of Daniel Garcia's service, METRO expanded service, improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

WHEREAS, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by Daniel Garcia.

NOW, THEREFORE, BE IT RESOLVED, that upon his retirement as Bus Operator, the Board of Directors of METRO does hereby commend Daniel Garcia for efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, the METRO staff and all of the residents of Santa Cruz County.

BE IT FURTHER RESOLVED, that a copy of this resolution will be presented to Daniel Garcia, and that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 22nd Day of January, 2016 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Leslyn K. Syren, District Counsel

BEFORE THE BOARD OF DIRECTORS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Resolution No.
On the Motion of Director:
Duly Seconded by Director:
The Following Resolution is Adopted:

RESOLUTION OF APPRECIATION FOR THE SERVICES OF JUAN HERNANDEZ AS VEHICLE SERVICE TECHNICIAN FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

WHEREAS, the provision of public transportation service requires a competent, dedicated workforce, and

WHEREAS, METRO, requiring an employee with expertise and dedication appointed Juan Hernandez to serve in the position of Vehicle Service Technician, and

WHEREAS, Juan Hernandez served as a member of the Fleet Maintenance Department of METRO for the time period of November 27, 2000 to December 28, 2015, and

WHEREAS, Juan Hernandez provided METRO with dedicated service and commitment during the time of employment, and

WHEREAS, Juan Hernandez served METRO with distinction, and

WHEREAS, the service provided to the residents of Santa Cruz County by Juan Hernandez resulted in reliable, quality public transportation being available in the most difficult of times, and

WHEREAS, during the time of Juan Hernandez's service, METRO expanded service, improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

WHEREAS, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by Juan Hernandez.

NOW, THEREFORE, BE IT RESOLVED, that upon his retirement as Vehicle Service Technician, the Board of Directors of METRO does hereby commend Juan Hernandez for efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, the METRO staff and all of the residents of Santa Cruz County.

BE IT FURTHER RESOLVED, that a copy of this resolution will be presented to Juan Hernandez, and that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 22nd Day of January, 2016 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Leslyn K. Syren, District Counsel

BEFORE THE BOARD OF DIRECTORS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Resolution No.
On the Motion of Director:
Duly Seconded by Director:
The Following Resolution is Adopted:

RESOLUTION OF APPRECIATION FOR THE SERVICES OF LARRY MUNGIOLI AS BUS OPERATOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

WHEREAS, the provision of public transportation service requires a competent, dedicated workforce, and

WHEREAS, the METRO, requiring an employee with expertise and dedication appointed Larry Mungioli to serve in the position of Bus Operator, and

WHEREAS, Larry Mungioli served as a member of the Operations Department of METRO for the time period of March 4, 1980 to December 17, 2015, and

WHEREAS, Larry Mungioli provided METRO with dedicated service and commitment during the time of employment, and

WHEREAS, Larry Mungioli served METRO with distinction, and

WHEREAS, the service provided to the residents of Santa Cruz County by Larry Mungioli resulted in reliable, quality public transportation being available in the most difficult of times, and

WHEREAS, during the time of Larry Mungioli's service, METRO expanded service, improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

WHEREAS, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by Larry Mungioli.

NOW, THEREFORE, BE IT RESOLVED, that upon his retirement as Bus Operator, the Board of Directors of METRO does hereby commend Larry Mungioli for efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, METRO staff and all of the residents of Santa Cruz County.

BE IT FURTHER RESOLVED, that a copy of this resolution will be presented to Larry Mungioli, and that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 22nd Day of January, 2016 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Leslyn K. Syren, District Counsel

**BEFORE THE BOARD OF DIRECTORS OF THE
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

Resolution No.
On the Motion of Director:
Duly Seconded by Director:
The Following Resolution is Adopted:

**RESOLUTION OF APPRECIATION FOR THE SERVICES OF SHELDON NJAA AS
FACILITIES MAINTENANCE SUPERVISOR FOR THE SANTA CRUZ
METROPOLITAN TRANSIT DISTRICT**

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

WHEREAS, the provision of public transportation service requires a competent, dedicated workforce, and

WHEREAS, METRO, requiring an employee with expertise and dedication appointed Sheldon Njaa to serve in the position of Facilities Maintenance Supervisor, and

WHEREAS, Sheldon Njaa served as a member of the Facilities Maintenance Department of METRO for the time period of October 11, 2007 to December 29, 2015, and

WHEREAS, Sheldon Njaa provided METRO with dedicated service and commitment during the time of employment, and

WHEREAS, Sheldon Njaa served METRO with distinction, and

WHEREAS, the service provided to the residents of Santa Cruz County by Sheldon Njaa resulted in reliable, quality public transportation being available in the most difficult of times, and

WHEREAS, during the time of Sheldon Njaa's service, METRO expanded service, improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

WHEREAS, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by Sheldon Njaa.

NOW, THEREFORE, BE IT RESOLVED, that upon his retirement as Facilities Maintenance Supervisor, the Board of Directors of METRO does hereby commend Sheldon Njaa for efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, the METRO staff and all of the residents of Santa Cruz County.

BE IT FURTHER RESOLVED, that a copy of this resolution will be presented to Sheldon Njaa, and that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 22nd Day of January, 2016 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Leslyn K. Syren, District Counsel

BEFORE THE BOARD OF DIRECTORS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Resolution No.
On the Motion of Director:
Duly Seconded by Director:
The Following Resolution is Adopted:

RESOLUTION OF APPRECIATION FOR THE SERVICES OF LUCERE WHITNEY AS BUS OPERATOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

WHEREAS, the provision of public transportation service requires a competent, dedicated workforce, and

WHEREAS, the METRO, requiring an employee with expertise and dedication appointed Lucere Whitney to serve in the position of Bus Operator, and

WHEREAS, Lucere Whitney served as a member of the Operations Department of METRO for the time period of May 8, 1978 to December 17, 2015, and

WHEREAS, Lucere Whitney provided METRO with dedicated service and commitment during the time of employment, and

WHEREAS, Lucere Whitney served METRO with distinction, and

WHEREAS, the service provided to the residents of Santa Cruz County by Lucere Whitney resulted in reliable, quality public transportation being available in the most difficult of times, and

WHEREAS, during the time of Lucere Whitney's service, METRO expanded service, improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

WHEREAS, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by Lucere Whitney.

NOW, THEREFORE, BE IT RESOLVED, that upon her retirement as Bus Operator, the Board of Directors of METRO does hereby commend Lucere Whitney for efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, METRO staff and all of the residents of Santa Cruz County.

BE IT FURTHER RESOLVED, that a copy of this resolution will be presented to Lucere Whitney, and that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 22nd Day of January, 2016 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Leslyn K. Syren, District Counsel

**BEFORE THE BOARD OF DIRECTORS OF THE
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

Resolution No.
On the Motion of Director:
Duly Seconded by Director:
The Following Resolution is Adopted:

**RESOLUTION OF APPRECIATION FOR THE SERVICES OF PETER WU AS BUS
OPERATOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

WHEREAS, the provision of public transportation service requires a competent, dedicated workforce, and

WHEREAS, the METRO, requiring an employee with expertise and dedication appointed Peter Wu to serve in the position of Bus Operator, and

WHEREAS, Peter Wu served as a member of the Operations Department of METRO for the time period of March 16, 2006 to December 16, 2015, and

WHEREAS, Peter Wu provided METRO with dedicated service and commitment during the time of employment, and

WHEREAS, Peter Wu served METRO with distinction, and

WHEREAS, the service provided to the residents of Santa Cruz County by Peter Wu resulted in reliable, quality public transportation being available in the most difficult of times, and

WHEREAS, during the time of Peter Wu's service, METRO expanded service, improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

WHEREAS, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by Peter Wu.

NOW, THEREFORE, BE IT RESOLVED, that upon his retirement as Bus Operator, the Board of Directors of METRO does hereby commend Peter Wu for efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, METRO staff and all of the residents of Santa Cruz County.

BE IT FURTHER RESOLVED, that a copy of this resolution will be presented to Peter Wu, and that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 22nd Day of January, 2016 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Leslyn K. Syren, District Counsel



Year to Date Monthly Financial Report as of September 30, 2015

Santa Cruz METRO Board of Directors

January 22, 2016

Angela Aitken, Finance Manager

FY16 Operating Revenue and Expenses For the Month Ending September 30, 2015

25% of Fiscal Year Elapsed

\$ In Thousands	Actual	Budget	Actual vs Budget
Operating Revenue:	\$9,835	\$9,640	\$195
Operating Expenses:			
Labor - Regular	\$1,398	\$1,472	(\$74)
Labor - Overtime	\$222	\$202	\$20
Fringe Benefits	\$1,467	\$1,716	(\$249)
Non-Personnel Expenses	\$673	\$780	(\$107)
Total Operating Expenses:	\$3,760	\$4,170	(\$410)
Operating Budget Under / (Over):			\$605

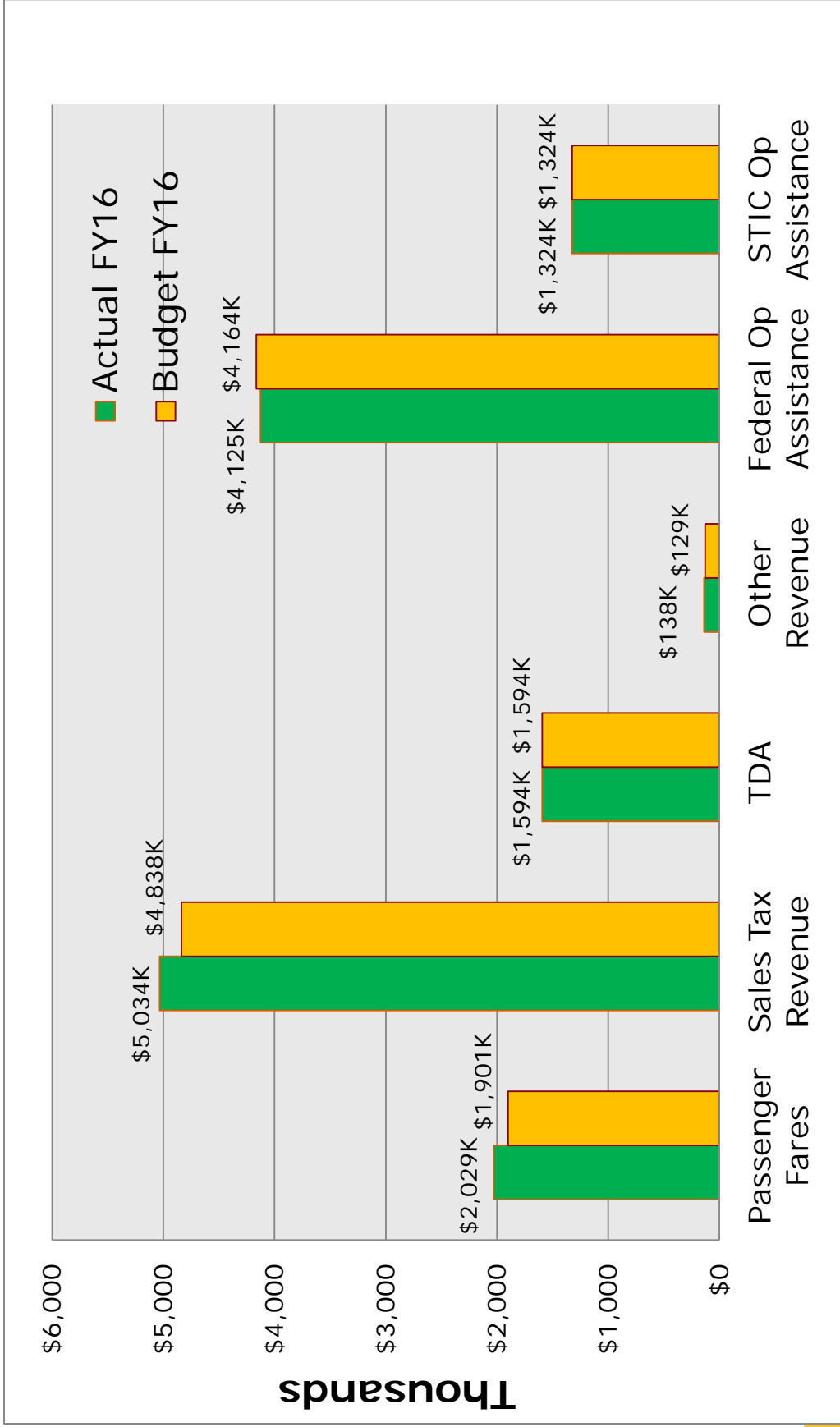


FY16 Operating Revenue and Expenses Year to Date as of September 30, 2015

25% of Fiscal Year Elapsed

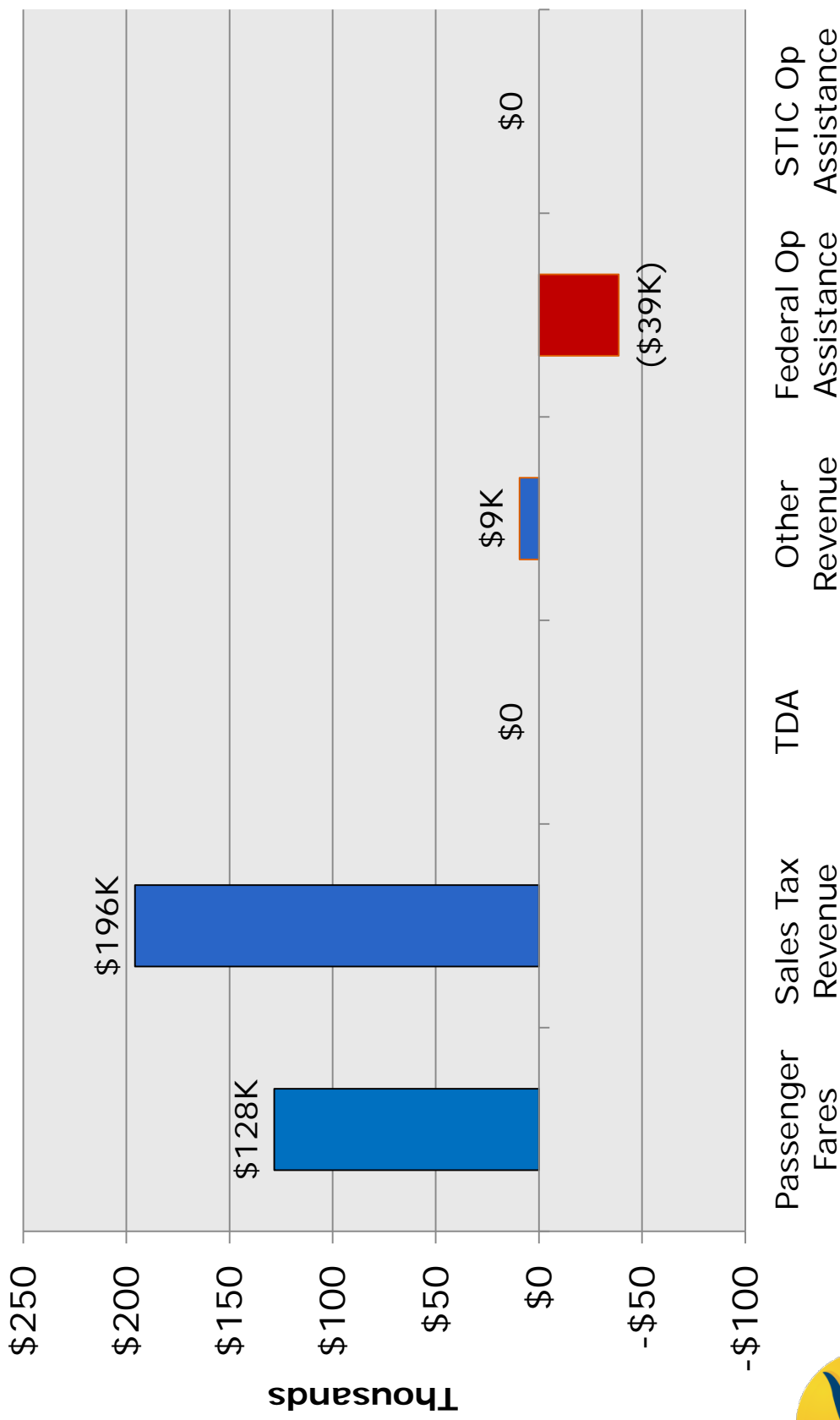
\$ In Thousands	Actual	Budget	Actual vs Budget
Operating Revenue:	\$14,243	\$13,949	\$294
Operating Expenses:			
Labor - Regular	\$4,139	\$4,416	(\$277)
Labor - Overtime	\$687	\$605	\$82
Fringe Benefits	\$4,663	\$5,149	(\$486)
Non-Personnel Expenses	\$1,955	\$2,231	(\$276)
Total Operating Expenses:	\$11,444	\$12,401	(\$957)
Operating Budget Under / (Over):			\$1,251

FY16 Operating Revenue by Major Funding Source Year to Date as of September 30, 2015 25% of Fiscal Year Elapsed

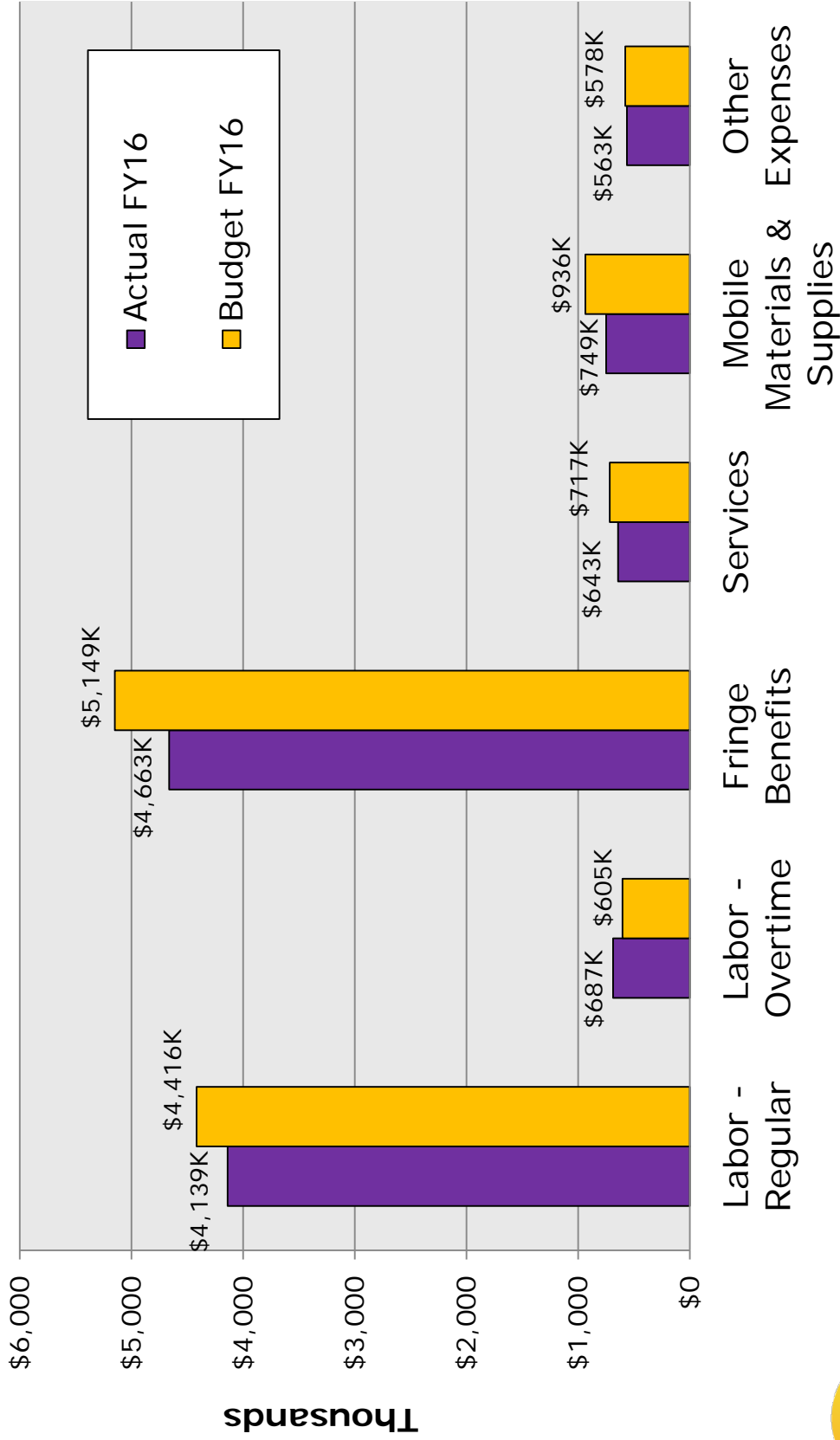


Favorable/(Unfavorable) Revenue Variance to Budget Year to Date as of September 30, 2015

25% of Fiscal Year Elapsed

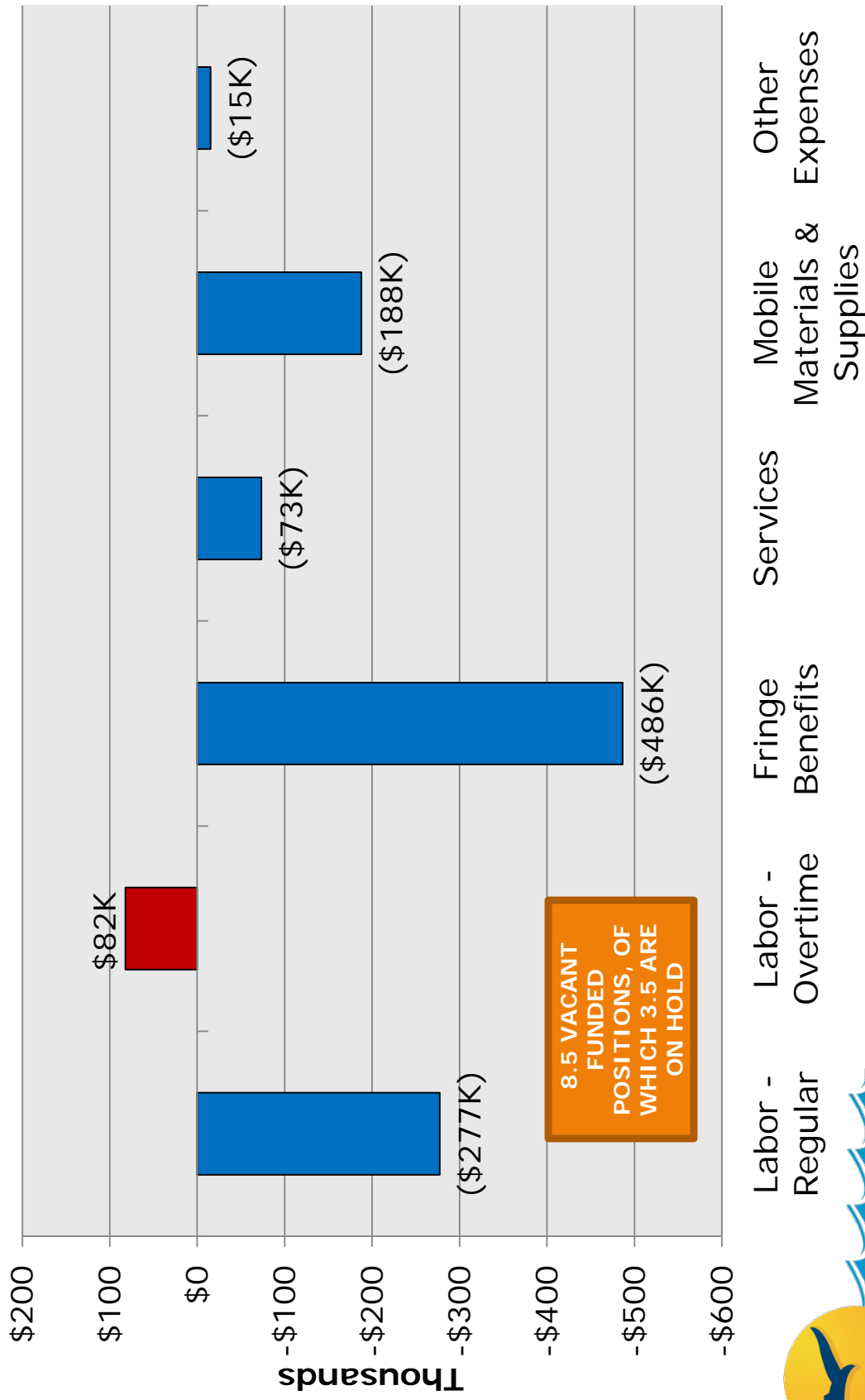


FY16 Operating Expenses by Major Expense Category Year to Date as of September 30, 2015 25% of Fiscal Year Elapsed



(Favorable)/Unfavorable Expense Variance to Budget Year to Date as of September 30, 2015

25% of Fiscal Year Elapsed

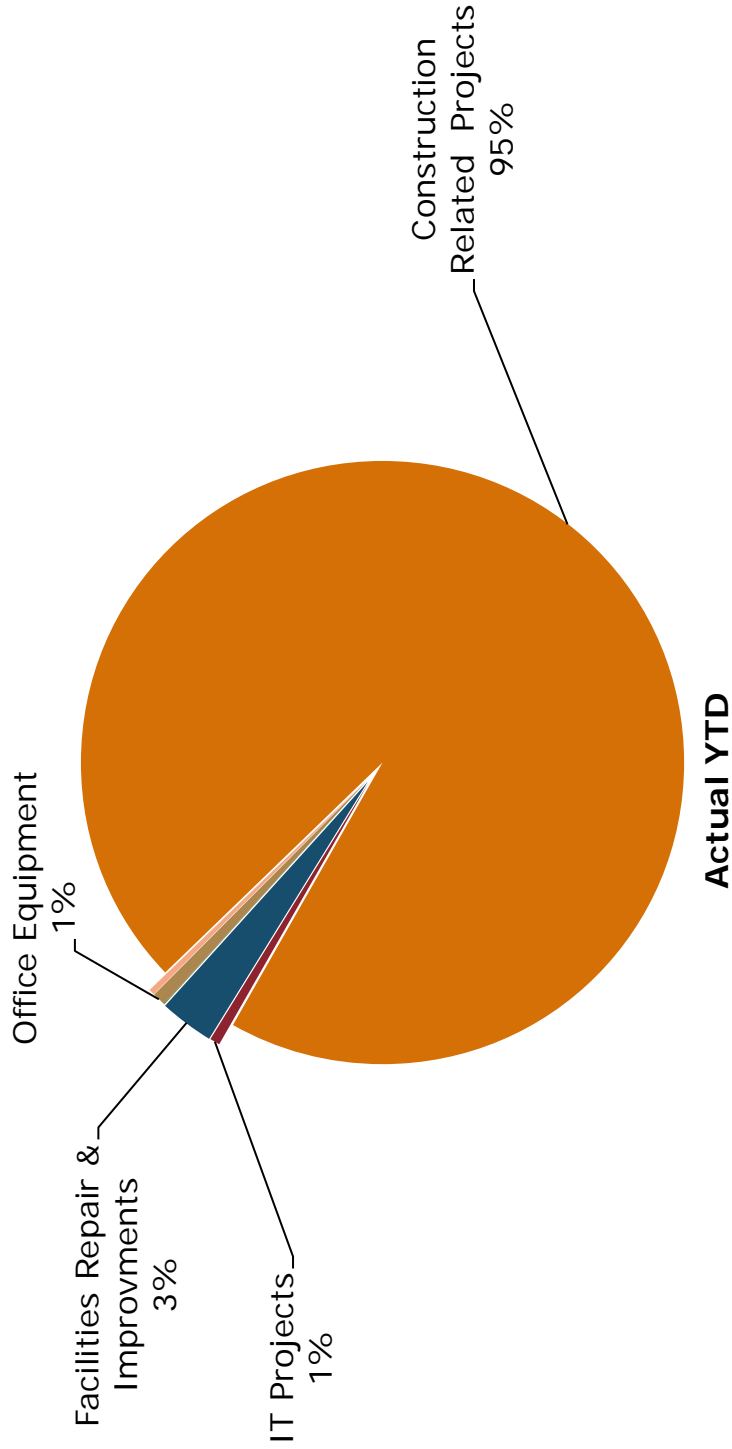


FY16 Capital Budget

Spending Year to Date as of September 30, 2015

25% of Fiscal Year Elapsed

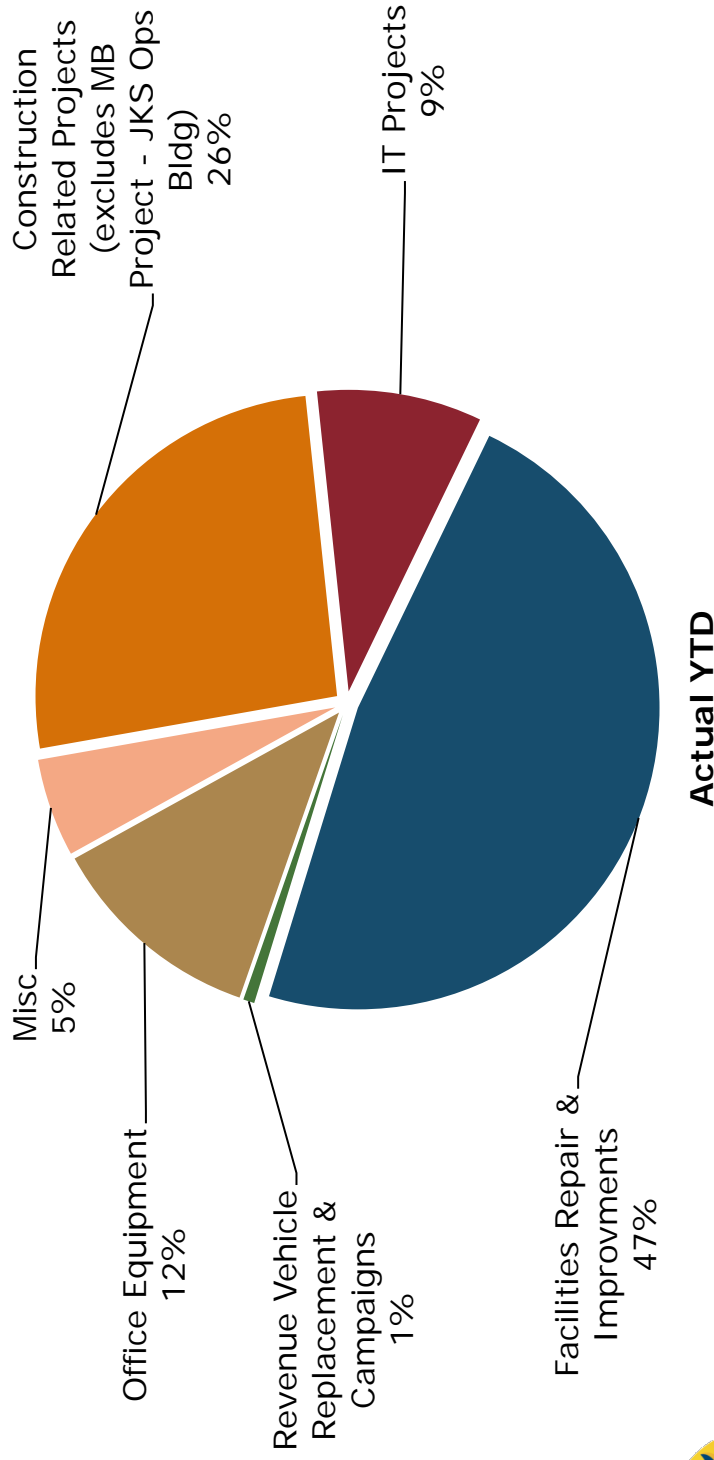
	Actual YTD	Total FY16 Budget	% Spent YTD
Total Capital Projects:	\$3,374,759	\$12,300,503	27%



FY16 Capital Budget - Excludes MetroBase Project - JKS Ops Bldg. Spending Year to Date as of September 30, 2015

25% of Fiscal Year Elapsed

Actual YTD	Total FY16 Budget	% Spent YTD
\$206,419	\$2,519,470	8%



MetroBase Phase II Operations Building Life of Project

Budget Adopted December 11, 2015

Spending as of December 29, 2015

MetroBase Phase II - Life of Project

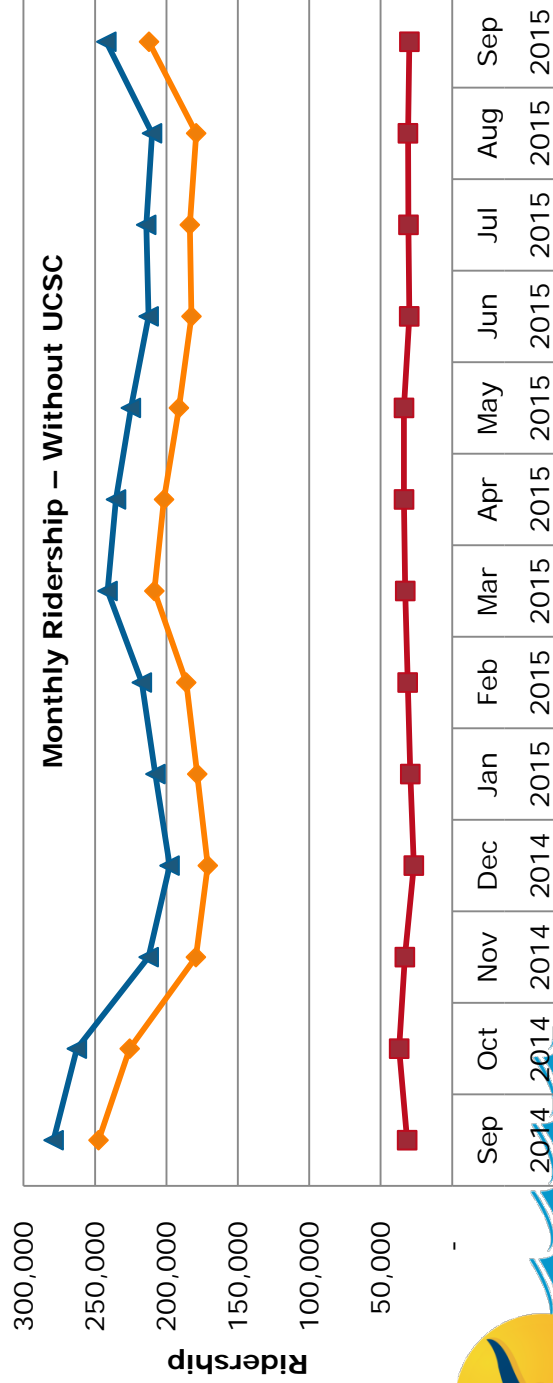
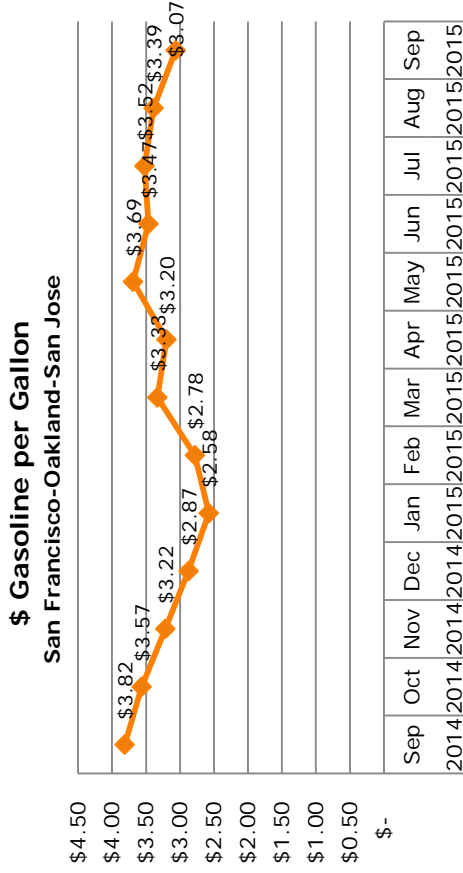
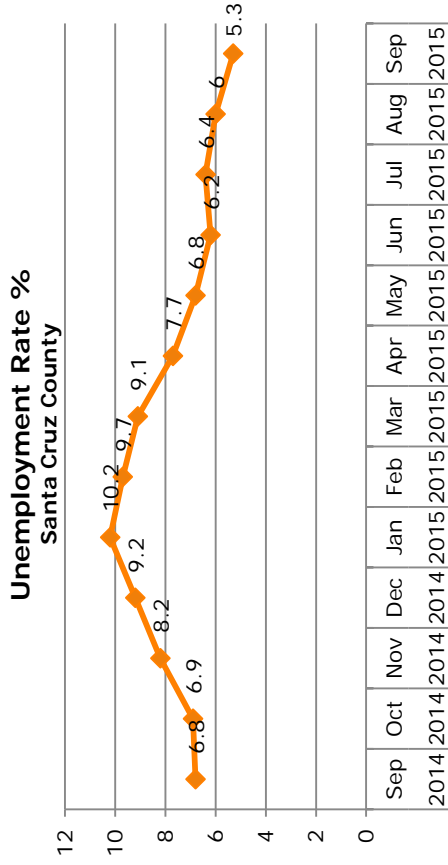
Spending as of December 29, 2015

\$ In Thousands	Budget	Actual	Remaining	% Spent
LCN – Prime Construction Contract	\$13,572	\$13,050	\$522	96%
Construction Contract Contingency	\$2,325	\$1,781	\$544	77%
In-House Project Management	\$633	\$633	\$0	100%
Consultant Costs (Hill Int'l., TRC and RNL)	\$5,919	\$5,289	\$630	89%
Non-Construction Contingencies	\$0	\$0	\$0	0%
Contracted Professional Services – prior to 9/26/14	\$150	\$150	\$0	100%
Additional Cost and Services (VSWs, Security, Dubois, etc.)	\$3,268	\$2,032	\$1,236	62%
Totals Under/(Over):	\$25,867	\$22,935	\$2,932	89%

Additional Information



Additional Information



Questions



DATE: January 22, 2016
TO: Board of Directors
FROM: Angela Aitken, Finance Manager/DBE Liaison Officer
SUBJECT: PUBLIC HEARING TO RECEIVE PUBLIC COMMENTS ON SANTA CRUZ METRO'S PROPOSED DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL OF 1.73% FOR FEDERAL FISCAL YEARS 2015-2017 (FFY15-FFY17) AND APPROVAL OF THE REVISED DBE PROGRAM

I. RECOMMENDED ACTION

That the Board of Directors conduct a public hearing to receive comments on the FFY15-FFY17 DBE Goal and consider adopting a DBE Goal of 1.73%.

II. SUMMARY OF ISSUES

- As a recipient of Federal funds, Santa Cruz Metropolitan Transit District (METRO) is required to comply with Title 49 of the Code of Federal Regulations, Part 26 (49 CFR 26), which states that grantees must establish and implement a Disadvantaged Business Enterprise (DBE) program and set a DBE participation goal.
- The Federal Transit Administration (FTA) requires the DBE goal to be calculated and submitted once every three years.
- Staff proposes a goal of 1.73% for DBE participation for FFY15-FFY17 based upon the attached Methodology (Attachment A).
- METRO's Public Notice announcing its proposed DBE Goal for FFY15-FFY17 was published in the Santa Cruz Sentinel, the Watsonville Pajaronian, METRO's Administrative office, and on its website in English and Spanish (Attachments B and C).
- The Public Notice provided community members the opportunity to present their comments. No comments were received. Today's Public Hearing offers another opportunity for members of the public to comment on the proposed DBE goal.

III. DISCUSSION

As a recipient of more than \$250,000 annually in FTA funds, METRO is required to comply with Title 49 of the Code of Federal Regulations, Part 26 (49 CFR 26), which states that recipients must establish and implement a (DBE) program and set a DBE participation goal. In FY16, METRO will receive approximately \$5.7

million in FTA financial assistance. A DBE firm is a for-profit “small business concern” that is at least 51 percent woman or racial minority owned.

METRO’s policy is to ensure that DBEs have an equal opportunity to receive and participate in FTA-assisted contracts. METRO is prohibited from excluding any person from participating in, denying any person the benefits of, or otherwise discriminating against anyone in connection with the award and performance of any contract covered by 49 CFR 26 on the basis of race, color, sex, national origin, disability or sexual orientation.

Beginning with FFY12, the FTA required recipients to calculate and submit a new DBE goal every three years rather than annually as had been required in the past. The goal currently under consideration is for Federal Fiscal Years 2015 - 2017 (FFY15-FFY17).

METRO staff used the methodology published in 49 CFR 26.45 to establish the FFY15-FFY17 DBE goal. This methodology enables METRO to start with a goal from previous DBE participation, goals of another agency or to calculate one based upon data on the number of DBE vendors relative to all vendors within the same market area. This initial goal would then be modified to adjust for differences between the base year and the current contracting opportunities. METRO proposes a goal of 1.73% for the FFY15-FFY17 period based upon the methodology described in Attachment A.

METRO staff used the FY16 Operating and Capital Budget to establish the FFY15-FFY17 DBE goal. If Federal funding and contract opportunities change significantly during the three-year period, METRO can modify its DBE Goal and submit a revised goal to the FTA.

Outreach/Public Comment Period

METRO disseminated public notices in English and Spanish announcing the proposed DBE goal for FFY15-FFY17. These notices were published in general circulation media, minority-focused media, on METRO’s website, and at the METRO Administration Building.

Comments are being accepted through the end of today’s Public Hearing. No comments have been submitted as of January 06, 2016.

Conducting a Public Hearing today affords the public another opportunity to comment on the proposed FFY15-FFY17 DBE Goal. Adopting the proposed DBE Goal of 1.73% will meet FTA civil rights requirements to calculate and submit a DBE goal every three years.

IV. FINANCIAL CONSIDERATIONS

The costs associated with the publication of METRO's proposed DBE Goal were less than \$850. Adopting the DBE goal for FFY15-FFY17 has no significant financial impact; however, contracts funded with FTA assistance will be monitored and reported regularly for DBE goal achievement.

V. ATTACHMENTS

Attachment A: Methodology for Calculating the Proposed DBE Goal for Federal Fiscal Year 2015 – Federal Fiscal Year 2017 (FFY15-FFY17)

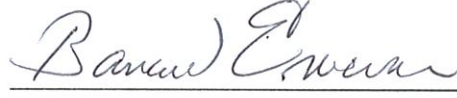
Attachment B: Amended Public Notice: Disadvantaged Business Enterprise Goal for Federal Fiscal Years 2015-2017 (FFY15-FFY17) in English

Attachment C: Amended Public Notice: Disadvantaged Business Enterprise Goal for Federal Fiscal Years 2015-2017 (FFY15-FFY17) in Spanish

Prepared By: Cayla Hill, Administrative Specialist

VII. APPROVALS:

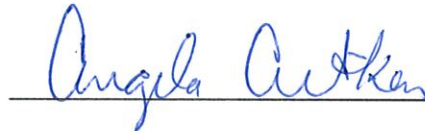
Barrow Emerson,
Planning and Development Manager



Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A



Federal Fiscal Year 2015 - 2017 (FFY15-FFY17) Disadvantaged Business Enterprise Overall Goal and Goal Setting Methodology

I. INTRODUCTION

The FTA requires that any recipient of more than \$250,000 in FTA funds annually must have a DBE goal. Santa Cruz Metropolitan Transit District (Santa Cruz METRO) will receive approximately \$5.7 million in FTA funding in FFY15 and will set a DBE goal, as it has for more than 20 years.

The FTA shifted from a requirement to calculate annually the DBE goal to calculating it every three years. Santa Cruz METRO complied with the requirement to calculate an annual goal through FFY11 and produced a three-year goal beginning with the FFY12-FFY14 period. Based on the requirements set forth in 49 CFR Part 26 (Regulations), Santa Cruz METRO is setting the goal for the three-year FFY15-FFY17 period. The FTA reporting period for the recommended overall goal will be October 1, 2015 to September 30, 2017.

II. PROPOSED OVERALL GOAL FOR FFY15-FFY17

The recommended overall DBE goal for the FFY15-FFY17 period is 1.73% for U.S. Department of Transportation, Federal Transit Administration (FTA) assisted contracts. Calculation of this goal was based on a percentage of all FTA-assisted contracting funds anticipated to be expended between July 1, 2014 and June 30, 2017. Because the budgets beyond FY15 are uncertain at this time, due to changes in federal funding support, and because of potential changes in Santa Cruz METRO's contracting opportunities year-to-year, Santa Cruz METRO calculated the three-year DBE goal based upon the known FY15 budget. Santa Cruz METRO will adjust its DBE goal, if necessary, when future budgets are known and if the contracting opportunities change.

The 1.73% overall goal identifies the relative availability of DBEs based on evidence of ready, willing and able DBEs in relationship to comparable businesses known to be available to compete for Santa Cruz METRO's FTA-assisted contracts. The goal reflects staff's determination of the level of DBE participation expected to be achieved absent the effects of discrimination.

Santa Cruz METRO intends to meet this three-year goal to the maximum extent feasible through race neutral measures. To ensure public participation in the goal-setting process, Santa Cruz METRO staff participated in outreach planning efforts through the Bay Area Business Outreach Community. The proposed overall goal will be publicized in the media and on Santa Cruz METRO's website. In addition, the proposed goal will be posted at Santa Cruz METRO's office in Santa Cruz, California.

Attachment A

III. OVERALL GOAL SETTING METHODOLOGY

The proposed three-year overall goal of 1.73% DBE participation is based on current and prior year contracting opportunities in grants received or anticipated to be received from FTA that Santa Cruz METRO will expend in FY2015 through FY2017. As mentioned previously, operating budgets for FY2016 and FY2017 have not been developed. While the amounts of FTA assistance and budgeted items will differ each year, it is anticipated the types and percentages of contracting opportunities will be similar to those projected for FY2015. The total adjusted FTA-assisted funds for FY2015 are \$48,464,472 with \$1,223,065 in contracting opportunities.

The two-step goal setting process required by the regulations has been used to determine the recommended overall goal for FFY15-FFY17. The two steps for setting an overall DBE goal are:

1. Establish a base figure for the relative availability of DBEs
2. Determine the base figure adjustment, if necessary

The Regulations describe several methods to calculate a DBE goal. In order to establish the base figure for the relative availability of DBEs, Santa Cruz METRO staff determined a simple percentage of DBE vendors in the contracted types of work, weighted by the proportion of total contract opportunities in that type of work as shown in the overall budget. The base DBE goal was then further adjusted to reflect Santa Cruz METRO's actual experience to narrowly tailor the base goal to market conditions. This multi-step process is set forth in detail below. The final goal is expressed as both the percentage and amount of federal dollars in DBE contracting opportunities.

Step 1: Establishing a Base Figure

A. Analyzing Available DBEs in the Relevant Contracting Markets

To calculate Santa Cruz METRO's proposed DBE Goal for FFY15-FFY17, staff used data from Santa Cruz METRO's FY15 Operating and Capital Budget (Budget), the latest (2013) US Bureau of Census County Business Patterns (CBP) database and the California Department of Transportation (Caltrans) database of all statewide, certified DBE vendors, which is updated daily. Both the CBP and Caltrans DBE vendor database offer vendor groupings according to the type of work vendors perform, as categorized by the North American Industry Classification System (NAICS), which provides a two to six-digit number corresponding to every known type of work performed by businesses in North America. In order to compare data from all three data sources using a common classification, staff identified all of the goods and services for which Santa Cruz METRO typically contracts by a corresponding NAICS code. The following text and tables describe the steps taken to calculate the base DBE goal and the adjusted final DBE goal.

First, staff examined Santa Cruz METRO's FY15 Budget to determine the type and amount of contracts which could be awarded from these budgets. As stated above, from an Operating Budget of \$48,464,472, potential contract opportunities equal \$1,223,065. There were no contract opportunities in the Capital Budget. The FTA provides \$5,690,364 in operating assistance and no capital funding assistance. The following table shows the calculations for the first step in determining the base DBE goal.

Attachment A

Santa Cruz METRO DBE Goal Calculation for FFY15 - FFY17

(FFY15 Goal calculation as basis for three-year goal)

Step 1.A: Santa Cruz METRO FY15 Operating Budget Contract Opportunities ⁽¹⁾

	(A) Total	(B) \$ Procurement in Operating Budget	(C) % Procurement in Operating Budget (B) / (A) X 100	(D) \$ FTA Operating Assistance	(E) \$ FTA Operating Assistance in Procurements (C) * (D)
FY15 Operating Budget	\$ 48,464,472	\$ 1,223,065	2.52%	\$ 5,690,364	\$ 143,604

⁽¹⁾ Santa Cruz METRO's FY15 Capital Budget has no federally-funded contract opportunities.

Next, staff identified each item of potential contract work in the Budget by a corresponding NAICS code. Staff aggregated the types of work into the four broader Procurement Groups of Construction, Transportation, Wholesale and Services as set forth in the table below. The four Procurement Groups derived from all contract opportunities are shown in the following table by dollar amount and percentage of total contract opportunities, if any, in each Procurement Group.

Step 1.B. Santa Cruz METRO FY15 Operating Budget Contract Opportunities by Procurement Group

Procurement Group	(1) Construction	(2) Transport	(3) Wholesale	(4) Services	(5) Total
\$ in Group (FY12 Budget)	\$ -	\$ 33,333	\$ 21,250	\$ 1,168,482	\$ 1,223,065
% of All Procurements in Group	0.00%	2.73%	1.74%	95.54%	100.00%
\$ FTA in Group [(1) % * \$ Step 1. (E)]	\$ -	\$ 3,914	\$ 2,495	\$ 137,195	\$ 143,604

Staff then determined the market area from which vendors that bid on Santa Cruz METRO contracts would likely be chosen. Since it is conceivable that a vendor may come from as far north as Sonoma, or as far south as Santa Barbara for the award of a large contract, staff included all of Caltrans Districts 04 and 05 when conducting its base DBE goal calculation. In addition, staff included any DBE vendor in the state that indicated that they perform work in Caltrans Districts 04 and 05, regardless of the vendor's location. The following fourteen counties fall within Caltrans Districts 04 and 05, which therefore create Santa Cruz METRO's market area for the purposes of developing the base DBE goal:

- o Alameda County
- o Contra Costa County
- o Marin County
- o Monterey County
- o Napa County
- o San Benito County
- o San Francisco County
- o San Luis Obispo County
- o San Mateo County
- o Santa Barbara County
- o Santa Clara County

Attachment A

- o Santa Cruz County
- o Solano County
- o Sonoma County

After determining the relevant market area, staff extracted a count of all vendors in the market area from both the County Business Patterns (CBP) database and the Caltrans DBE vendor directory by using the same NAICS code attached to each piece of potential contract work in the Santa Cruz METRO FY15 Operating Budget. The count of all such vendors, DBE vendors and the percentage of DBE vendors by Procurement Group in Santa Cruz METRO's market area are shown in the following table.

Step 1.C. Santa Cruz METRO Market Area Firms by NAICS in Procurement Groups Total Firms and Certified DBEs

County	(1) Construction 2382	(2) Transportation 485991	(3) Wholesale 221210,323110, 423120,423130, 424120,424720, 8112	(4) Services 5221,5241, 541, 561612, 561720,562112,621111,8111, 812332	#Firms in NAICS
Caltrans District 04					
Alameda	660	11	355	8,024	9,050
Contra Costa	457	5	117	5,195	5,774
Marin	169	0	48	2,345	2,562
Napa	69	0	15	669	753
San Francisco	349	7	148	8,365	8,869
San Mateo	424	15	132	4,553	5,124
Santa Clara	767	9	309	11,925	13,010
Solano	168	4	44	1,065	1,281
Sonoma	353	2	93	2,421	2,869
Caltrans District 05					
Monterey	203	2	46	1,514	1,765
San Benito	44	0	2	145	191
San Luis Obispo	184	1	54	1,477	1,716
Santa Barbara	238	2	62	2,287	2,589
Santa Cruz	144	1	34	1,387	1,566
Districts 04 & 05	4,229	59	1,459	51,372	57,119
Certified DBEs					
Market Area	Construction NAICS	Transport. NAICS	Wholesale NAICS	Services NAICS	#DBEs in NAICS
District 04 & 05 & Statewide DBEs	111	7	45	1,362	1,525
%DBE	2.62%	11.86%	3.08%	2.65%	2.67%

Sources: US Bureau of the Census, County Business Patterns, 2013

CA Dept. of Transportation, UCP Directory of DBEs, 7/28/15

Attachment A

B. Calculating the Base DBE Figure

Next, staff used the DBE percentage obtained above for each Procurement Group and multiplied that by the percentage (weight) of the total work to be performed in that Procurement Group previously determined above in Step 1.B. This calculation produced the Santa Cruz METRO base DBE goal for FFY15-FFY17 as set forth in the below table.

Step 1.D: Santa Cruz METRO's FFY15-FFY 17 DBE Goal for FTA Assisted Contracts Weighted Average of DBE Participation by Procurement Group as a Percentage of Total Contracts ⁽²⁾% DBE Participation and Projected \$ FTA in DBE Contract Awards

	(1) Construction NAICs	(2) Transport. NAICs	(3) Wholesale NAICs	(4) Services NAICs	Total
% DBEs in Market Area	2.62%	11.86%	3.08%	2.65%	2.67%
% Contract \$ in Group	0.00%	2.73%	1.74%	95.54%	100.00%
Weighted %DBE (% Contracts * %DBE)	0.00%	0.32%	0.05%	2.53%	2.91%
FTA Dollars in DBE Contracts					
\$ FTA Assistance	\$ -	\$ 3,914	\$ 2,495	\$ 137,195	\$ 143,604
\$ FTA in DBE Contracts % DBE * Total \$ FTA Assistance	0.00	113.89	72.60	3,992.20	\$ 4,179

⁽²⁾ Sum of (% DBE * % Group in Procurement Budget) for all four Procurement Groups

Step 2: Adjustment of Base DBE Goal

In order to obtain the final DBE goal in accordance with the methods described in the Regulations, staff examined the following factors: (1) the actual rate of DBE participation on FTA-funded contracts during the last five years relative to the adopted DBE goals; (2) anticipated contracting opportunities for the FY15 Budget; and (3) the mid-point between Santa Cruz METRO's five preceding goals and the mid-point between Santa Cruz METRO's five preceding attainments. We note that there are no relevant disparity studies that Santa Cruz METRO can use in the Step 2 analysis – California Department of Transportation has an availability and disparity study, dated June 29, 2007, but it is not relevant for Santa Cruz METRO. We also note that Santa Cruz METRO does not have data that addresses statistical disparities in the ability of DBEs to get financing, bonding and insurance or on employment, self-employment, education and training, or union apprenticeship programs.

Staff examined budgetary changes by categorizing contracting opportunities in the FY15 Budget as shown in the following table. The FY15 budget does not have contracting and subcontracting opportunities in construction as in previous years because the contracting for the Judy K. Souza Operating Facility was a factor in the FFY09 - FFY14 goals. For FY15, nearly all of the anticipated procurements arise from operating budget and lacks sub-contracting opportunities which are favorable to small businesses. This lack of large construction contracting opportunities justifies lowering the FFY15 – FFY17 goal below the base DBE figure of 2.91%.

Attachment A

DBE Reporting - FFY15 Contract Awards Categorized

No.	NEW CONTRACTS	FTA\$?	Budget	Category	Contract Value	Start Date	Length (yrs)
FM-15-001	Executive Recruiting Services [KL2 CONNECTS, LLC]		Operating	Services	\$25,000	9/29/14	1
15-08	Third Party Administration of Worker's Comp Claims [ATHENS]		Operating	Services	\$275,000	3/30/15	2
15-02	Fleet Maintenance Outside Repairs [DOC AUTO LLC]		Operating	Services	\$50,000	4/15/15	1
15-02	Fleet Maintenance Outside Repairs [SPECIALIZED AUTO AND FLEET]		Operating	Services	\$25,000	4/15/15	1
15-02	Fleet Maintenance Outside Repairs [NORTH BAY FORD]		Operating	Services	\$45,000	4/15/15	1
15-02	Fleet Maintenance Outside Repairs [SCOTT'S BODY SHOP]		Operating	Services	\$20,000	4/15/15	1
15-02	Fleet Maintenance Outside Repairs [KRAFT]		Operating	Services	\$10,000	4/15/15	1
15-02	Fleet Maintenance Outside Repairs [LOTTS INC.]		Operating	Services	\$2,000	4/15/15	1
15-07	Security Guard Services [FIRST ALARM]		Operating	Services	\$1,830,000	6/1/15	3
15-10	Supplemental Paratransit Services [SC TRANSPORTATION]		Operating	Transportation	\$400,000	5/1/15	2
RTCC	Bus Air, Fuel and Oil Filters [VEHICLE MAINTENANCE PROGRAM, INC.]		Operating	Wholesale	\$40,000	7/1/14	2
15-12	Purchase of Heavy Duty Coach Batteries [BATTERIES USA]		Operating	Wholesale	\$60,000	6/15/15	2
14-12	Biological Monitor for Outfall Construction (OPS Build) [BIOMAAS]	Yes	Capital	Services	\$30,000	7/9/14	2
15-04	Project Management Consultant Services [HILL, INC.]	Yes	Capital	Services	\$1,500,000	9/15/14	1.2

DBE Prime Contractor Participation in DBE Awards

	2009	2010	2011	2012-2014	2015-2017
#October - March	0	0	0	2	2
\$ October - March	\$ -	\$ -	\$ -	\$ 878,593	\$ 26,431
# April - September	0	0	0	4	
\$ April - September	\$ -	\$ -	\$ -	\$ 185,500	
FY # Prime Total¹	0	0	0	6	2
FY \$ Prime Total¹	\$ -	\$ -	\$ -	\$ 1,064,093	\$ 26,431
Race-Neutral Shortfall ²	0.33%	1.73%	2.12%	0.98%	-0.55%

¹ Most of Santa Cruz METRO's DBE participation has been through sub-contracts; therefore, the DBE attainment of the Prime contractors falls below the total DBE attainment.

² Santa Cruz METRO's DBE goal is calculated using race-neutral methods only. No Contract goals are set. The shortfall amount shown reflects only race-neutral efforts.

Attachment A

The table below compares the actual rate of DBE participation on FTA-funded contracts to the adopted DBE goals during the last four cycles. As shown, attainments lag below goals by an amount ranging from 0.33% to 2.12%, providing support for adjusting the base DBE figure downward.

Santa Cruz METRO FFY09 - FFY15 DBE Goal Attainment

	2009	2010	2011	2012-2014	2015, first half
DBE Goal	1.33%	1.73%	2.12%	1.54%	1.50%
DBE Attainment	1.00%	0.00%	0.00%	0.56%	2.05%

METRO DBE Goal Median Value

	1.33%	1.50%	1.54%	1.73%	2.12%
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METRO DBE Attainment Median Value

	0.00%	0.00%	0.56%	1.00%	2.05%
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Considering the factors above, Santa Cruz METRO will adjust its Step 1 calculated DBE goal downward by averaging its Step 1 Goal of 2.91% with its median DBE contracting attainment of 0.56% from the last five goal periods. The identified adjustments made for Step 2 reduces the DBE goal from 2.91% to 1.73%, which makes the final goal reasonable, rational and compliant with the Regulations. Santa Cruz METRO therefore recommends a 1.73% overall DBE goal applicable to FTA-assisted contracts which equates to \$2,484 in federal funds for DBE participation for FFY15.

FINAL OVERALL DBE GOAL

1.73 percent

In accordance with 49 CFR 26.45 and FTA guidance in revising its methodology for calculating a DBE goal, Santa Cruz METRO will use a DBE goal of 1.73% for FFY15 - FFY17. Santa Cruz METRO's proposed DBE goal and the methodology will be available at Santa Cruz METRO's Administrative Offices, 110 Vernon Street, Santa Cruz, CA 95060, on METRO's website www.scmtd.com.

IV. PROJECTION OF PERCENTAGE OF THREE-YEAR OVERALL DBE GOAL TO BE ACHIEVED THROUGH RACE-NEUTRAL MEASURES

The U.S. DOT Regulations require that the maximum feasible portion of the DBE overall goal be met by using race-neutral methods. Race-neutral methods include efforts made to assure that bidding and contracting requirements facilitate participation by DBEs and other small businesses, such as unbundling large contracts to make them more accessible, encouraging prime contractors to subcontract portions of the work, and providing technical assistance, outreach and communications programs. Race-neutral DBE participation includes any time a DBE wins a prime contract through customary competitive procurement procedures, a DBE is awarded a subcontract on a prime contract that does not carry a DBE goal, or a DBE wins a subcontract, even if there is a DBE goal, from a prime contractor that did not consider its DBE status in making the award.

Attachment A

Because of the emphasis placed on race-neutral methods and the small dollar amounts of projected new formal contracts with subcontracting opportunities, Santa Cruz METRO will not be setting contract-specific DBE goals on new contracts to be awarded in FFY15 through FFY17.

In addition, Santa Cruz METRO will focus on developing, refining and implementing race-neutral methods for facilitating DBE participation by advising prospective contractors of the areas for possible subcontracting opportunities, and availability of DBE firms to perform such work. Santa Cruz METRO will continue to solicit DBE participation on an ongoing basis, use DBE firms that have successfully completed prior projects, encourage eligible firms to become certified as DBEs, and provide requested technical assistance and related services when feasible.

Race-neutral measures will comprise 100% of the total contracting opportunities through various types of contracts, including construction, professional services, procurement of materials, supplies, equipment, and other services. Santa Cruz METRO will monitor carefully its progress during the course of each year. All contracts that have DBE commitments will be monitored for compliance.

V. PUBLICATION OF PROPOSED THREE-YEAR OVERALL DBE GOAL

Federal Regulations require that Santa Cruz METRO publish a notice in general circulation and DBE- oriented media announcing the proposed goal for FFY15 through FFY17 contracts assisted by U.S. DOT. Legal notices announcing the proposed goal will be published in one general circulation newspaper, *Santa Cruz Sentinel* and one minority-focused newspaper, *Watsonville Pajaronian*. Both notices will be published in Spanish and English. In addition, a legal notice will be posted at Santa Cruz METRO's Administrative office in Santa Cruz, California and on its website.

The legal notice will inform the public that information on the proposed goal and methodology is available for inspection during normal business hours at Santa Cruz METRO's office for thirty days from the date of publication. This notice will also advise that Santa Cruz METRO and U.S. DOT will accept public comments on the proposed goal and methodology for a period of forty-five days from the date of publication. At the conclusion of the public review and comment period, Santa Cruz METRO will take the approved goal and methodology to its Board of Directors for approval.

VI. COMPLIANCE WITH CALIFORNIA PROPOSITION 209

The three-year overall DBE goal complies with the California Civil Rights Initiative, Proposition 209, in that any continuing race-conscious measures for new contracts, or contracts in progress, apply only to U.S. DOT-assisted contracts.

The race-neutral elements of Santa Cruz METRO's *DBE Program* are applicable to all third-party contracts, regardless of funding source, in a manner that is consistent with Proposition 209. By this means, the administration of Santa Cruz METRO's contracts to include the participation of DBEs on a nondiscriminatory basis is preserved.

Attachment B



AMENDED PUBLIC NOTICE

DISADVANTAGED BUSINESS ENTERPRISE

GOAL FOR FEDERAL FISCAL YEARS 2015-2017 (FFY15-FFY17)

Notice is hereby given that the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) is proposing a Disadvantaged Business Enterprise (DBE) goal of **1.73%** for U.S. Department of Transportation assisted contracts for FFY15-FFY17. This goal has been set based upon information currently available. As part of this program, Santa Cruz METRO must establish a goal for DBE participation in procurements to be federally funded. A DBE firm is defined as a for-profit “small business concern” that is at least 51 percent owned and controlled by one or more socially and economically disadvantaged individuals. California DBE firms are certified as such through the California United Certification Program (UCP).

It is the policy of Santa Cruz METRO to ensure nondiscrimination on the basis of race, color, sex, national origin, disability and/or sexual orientation in the award and administration of DOT-assisted contracts. It is the intention of Santa Cruz METRO to create a level playing field on which DBEs can compete fairly for DOT-assisted contracts.

The rationale for this goal and supporting information regarding Santa Cruz METRO’s DBE Program will be available for public inspection at Santa Cruz METRO’s Administrative Offices, 110 Vernon Street, Santa Cruz, CA 95060. These documents are available for inspection from 8 am to 5 pm, Monday through Friday, from 11/13/15 through 1/22/16 at the above address, on METRO’s website www.scmtd.com and at the Santa Cruz Central Branch Library, 224 Church Street, Santa Cruz, CA 95060 and the Watsonville Main Library, 275 Main Street, Watsonville, CA 95076, during regular library hours.

Santa Cruz METRO and the Federal Transit Administration will accept written comments on Santa Cruz METRO’s proposed DBE goal and its rationale through January 22, 2016. Comments should be submitted to Angela Aitken, DBE Liaison Officer, at the address listed above, by email: DBE@scmtd.com or to the Federal Transit Administration, Civil Rights Office, Region IX, 201 Mission Street, Suite 1650, San Francisco, CA 94105.

Santa Cruz METRO will hold a Public Hearing on its FFY15-FFY17 DBE goal at 8:30 am on January 22, 2016 at Santa Cruz City Council Chambers, 809 Center Street, Santa Cruz, CA 95060. Members of the public may address Santa Cruz METRO’s Board of Directors at this meeting.

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Attachment C



AVISO AL PÚBLICO MODIFICADA

EMPRESA DE NEGOCIOS EN DESVENTAJA **META PARA AÑOS FISCALES FEDERALES 2015-2017 (FFY15-FFY17)**

Se hace saber que el Distrito de Tránsito Metropolitano de Santa Cruz, (Santa Cruz METRO) propone una meta conjunta para la Empresa de Negocios en Desventaja (DBE) de **1.73%** para los contratos de asistencia del Departamento de Transporte de EE.UU. (U.S. DOT) para FFY15-FFY17. Este objetivo se ha creado basándose en la información actualmente disponible. Como parte de este programa, Santa Cruz METRO debe establecer una meta para participación de DBE en todos los contratos nuevos que son elegibles de ser financiados con fondos federales. Una empresa DBE se define como una “empresa pequeña” con fines de lucro que es al menos el 51 por ciento de propiedad y controlada por uno o mas individuales con desventaja social y económica. Empresas DBE de California están calificadas como tales a través del Programa de Certificación Unido de California (UCP).

Es la póliza del Santa Cruz METRO de prohibir la discriminación por motivos de raza, color, sexo, origen nacional, discapacidad, y/u orientación sexual en la concesión y administración de contratos asistidos del DOT. Es la intención del Santa Cruz METRO de crear una igualdad de condiciones en la que DBEs pueden competir en condiciones justas para contratos asistidos de DOT.

La base lógica de este objetivo y la información relativa apoyando el programa DBE del Santa Cruz METRO estará disponible para inspección pública en las oficinas administrativas de Santa Cruz METRO, 110 Vernon Street, Santa Cruz, CA 95060. Estos documentos estarán disponibles para inspección de las 8 am a las 5 pm, lunes a viernes, desde el 13 de Noviembre, 2015 hasta el 22 de enero, 2016 en la dirección arriba indicada, en el sitio web de METRO www.scmttd.com y en la Biblioteca Central de Santa Cruz, 224 Church Street, Santa Cruz, CA 95060 y la Biblioteca Principal de Watsonville, 275 Main Street, Watsonville, CA 95076, durante las horas regulares de las bibliotecas.

Santa Cruz METRO y la Administración Federal de Tránsito aceptarán comentarios por escrito sobre el objetivo propuesto de DBE del Santa Cruz METRO y su razón de ser hasta el 22 de enero, 2016. Los comentarios deben ser sometidos a Angela Aitken, oficial de enlace de DBE en la dirección arriba indicada, o por correo electrónico: DBE@scmttd.com o a la Administración Federal de Tránsito, Oficina de Derechos Civiles, Región IX, 201 Mission Street, Suite 1650, San Francisco, CA 94105.

Santa Cruz METRO tendrá una Audiencia Publica sobre su meta del FFY15-FFY17 de DBE a las 9:00 am o tan pronto como el tema se pueda escuchar el 22 de enero, 2016 en las oficinas de City Council Chambers, 809 Center Street, Santa Cruz, CA. Miembros del Publico podrán dirigirse a la Junta Directiva de Santa Cruz METRO en esta sesión.

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DATE: January 22, 2016
TO: Board of Directors
FROM: Leslyn K. Syren, General Counsel
SUBJECT: **CONSIDERATION OF SEVERAL ISSUES RELATED TO PEPRA AND FEDERAL FUNDING INCLUDING: 1) AUTHORIZE THE CEO/GENERAL MANAGER TO SIGN A LETTER TO THE DEPARTMENT OF LABOR (DOL) TO EXPEDITE THE RECEIPT OF FEDERAL FUNDS; 2) RECEIVE A REPORT REGARDING THE STATUS OF LITIGATION BETWEEN THE STATE OF CALIFORNIA AND THE DOL; AND, 3) RECEIVE INFORMATION REGARDING NEW PROPOSED LEGISLATION TO CLARIFY THE RETROACTIVITY OF PEPRA**

I. RECOMMENDED ACTION

That the Board of Directors:

- 1) Authorize the CEO/General Manager to sign a letter to the Department of Labor (DOL) to accept proposed conditions related to receipt of Federal funds;**
- 2) Receive a report regarding status of litigation in the matter of State of California, et seq. v. Department of Labor; and,**
- 3) Receive information regarding proposed legislation concerning PEPRA.**

II. SUMMARY

- The Department of Labor (DOL) has proposed to California transit agencies a Proposal for Employee Protection Certification that includes two additional terms in order to address the potential conflicts between Federal 13(c) labor protections and the passage of California's Public Employee Pension Reform Act (PEPRA).
- Litigation between the State of California and the DOL has progressed with a new ruling by the trial court concerning the State's Motion to Enforce Judgment.
- Assembly Member Stone has introduced legislation to clarify the intent of the legislature regarding the treatment of employees hired between 1/1/13 and 12/30/14.

III. DISCUSSION/BACKGROUND

1. Draft Letter to the DOL

As a condition of receipt of Federal Transit Administration (FTA) funds, METRO and other transit agencies must receive certification from the DOL. This certification process has been the subject of litigation between the State and DOL; eventually leading to the legislative exemption of transit workers from PEPRA. On December 30, 2014, the Eastern District Court ruled that California's PEPRA did not violate the collective bargaining rights to transit workers in California and remanded the matter to the DOL for further proceedings.

Upon remand, DOL has failed to certify any FTA funding without the implementation of two additional terms in its proposed terms and conditions. These two additional terms require that the transit agency restore employees to their pre-PERPA status in the event a final Federal court ruling upholds DOL's position that PEPRA violates section 13(c) of the Urban Mass Transportation Act (UMTA), currently codified as 49 USC 5333. If transit agencies fail to restore these benefits, presumably because State law prohibits them from doing so, the FTA may take action to de-obligate remaining fund balances and/or to seek reimbursement of previously disbursed funds.

With regard to these additional terms, a draft letter has been prepared (see Attachment A) that sets forth objections to these terms. In essence, the objections point to the fact that California transit agencies are required to comply with both State and Federal law and cannot ignore one without legislative authority to do so. These letters have been drafted by several other transit agencies in an attempt to preserve the objections but still allow for the receipt of necessary funds.

Although METRO has no current funding application before the FTA, the CEO/General Manager has asked that this letter be drafted prior to the submission of an application to avoid the potential delay of several months time in seeking these funds. After entering into such agreements, it is hoped that the Unions will acknowledge the Proposal and will not file objections to METRO's grant applications.

2. Status of Litigation between the State and the DOL

Following the District Court's ruling in December of 2014, Sacramento Regional Transit District (SacRT) and the State of California (CalTrans) applied for FTA capital and operating grants from the FTA. In both instances, the DOL failed to certify the grant applications following objection by the Unions. As such, the State and SacRT filed a motion with the Eastern District to enforce the judgment of the Court. A ruling regarding these motions was

issued on January 8, 2016 – granting the motion, in part, and allowing the State and SacRT to file a supplemental complaint. This action provides a litigation forum to address several issues that remain pending regarding this dispute.

It should also be mentioned that SacRT's funding was granted after it accepted the terms of a proposed agreement such as the one set forth above.

3. California Legislation to Clarify the Intent of the Waiver of Transit Employees from the PEPRA requirements from 1/1/2013 to 12/30/14.

With regard to the treatment of employees hired by transit agencies during the waiver from PEPRA requirements, new legislation has been introduced to help transit agencies and their pension administrators with guidance on how to treat these employees' retirement benefits.

As you may recall from prior presentations, CalPERS has interpreted the waiver provided in Government Code section 7522.02 as authority for providing only a two-year exemption for employees hired during the gap period. In other words, these employees will have retirement benefits calculated at two different rates; the classic benefit during the waiver period and PEPRA benefits for retirement earned after 12/30/14.

Assembly member Stone's bill would provide that these gap employees retain classic retirement benefits for the duration of their employment, so long as they remain with the transit agency who hired them during the gap period. This legislation would affect approximately 44 METRO employees who are currently accruing their retirement benefits on a two tier basis. This would allow them to retain a classic benefit until retirement, but also obligate the employee to cover 8% of their retirement benefits (as opposed to 6.5% today).

This bill would provide equality for all transit agencies in determining retirement benefits, and will be helpful to METRO in retaining employees who can vest in a classic benefit.

IV. FINANCIAL CONSIDERATIONS/IMPACT

There are no current financial considerations concerning this action. The action is intended to expedite the receipt of Federal funds by METRO. However, the agreement with DOL may impose on METRO the obligation to refund Federal funds in the event it is unable to meet its collective bargaining obligations under the Employee Protection Certification.

V. ALTERNATIVES CONSIDERED

- Do nothing and consider the draft letter to the DOL when METRO submits a funding application to FTA. The CEO/General Manager does not recommend this action as it may delay receipt of Federal funds necessary to meet METRO's operating and capital needs.

VI. ATTACHMENTS

- Attachment A:** Draft letter from CEO to DOL
Attachment B: Ruling in State v. DOL dated 1/8/16
Attachment C: Proposed Legislation

Prepared By: Leslyn K. Syren, General Counsel

VII. APPROVALS:

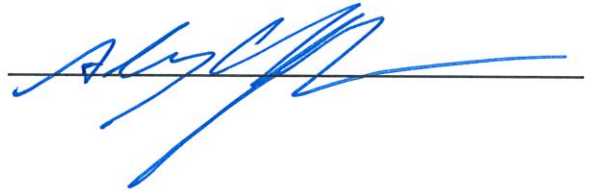
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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Attachment A

*Santa Cruz Metropolitan
Transit District*



Denise Diminuco, Program Specialist
Division of Statutory Programs
Office of Labor – Management Relations
U.S. Department of Labor
Washington, D.C. 20210

Re: FTA Grant Application
Santa Cruz Metropolitan Transit District

Dear Ms. Diminuco:

This letter is provided on behalf of Santa Cruz Metropolitan Transit District (METRO), a California transit district subject to the California Pension Reform Act (PEPRA). As you are aware, several transit agencies within the State of California have applied for Federal grant funding with the Federal Transit Administration (FTA) and subject to certification by the Department of Labor (DOL) pursuant to 49 U.S.C. §5333(b). Such funding has been contingent upon agreement to DOL’s “Proposal for Employee Protection Certification” (Proposal). By this letter, METRO requests that the Proposal offered to other California agencies be offered to METRO who will not object to the proposed certification, subject to the qualifications and clarifications set forth below, in order to streamline future grant funding to this agency.

It is our understanding that DOL has offered two additional terms to its standard certification to each California grantee subject to PEPRA. The additional terms included in DOL’s Proposal for Employee Protection Certification are understood to be as follows:¹

1. If upon remand from the decision in *State of California v. U.S. Department of Labor*, ___ F.Supp.3d ___, 2014 WL 7909478 (E.D. Cal. 2014), the Department of Labor (DOL) adheres to its legal position that compliance with the California Public Employee’s Pension Reform Act of 2013 (PEPRA), Cal. Govt. Code §7522, et seq., is inconsistent with the requirements of section 13(c), 49 U.S.C. §5333(b), and thus precludes the Department from certifying grant application

¹ Attached is a sample DOL Proposal provided to Los Angeles County Metropolitan Transportation Authority, which is marked as Attachment A to this letter.

Attachment A

Denise Diminuco, Program Specialist
January 25, 2016

numbers ____ (TBD) _____ as being in compliance with section 13(c), 49 U.S.C. §5333(b), and that legal position is either not challenged in court within sixty (60) days of the DOL's remand decision or challenged in court and upheld after all appeals are finally exhausted or the time for filing appeals has finally expired, then the Grantee(s) must, in accordance with the DOL's unchallenged legal position, retroactively restore collective bargaining rights for its transit workers, including any rights, privileges and benefits under all collective bargaining agreements that existed directly prior to the Grantee's implementation of PEPRRA.

The retroactive restoration of employee collective bargaining rights (pursuant to the DOL's unchallenged legal position or the final judicial determination upholding the DOL's legal position), including any rights, privileges and benefits under all collective bargaining agreements that existed directly prior to the Grantee's implementation of PEPRRA, is the basis for this certification and must be incorporated by reference into the grant agreement(s) with the Federal Transit Administration (FTA).

2. Under this agreement, if the Department determines that the Grantee(s) has failed to retroactively reinstate the collective bargaining rights for its transit workers, including any rights, privileges and benefits under all collective bargaining agreements that existed directly prior to the implementation of PEPRRA, in accordance with its obligations hereunder and incorporated by reference into its grant agreement(s) with FTA, then FTA will take appropriate action to enforce the terms of the grant agreement(s), including, but not limited to, de-obligation of the remaining balance in the grant(s) covered by this certification and pursuit of reimbursement to FTA by the Grantee(s) of any grant funds previously dispersed under the subject grant agreement(s).

Notwithstanding METRO's acceptance of these additional terms, METRO has reservations about both the content and the potential ramifications of these conditions and therefore, incorporates into its acceptance the following reservations. METRO agrees to these terms in order to meet its obligations to provide high quality and reliable transit services in Santa Cruz County. The receipt of Federal funds is essential to meeting these responsibilities.

First, the DOL condition in Paragraph 1 above requires METRO to retroactively restore pre-PEPRRA rights, privileges, and benefits under collective bargaining agreements if the DOL's upcoming decision on remand in *State of California v. U.S. Dept.of Labor* ____

Attachment A

Denise Diminuco, Program Specialist
January 25, 2016

F.Supp.3d___, 2014 WL 7909478 (E.D. Cal. Dec. 30, 2014) is upheld on judicial review.² If the restoration requirement in this condition is triggered in the future, METRO will restore pre-PEPRA rights, privileges, and benefits of those METRO employees covered by METRO's pension plans, but only if, and at the time, such action by METRO would not be a violation of State law. As an agency created by State statute, METRO has an obligation to comply with State as well as Federal law, and we cannot knowingly agree in advance to an action that would directly violate State law.³

Under current State law, PEPRA applies to transit workers. METRO has determined that the ruling of the United States District Court triggered the end of the PEPRA exemption for transit workers – the consensus of other public entities in the State is in accord with this view. Presumably, DOL shares this view – if the exemption were still in effect, there would be no need for the additional conditions.

Second, the DOL condition in Paragraph 2 above provides that, if DOL determines that METRO has failed to retroactively restore pre-PEPRA collective bargaining rights, privileges, or benefits, then FTA will take appropriate action, including the de-obligation of grant funds and the pursuit of reimbursement of prior grants. This condition contemplates DOL assuming jurisdiction in future disputes to interpret and apply a local collective bargaining agreement, an adjudicatory and enforcement role that DOL has not (to our knowledge) exercised in the history of the 13(c) program.⁴ We question whether DOL has the statutory authority to fulfill such a role. Moreover, the consequences of a negative DOL determination to a transit agency like METRO, that receives millions of dollars in Federal grant funds, would be of enormous consequence. As a result, METRO reserves the right to contest or challenge any future determination of DOL under paragraph 2 above that METRO has failed to retroactively restore pre-PEPRA collective bargaining rights, whether that determination is made in the form of an administrative decision or in an arbitration-like ruling. While METRO may have an inherent right to appeal or contest a DOL decision under these facts, this express reservation is appropriate given the magnitude of the financial risk presented.

² Unstated by DOL but implicit in this condition is the fact that these new conditions will not apply to METRO in the event the DOL remand decision is *not* upheld on judicial review.

³ DOL's own authority for imposing these two special conditions, as cited in its referral (29 CFT 215(a)(2)) appears limited to satisfying the federal statute "in a manner that does not contravene state or local law."

⁴ DOL has provided no details regarding the implementation or procedural requirements for this new paragraph 3 adjudicatory process. The DOL determination contemplated is not limited to pension or retirement issues, but rather would appear to confer jurisdiction on DOL to address, possibly years after the fact, whether any right, privilege, or benefit under a pre-PEPRA collective bargaining agreement has been adequately restored, even those rights and benefits that have been revised in intervening years through negotiation and agreement of the parties.

Attachment A

Denise Diminuco, Program Specialist
January 25, 2016

Finally, METRO is assuming that DOL, in imposing these two new conditions, is acting in good faith and has determined that these new conditions are within its statutory authority and are necessary to carry out its responsibilities under Section 13(c) in this context. However, if these DOL conditions are challenged and a Federal court determines that any or all of these new conditions exceed DOL's statutory authority, are arbitrary and capricious, or are otherwise not lawful, then the qualified acceptance of these conditions by METRO, as set forth in this letter, will be void.

METOR is expressing the qualifications herein in the exercise of our obligation to comply with both applicable State and Federal law and our responsibility to safeguard the continued operation of transit services and the implementation of essential capital projects within its service area.

Sincerely,

Alex Clifford
CEO/General Manager

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UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF CALIFORNIA

STATE OF CALIFORNIA, acting by and
through the CALIFORNIA
DEPARTMENT OF
TRANSPORTATION; and
SACRAMENTO REGIONAL TRANSIT
DISTRICT,

Plaintiff,

v.

UNITED STATES DEPARTMENT OF
LABOR; and THOMAS E. PEREZ, in his
official capacity as SECRETARY OF
LABOR,

Defendant.

No. 2:13-cv-2069 KJM DAD

ORDER

The California Department of Transportation (Caltrans) and the Sacramento Regional Transit District (SacRT), the plaintiffs in this action, seek an order directing the United States Department of Labor (the DOL) to certify their applications for funding under section 13(c) of the Urban Mass Transportation Act of 1964. They seek this relief in the form of a motion to enforce this court’s previous order, which remanded the matter to the DOL for further proceedings. The plaintiffs also request leave to file a supplemental complaint to challenge several aspects of the post-remand proceedings. The matter was submitted for decision without a

1 hearing. As explained below, the motion to enforce is GRANTED IN PART, and the motion for
2 leave to file a supplemental complaint is GRANTED.

3 I. MOTION TO ENFORCE

4 A. General Background

5 The general background of this case is unchanged since the issuance of this court's
6 previous order, reported at *California v. Department of Labor*, 76 F. Supp. 3d 1125 (E.D. Cal.
7 2014). To summarize, under section 13(c) of the Urban Mass Transportation Act of 1964
8 (UMTA), codified at 49 U.S.C. § 5333(b), state and local governments seeking federal financial
9 assistance for transit projects must obtain certification from the DOL that the interests of
10 employees affected by any assistance granted are protected by "fair and equitable" arrangements,
11 49 U.S.C. § 5333(b)(1). Specifically, these arrangements must preserve the employees' "rights,
12 privileges, and benefits (including continuation of pension rights and benefits) under existing
13 collective bargaining agreements or otherwise." *Id.* § 5333(b)(2)(A). Similarly, arrangements
14 must include provisions "necessary for . . . the continuation of collective bargaining rights." *Id.*
15 § 5333(b)(2)(B).

16 Caltrans is an executive department of the state of California. Under authority of
17 state law, it assists local transit agencies in their efforts to develop and operate mass transit
18 systems, including applications for federal funds. Monterey-Salinas Transit (MST) is a local
19 transit agency and recipient of pass-through funds from Caltrans. SacRT is a special regional
20 transit district based in Sacramento, California. SacRT operates dozens of bus routes, light rail
21 lines, light rail stations and park-and-ride lots, and thousands of bus stops. It relies heavily on
22 federal funding. SacRT employs more than 900 people, about 500 of whom are represented by
23 the Amalgamated Transit Union, or ATU. Its unionized employees participate in a defined
24 benefit pension plan that pays an annual benefit upon retirement. Each employee's benefits are
25 calculated as a percentage of his or her final average compensation multiplied by years of service.
26 The plan is funded exclusively by employer contributions and earnings on plan assets.

27 In 2012, the Governor of California signed the California Public Employees'
28 Pension Reform Act of 2013 (PEPRA), which was intended to reform the state's public employee

1 pension systems and reduce the cost of funding those systems. Under PEPRA, among other
2 provisions, employees hired after January 1, 2013 must contribute at least 50 percent of the costs
3 of a defined benefit retirement plan, the amount of compensation usable in calculations of
4 retirement benefits is capped, and public employees may no longer purchase non-qualified service
5 time toward their pensions.

6 In November 2012, SacRT submitted an application to the Federal Transportation
7 Agency for mass transit funding. The money it sought would contribute to an extension of its
8 light rail system. The next month, the DOL notified SacRT and its unions that it intended to
9 certify the grant under UMTA section 13(c). It invited objections and referred to PEPRA. The
10 ATU objected, citing the effect of PEPRA on the collective bargaining of pensions and retirement
11 issues, among other things. In January 2013, the DOL ordered the ATU and SacRT to engage in
12 good faith discussions aimed at finding a resolution acceptable to both parties, but SacRT and the
13 ATU were unable to reach an agreement, and the DOL eventually declined certification.

14 In September 2013, Caltrans sought federal funds on behalf of MST. ATU, which
15 represents some of MST's employees, also objected to this application, citing the effects of
16 PEPRA. The DOL also denied the Caltrans-MST application. The plaintiffs then filed this
17 action, challenging the DOL's decisions under the federal Administrative Procedure Act (APA)
18 and the U.S. Constitution's Spending Clause. *See* Am. Compl., ECF No. 59.

19 B. This Court's Previous Order

20 In December 2014, this court issued an order dismissing the Spending Clause
21 claims, denying the DOL's motion to dismiss the APA claims, granting the plaintiffs' motion for
22 summary judgment on the APA claims, and remanding the matter to the DOL for further
23 proceedings consistent with the court's order. *California v. Dep't of Labor*, 76 F. Supp. 3d
24 at 1148.¹ The court identified several aspects of the DOL's decision that violated the APA.

25 First, the DOL had relied reflexively on a particular decision of the D.C. Circuit,
26 *Amalgamated Transit Union v. Donovan*, without accounting for factual differences between that

27 ¹ Subsequent citations to this decision include only the numerical volume and page
28 number, and not the case name.

1 case and this one. *See* 76 F. Supp. 3d at 1142–43 (citing *Donovan*, 767 F.2d 939 (D.C. Cir.
2 1985)). Specifically, in *Donovan*, the circuit court reversed the certification of an agreement that
3 did not permit collective bargaining on several subjects previously subject to bargaining.
4 *Donovan*, 767 F.2d at 941, 943. PEPPRA, by contrast, does not eliminate collective bargaining
5 rights or grant the plaintiffs unilateral authority; rather, it changes the parameters within which
6 collective bargaining may proceed. *See* 76 F. Supp. 3d at 1142–43.

7 Second, the DOL had ignored the fact that under federal labor policy, “[b]oth
8 employers and employees come to the bargaining table with rights under state law that form a
9 backdrop for their negotiations.” 76 F. Supp. 3d at 1143 (quoting *Fort Halifax Packing Co., Inc.*
10 *v. Coyne*, 482 U.S. 1, 21 (1987)) (alteration in original). Pension reform may be part of this
11 “backdrop,” because no provision of federal labor policy “expressly forecloses all state
12 regulatory power with respect to those issues, such as pension plans, that may be the subject of
13 collective bargaining.” *Id.* (quoting *Malone v. White Motor Corp.*, 435 U.S. 497, 504–05
14 (1978)).

15 Third, “by finding that PEPPRA prevents collective bargaining over pensions, [the
16 DOL] essentially determined that a pension is necessarily a defined benefit plan” *Id.* But
17 “nothing in PEPPRA prevents bargaining over defined contribution plans, which are another form
18 of pension.” *Id.* The DOL had therefore written a substantive term into the parties’ agreement,
19 which it had no authority to do. *Id.*

20 Fourth, the DOL had not considered “the realities of public sector bargaining.” *Id.*
21 Bargaining in the public sector differs from bargaining in the private sector. A private employer
22 may send a single representative to the bargaining table, with the authority to make a binding
23 agreement, whereas a public employer may not be able to make concessions or change policy
24 absent legislative enactment. In short, “[i]n the public sector, agreement at the bargaining table
25 may be only an intermediate, not a final, step in the decisionmaking process.” *Id.* at 1143–44
26 (quoting *Robinson v. State of N.J.*, 741 F.2d 598, 607 (3d Cir. 1984)).

27 Fifth, to conclude that PEPPRA did not preserve existing collective bargaining
28 rights of employees hired after January 1, 2013, the DOL relied on *Wood v. National Basketball*

1 *Association* and similar cases, but it did not consider whether factual differences between those
2 cases and this one undermined their persuasive effect. *See id.* at 1144–45 (citing 602 F. Supp.
3 525, 529 (S.D.N.Y. 1984)). In this case, unlike those on which the DOL relied, “neither ‘new’
4 employees nor the employers are pursuing individual agreements or are seeking some advantage
5 outside the [collective bargaining agreement], but rather are constrained by PEPRA as a backdrop
6 to their employment relationship.” 76 F. Supp. 3d at 1145. On a related note, the DOL
7 essentially redefined “bargaining unit” when it found that employees who had not yet been hired
8 were covered by a collective bargaining agreement. *Id.*

9 The DOL filed an appeal, but later dismissed that appeal voluntarily. *See* Not.
10 Appeal, ECF No. 83; Order Dismissing Appeal, ECF No. 86. On August 13, 2015, the DOL
11 issued its decision on remand, concluding as it did before that the plaintiffs’ grant applications
12 could not be certified under section 13(c). *See* Kraft Decl. Ex. A (Remand Decision), ECF
13 No. 87-3. It reached this conclusion on two independent grounds: (1) “PEPRA prevents the
14 ‘continuation of collective bargaining’ as that phrase is used in section 13(c)(2)”; and
15 (2) “PEPRA prevents ‘the preservation of rights, privileges, and benefits (including continuation
16 of pension rights and benefits) under existing collective bargaining agreements,’ contrary to
17 section 13(c)(1).” *Id.* at 8.

18 The plaintiffs moved to enforce this court’s previous order on September 10, 2015.
19 *See* Mot. Enforce, ECF No. 87. They argue the DOL ignored this court’s order and simply
20 disagreed with this court’s interpretation of the law. Mem. P. & A. 5–12, ECF No. 87-1. They
21 also argue a quick response is warranted in light of the DOL’s delay tactics and attempts to coerce
22 them into unfavorable and illegal agreements. *Id.* at 13–18. The plaintiffs request an order
23 directing the DOL to certify their funding applications within thirty days and ordering immediate
24 compliance with this court’s previous decision. *Id.* at 18. The DOL opposes the motion, arguing
25 its decision on remand complies with this court’s previous order. Opp’n Enforce, ECF No. 93.
26 The plaintiffs have replied. ECF No. 95.

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28 /////

1 C. Authority to Enforce

2 Federal courts have inherent jurisdiction to enforce their judgments. *See Peacock*
3 *v. Thomas*, 516 U.S. 349, 356 (1996). Without this jurisdiction, “the judicial power would be
4 incomplete and entirely inadequate to the purposes for which it was conferred by the
5 Constitution.” *Riggs v. Johnson Cnty.*, 73 U.S. (6 Wall.) 166, 187 (1868). This general rule
6 extends to the specific context of a mandate issued to a federal agency. *See, e.g., Flaherty v.*
7 *Pritzker*, 17 F. Supp. 3d 52, 55 (D.D.C. 2014). Should an agency neglect the orders of a federal
8 court, an order enforcing the original mandate is in fact “particularly appropriate.” *Int’l Ladies’*
9 *Garment Workers’ Union v. Donovan*, 733 F.2d 920, 922 (D.C. Cir. 1984).

10 A motion to enforce the court’s previous judgment may be granted when the
11 prevailing party demonstrates its opponent has not complied with the judgment’s terms.
12 *Heartland Hosp. v. Thompson*, 328 F. Supp. 2d 8, 11 (D.D.C. 2004), *aff’d sub nom. Heartland*
13 *Reg’l Med. Ctr. v. Leavitt*, 415 F.3d 24 (D.C. Cir. 2005). The court may grant the moving party
14 only that relief to which it is entitled under the original judgment. *Id.* (citing *Watkins v.*
15 *Washington*, 511 F.2d 404, 406 (D.C. Cir. 1975)). Were this not the rule, motions to enforce
16 would allow an end run around the prevailing party’s original burden to establish an injury and
17 entitlement to relief. For example, a plaintiff who is awarded compensatory damages of \$1
18 million and receives no payment, might then request the court “enforce” its previous order by
19 instructing the disobedient defendant to pay \$2 million.

20 Here, the court’s previous order remanded the matter to the DOL to conduct
21 further proceedings “consistent with” the court’s order. 76 F. Supp. 3d at 1148. The court did
22 not instruct the DOL to reach any particular result, even though the plaintiffs had requested such
23 an instruction. *See Mot. Summ. J. 2*, ECF No. 54 (requesting the court “remand the matter to the
24 Department with specific instruction to enter certification decisions on the SacRT and Monterey-
25 Salinas Transit grant applications”). The court cannot grant the plaintiffs’ request to instruct the
26 DOL to certify the grants. On this motion, the plaintiffs could, at most, obtain an order directing
27 the DOL again to conduct proceedings consistent with this court’s previous order, if the court
28 were persuaded the DOL’s proceedings in the interim were not consistent.

1 Although the court cannot enforce an order it did not previously issue, the
2 plaintiffs may yet obtain the relief they seek in a renewed challenge and direct review. In *Food*
3 *Marketing Institute v. Interstate Commerce Commission*, for example, the court considered an
4 agency’s post-remand decisions on direct review, taking care to “recognize the danger that an
5 agency, having reached a particular result, may become so committed to that result as to resist
6 engaging in any genuine reconsideration of the issues.” 587 F.2d 1285, 1290 (D.C. Cir. 1978).
7 Furthermore, on direct review in a renewed challenge, remand may be unnecessary and wasteful
8 in a number of situations: when “[t]here is not the slightest uncertainty as to the outcome of a
9 proceeding,” *N.L.R.B. v. Wyman-Gordon Co.*, 394 U.S. 759, 766 n.6 (1969); “in rare
10 circumstances” of “overwhelming evidence” and the agency’s “massive delays and inadequate
11 decision-making,” *Middle Rio Grande Conservancy Dist. v. Norton*, 294 F.3d 1220, 1226 (10th
12 Cir. 2002); or within specific statutory regimes, see *Benecke v. Barnhart*, 379 F.3d 587, 593 (9th
13 Cir. 2004) (Social Security benefits appeals). In these instances, the court has authority to forego
14 games of judicial-agency ping-pong and simply reverse. See *Wyman-Gordor*, 394 U.S. at 766 &
15 n.6.

16 But here, because the court previously remanded the matter “to the Department for
17 further proceedings consistent with [the prior] order,” the court considers only whether the
18 proceedings post-remand were consistent with that previous order.

19 D. The DOL’s Post-Remand Decision

20 1. Reliance on *Donovan*

21 As summarized above, the court’s previous order concluded the DOL had relied on
22 *Amalgamated Transit Union v. Donovan* without considering critical factual differences between
23 PEPRA and the statute under review in that case. See 76 F. Supp. 3d at 1142–43 (citing 767 F.2d
24 at 943, 949–51). On remand, the DOL expressed its disagreement with this court’s analysis,
25 including the court’s analysis of its previous reliance on *Donovan*. Remand Decision at 7.
26 Nevertheless, the DOL considered anew whether it would reach the same result without relying
27 on *Donovan* at all. See *id.* at 7–8. The DOL considered the text of UMTA section 13(c) and that
28 statute’s legislative history, see *id.* at 8–11, then concluded the plaintiffs’ application of PEPRA

1 did not preserve employees' rights or provide for the continuation of collective bargaining. This
2 analysis was not inconsistent with the court's order as it pertained to *Donovan*.

3 2. PEPRA as a Backdrop

4 The court's previous order concluded the DOL had ignored the fact that under
5 federal labor policy, pension reform may be a "backdrop" to the bargaining table, because no
6 provision of federal labor policy "expressly forecloses all state regulatory power with respect to
7 those issues, such as pension plans, that may be the subject of collective bargaining."
8 76 F. Supp. 3d at 1143 (quoting *Fort Halifax*, 482 U.S. at 21, and *Malone*, 435 U.S. at 504–05,
9 and citing *Metro. Life Ins. Co. v. Mass. Travelers Ins. Co.*, 471 U.S. 724, 756 (1985)). On
10 remand, in a lengthy and detailed analysis, the DOL recognized that "not all state laws that 'form
11 a backdrop to' public employee collective bargaining interfere with section 13(c) rights."
12 Remand Decision at 13. It considered *Fort Halifax*, *Malone*, and *Metropolitan Life*, but
13 concluded "PEPRA is not the kind of state law that can remove issues from the collective
14 bargaining obligation established by section 13(c)." *Id.* This analysis also was not inconsistent
15 with the court's previous order, which noted the backdrop to collective bargaining "may be
16 pension reform." 76 F. Supp. 3d at 1143.

17 3. Pensions as Defined Benefits Plans

18 The court's previous order concluded the DOL had acted in excess of its authority
19 when it "essentially determined that a pension is necessarily a defined benefit plan" 76 F.
20 Supp. 3d at 1143. To address this error, the DOL considered the differences between defined
21 benefits plans and defined contribution plans. Remand Decision at 20. It concluded that
22 "[e]mployees faced with [the] investment risks and decisions in a defined contribution plan quite
23 reasonably may prefer to keep an existing defined benefit plan, particularly if their union has been
24 able to negotiate generous terms." *Id.* Therefore, it found, "[w]hen a law like PEPRA makes
25 fundamental changes and substantial benefit rollbacks to defined benefit plans, employees can
26 also reasonably view the possibility of a defined contribution plan as insufficient to make up for
27 those losses." *Id.* (citation omitted). This analysis was not inconsistent with the court's previous

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1 order, which did not require the DOL to conclude that any replacement for the previous defined
2 benefit plan warranted certification under section 13(c).

3 4. The Realities of Public-Sector Bargaining

4 The court previously held that the DOL had not considered “the realities of public
5 sector bargaining,” and most importantly, the role of the legislature. *See* 76 F. Supp. 3d at 1143–
6 44 (citing *Robinson*, 741 F.2d at 607). To address this error, the DOL expressly considered the
7 realities of public sector bargaining. Remand Decision at 17–18. In light of the fact that
8 “SacRTD admit[ted] that it is required by state law to bargain collectively, and cite[d] nothing in
9 state law that requires the state legislature to ratify the agreements it reaches through collective
10 bargaining,” the DOL found “ratification by the state legislature is not an issue for SacRTD.” *Id.*
11 at 17. Because the court’s previous order only required the DOL to consider these questions, not
12 to consider them and reach a particular conclusion, the DOL’s decision on remand is not
13 inconsistent with the court’s previous order in this respect.

14 5. New Employees

15 The DOL previously found that PEPRRA did not preserve existing collective
16 bargaining rights for employees hired after January 1, 2013. *See* 76 F. Supp. 3d at 1144. To
17 reach its conclusion, the DOL relied on several “cases suggesting, at least under the [National
18 Labor Relations Act, or NLRA], mandatory collective bargaining includes wages for
19 unrepresented, non-union members. . . .” *Id.* But the court held these cases were distinguishable
20 and found the DOL had misinterpreted the law by relying on them as it did. *Id.* at 1144–45. The
21 court’s previous order also found the DOL had redefined “bargaining unit” for purposes of the
22 collective bargaining agreement. *Id.* at 1145. In particular, because the agreement defines
23 bargaining unit as employees in SacRT’s service, and because an employee cannot be “in service”
24 before he or she starts work, an employee who has not yet been hired is not part of a bargaining
25 unit. *Id.*

26 On remand, the DOL found this court’s order to be “in error,” and found the
27 collective bargaining agreement indeed applies to new employees. Remand Decision at 21. For
28 this reason, the DOL stood by its original conclusion that SacRTD did not preserve the rights of

1 employees under its collective bargaining agreement “as it is properly construed.” *Id.* at 21–22.
2 That conclusion is inconsistent with this court’s order. The DOL may not disregard this court’s
3 orders simply because it disagrees with them or finds they are premised on a misinterpretation of
4 law or fact. The appellate bodies designed to fulfill that role are the Ninth Circuit Court of
5 Appeals and the United States Supreme Court.

6 The decision on remand is therefore vacated inasmuch as the DOL concluded
7 SacRTD has not preserved rights under an existing collective bargaining agreement.
8 Nevertheless, because the DOL relied on this conclusion as “an independent reason for denying
9 certification,” Remand Decision at 8, the matter need not be remanded.

10 II. LEAVE TO FILE A SUPPLEMENTAL COMPLAINT

11 Federal Rule of Civil Procedure 15(d) allows the court to grant a plaintiffs’ motion
12 to serve a supplemental complaint, “setting out any transaction, occurrence, or event that
13 happened after the date of the pleading to be supplemented.” The rule allows district courts broad
14 discretion to permit supplemental pleadings. *Keith v. Volpe*, 858 F.2d 467, 473 (9th Cir. 1988).
15 Rule 15(d) is meant to avoid the costs, delays, and wastes associated with separate actions. *Id.*
16 The Ninth Circuit has even held that a motion to file a supplemental pleading “ought to be
17 allowed as of course” absent specific reasons to the contrary. *Id.* (citation and quotation marks
18 omitted). Rule 15(d) allows supplemental claims under new statutes, and supplemental claims
19 need neither arise out of the same transaction or occurrence nor involve common questions of law
20 or fact. *Id.* at 474.

21 Nevertheless, supplemental pleadings should not be used to introduce entirely
22 separate and distinct claims into an existing action. *Planned Parenthood of S. Ariz. v. Neely*,
23 130 F.3d 400, 402 (9th Cir. 1997). “[S]ome relationship must exist between the newly alleged
24 matters and the subject of the original action.” *Keith*, 858 F.2d at 474. In determining whether a
25 supplemental pleading will serve the goal of “judicial efficiency,” the court considers whether the
26 entire controversy ought to be settled in one action. *Planned Parenthood*, 130 F.3d at 402.

27 The Ninth Circuit has expressed doubt about the advisability of a supplemental
28 complaint when, as here, the original action has reached its final disposition. *See id.* (citing a

1 “handful of cases” where post-judgment supplemental pleadings were permitted). Resurrecting a
2 case this way may be appropriate when the plaintiff alleges the defendant has attempted to
3 contravene earlier rulings. *See id.* 402 (citing *Griffin v. County Sch. Bd.*, 377 U.S. 218 (1964);
4 *Keith*, 858 F.2d at 467; *Poindexter v. La. Fin. Assistance Comm’n*, 296 F. Supp. 686 (E.D. La.),
5 *aff’d sub nom. La. Comm’n for Needy Children v. Poindexter*, 393 U.S. 17 (1968)).

6 Here, the proposed supplemental complaint addresses the same general factual
7 matter as the original complaint, and its filing promotes judicial efficiency. Both the original and
8 supplemental complaints contest the DOL’s decision not to certify the grants under section 13(c),
9 and the proposed supplemental complaint alleges the DOL has undertaken a continuing and
10 unjustified effort to find PEPRAs inconsistent with section 13(c). The DOL has identified no
11 inefficiency that would result from the supplemental complaint’s filing. It argues only that “the
12 issues raised in [the] supplemental complaint will have to be decided separately.” *Opp’n Suppl.*
13 *Compl.* at 6. And it has identified only one source of prejudice: the possibility that the court may
14 require its response “within a specified time.” *Id.* at 7–8 (quoting Fed. R. Civ. P. 15(d)). The
15 DOL’s detailed arguments that the supplemental complaint would be futile undermine this theory
16 of prejudice by demonstrating it has already anticipated the substance of a responsive pleading.
17 *See id.* at 8–12.

18 Finally, the DOL also argues the supplemental complaint invites unnecessary
19 litigation because it states no claim. *See id.* Futility may preclude the filing of an amended
20 complaint under Rule 15(a), *see, e.g., DCD Programs, Ltd. v. Leighton*, 833 F.2d 183, 186 (9th
21 Cir. 1987), and federal courts have concluded that “[t]he legal standard for granting or denying a
22 motion to supplement under Rule 15(d) is the same as the standard for granting or denying a
23 motion under Rule 15(a),” *Yates v. Auto City 76*, 299 F.R.D. 611, 614 (N.D. Cal. 2013) (citation
24 and quotation marks omitted). Here, the supplemental complaint’s legal sufficiency will be better
25 tested by later motion, not in the parties’ current opposition and reply papers. The motion for
26 leave to file a supplemental complaint is granted.

27 ////

28 ////

1 III. CONCLUSION

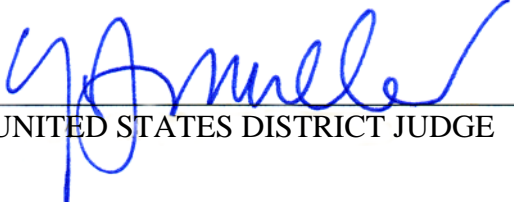
2 The motion to enforce is GRANTED IN PART. The decision on remand is
3 VACATED IN PART inasmuch as the DOL concluded SacRT has not preserved rights under an
4 existing collective bargaining agreement.

5 The motion for leave to file a supplemental complaint is GRANTED. The
6 proposed supplemental complaint, ECF No. 88-2, is DEEMED FILED. The defendants shall file
7 a responsive pleading within thirty days of the date this order is filed.

8 This order resolves ECF Nos. 87 and 88.

9 IT IS SO ORDERED.

10 DATED: January 7, 2016.

11 
12 _____
13 UNITED STATES DISTRICT JUDGE
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Attachment C

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1640

Introduced by Assembly Member Mark Stone

January 7, 2016

An act to amend Section 7522.02 of the Government Code, relating to retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 1640, as introduced, Mark Stone. Retirement: public employees. The California Public Employees' Pension Reform Act of 2013 (PEPRA) requires a public retirement system, as defined, to modify its plan or plans to comply with the act and, among other provisions, establishes new retirement formulas that may not be exceeded by a public employer offering a defined benefit pension plan for employees first hired on or after January 1, 2013. PEPRA exempts from its provisions certain public employees whose collective bargaining rights are subject to specified provisions of federal law until a specified federal district court decision on a certification by the United States Secretary of Labor, or until January 1, 2016, whichever is sooner.

This bill would extend indefinitely that exemption for those public employees, whose collective bargaining rights are subject to specified provisions of federal law and who became a member of a state or local public retirement system prior to December 30, 2014.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

Attachment C

AB 1640

— 2 —

The people of the State of California do enact as follows:

1 SECTION 1. Section 7522.02 of the Government Code is
2 amended to read:

3 7522.02. (a) (1) Notwithstanding any other law, except as
4 provided in this article, on and after January 1, 2013, this article
5 shall apply to all state and local public retirement systems and to
6 their participating employers, including the Public Employees'
7 Retirement System, the State Teachers' Retirement System, the
8 Legislators' Retirement System, the Judges' Retirement System,
9 the Judges' Retirement System II, county and district retirement
10 systems created pursuant to the County Employees Retirement
11 Law of 1937 (Chapter 3 (commencing with Section 31450) of Part
12 3 of Division 4 of Title 3), independent public retirement systems,
13 and to individual retirement plans offered by public employers.
14 However, this article shall be subject to the Internal Revenue Code
15 and Section 17 of Article XVI of the California Constitution. The
16 administration of the requirements of this article shall comply with
17 applicable provisions of the Internal Revenue Code and the
18 Revenue and Taxation Code.

19 (2) Notwithstanding paragraph (1), this article shall not apply
20 to the entities described in Section 9 of Article IX of, and Sections
21 4 and 5 of Article XI of, the California Constitution, except to the
22 extent that these entities continue to be participating employers in
23 any retirement system governed by state statute. Accordingly, any
24 retirement plan approved before January 1, 2013, by the voters of
25 any entity excluded from coverage by this section shall not be
26 affected by this article.

27 (3) ~~(A) Notwithstanding paragraph (1), this article shall not~~
28 ~~apply to a public employee whose interests are protected under~~
29 ~~Section 5333(b) of Title 49 of the United States Code until a federal~~
30 ~~district court rules that the United States Secretary of Labor, or~~
31 ~~his or her designee, erred in determining that the application of~~
32 ~~this article precludes certification under that section, or until~~
33 ~~January 1, 2016, whichever is sooner. and who became a member~~
34 ~~of a state or local public retirement system prior to December 30,~~
35 ~~2014.~~

36 ~~(B) If a federal district court upholds the determination of the~~
37 ~~United States Secretary of Labor, or his or her designee, that~~
38 ~~application of this article precludes him or her from providing a~~

Attachment C

1 ~~certification under Section 5333(b) of Title 49 of the United States~~
2 ~~Code, this article shall not apply to a public employee specified~~
3 ~~in subparagraph (A).~~

4 (4) Notwithstanding paragraph (1), this article shall not apply
5 to a multiemployer plan authorized by Section 302(c)(5) of the
6 federal Taft-Hartley Act (29 U.S.C. Sec. 186(c)(5)) if the public
7 employer began participation in that plan prior to January 1, 2013,
8 and the plan is regulated by the federal Employee Retirement
9 Income Security Act of 1974 (29 U.S.C. Sec. 1001 et seq.).

10 (b) The benefit plan required by this article shall apply to public
11 employees who are new members as defined in Section 7522.04.

12 (c) (1) Individuals who were employed by any public employer
13 before January 1, 2013, and who became employed by a subsequent
14 public employer for the first time on or after January 1, 2013, shall
15 be subject to the retirement plan that would have been available
16 to employees of the subsequent employer who were first employed
17 by the subsequent employer on or before December 31, 2012, if
18 the individual was subject to concurrent membership for which
19 creditable service was performed in the previous six months or
20 reciprocity established under any of the following provisions:

21 (A) Article 5 (commencing with Section 20350) of Chapter 3
22 of Part 3 of Division 5 of Title 2.

23 (B) Chapter 3 (commencing with Section 31450) of Part 3 of
24 Division 4 of Title 3.

25 (C) Any agreement between public retirement systems to provide
26 reciprocity to members of the systems.

27 (D) Section 22115.2 of the Education Code.

28 (2) An individual who was employed before January 1, 2013,
29 and who, without a separation from employment, changed
30 employment positions and became subject to a different defined
31 benefit plan in a different public retirement system offered by his
32 or her employer shall be subject to that defined benefit plan as it
33 would have been available to employees who were first employed
34 on or before December 31, 2012.

35 (d) If a public employer, before January 1, 2013, offers a defined
36 benefit pension plan that provides a defined benefit formula with
37 a lower benefit factor at normal retirement age and results in a
38 lower normal cost than the defined benefit formula required by
39 this article, that employer may continue to offer that defined benefit
40 formula instead of the defined benefit formula required by this

Attachment C

AB 1640

— 4 —

1 article, and shall not be subject to the requirements of Section
2 7522.10 for pensionable compensation subject to that formula.
3 However, if the employer adopts a new defined benefit formula
4 on or after January 1, 2013, that formula must conform to the
5 requirements of this article or must be determined and certified by
6 the retirement system's chief actuary and the retirement board to
7 have no greater risk and no greater cost to the employer than the
8 defined benefit formula required by this article and must be
9 approved by the Legislature. New members of the defined benefit
10 plan may only participate in the lower cost defined benefit formula
11 that was in place before January 1, 2013, or a defined benefit
12 formula that conforms to the requirements of this article or is
13 approved by the Legislature as provided in this subdivision.

14 (e) If a public employer, before January 1, 2013, offers a
15 retirement benefit plan that consists solely of a defined contribution
16 plan, that employer may continue to offer that plan instead of the
17 defined benefit pension plan required by this article. However, if
18 the employer adopts a new defined benefit pension plan or defined
19 benefit formula on or after January 1, 2013, that plan or formula
20 must conform to the requirements of this article or must be
21 determined and certified by the retirement system's chief actuary
22 and the system's board to have no greater risk and no greater cost
23 to the employer than the defined benefit formula required by this
24 article and must be approved by the Legislature. New members of
25 the employer's plan may only participate in the defined
26 contribution plan that was in place before January 1, 2013, or a
27 defined contribution plan or defined benefit formula that conforms
28 to the requirements of this article. This subdivision shall not be
29 construed to prohibit an employer from offering a defined
30 contribution plan on or after January 1, 2013, either with or without
31 a defined benefit plan, whether or not the employer offered a
32 defined contribution plan prior to that date.

33 (f) (1) If, on or after January 1, 2013, the Cities of Brea and
34 Fullerton form a joint powers authority pursuant to the provisions
35 of the Joint Exercise of Powers Act (Article 1 (commencing with
36 Section 6500) of Chapter 5), that joint powers authority may
37 provide employees the defined benefit plan or formula that those
38 employees received from their respective employers prior to the
39 exercise of a common power, to which the employee is associated,
40 by the joint powers authority to any employee of the City of Brea,

Attachment C

1 the City of Fullerton, or a city described in paragraph (2) who is
2 not a new member and subsequently is employed by the joint
3 powers authority within 180 days of the city providing for the
4 exercise of a common power, to which the employee was
5 associated, by the joint powers authority.

6 (2) On or before January 1, 2017, a city in Orange County that
7 is contiguous to the City of Brea or the City of Fullerton may join
8 the joint powers authority described in paragraph (1) but not more
9 than three cities shall be permitted to join.

10 (3) The formation of a joint powers authority on or after January
11 1, 2013, shall not act in a manner as to exempt a new employee
12 or a new member, as defined by Section 7522.04, from the
13 requirements of this article. New members may only participate
14 in a defined benefit plan or formula that conforms to the
15 requirements of this article.

16 (g) The Judges' Retirement System and the Judges' Retirement
17 System II shall not be required to adopt the defined benefit formula
18 required by Section 7522.20 or 7522.25 or the compensation
19 limitations defined in Section 7522.10.

20 (h) This article shall not be construed to provide membership
21 in any public retirement system for an individual who would not
22 otherwise be eligible for membership under that system's
23 applicable rules or laws.

24 (i) On and after January 1, 2013, each public retirement system
25 shall modify its plan or plans to comply with the requirements of
26 this article and may adopt regulations or resolutions for this
27 purpose.

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DATE: January 22, 2016
TO: Board of Directors
FROM: Leslyn K. Syren, District Counsel
SUBJECT: CONSIDERATION OF ACCEPTING METRO'S MODIFIED TITLE VI PROGRAM REGULATION AND SYSTEM-WIDE SERVICE STANDARDS AND OPEN THE PUBLIC COMMENT PERIOD BEGINNING JANUARY 22, 2016

I. RECOMMENDED ACTION

That the Board of Directors accept the modified Title VI Policy and the System-Wide Service Standards to circulate for public comments.

II. SUMMARY

- As a recipient of Federal Transit Administration (FTA) funds, Santa Cruz Metropolitan Transit District (METRO) is required to comply with Title VI of the Civil Rights Act of 1964, and its implementing regulations which provide that no person in the United States shall on the grounds of race, color, or national origin be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program, activity or service that receives federal financial assistance.
- METRO's Title VI Policy was updated on Nov. 30, 2012 to comply with the changes in the FTA Circular 4702.1B.
- METRO is required to submit a Title VI Program Report update to FTA every three (3) years for compliance monitoring.
- METRO staff will provide the modified Title VI Program (Title VI, Chp. 1 of METRO's Admin Code) and the System-Wide Service Standards (AR-1033) to the METRO Advisory Committee (MAC) and the Elderly & Disabled Transportation Advisory Committee (E&D TAC) prior to its submittal with FTA on April 1, 2016.
- METRO staff reviewed the modified Title VI Program Report and are requesting that the Board accept the draft policies and open the public comment period.

III. DISCUSSION/BACKGROUND

Section 601 of Title VI of the Civil Rights Act of 1964 prohibits discrimination against any individual or group on the basis of race, color or national origin under any program, activity or service that received federal financial assistance. The FTA regulates implementation of Title VI by all recipients of FTA financial assistance through the *Code of Federal Regulations (CFR 49, Section 21)* and

provides guidance to recipients of FTA financial assistance through the FTA Circular, *Title VI Requirements and Guidelines for Federal Transit Administration Recipients*, which it updates from time to time. METRO last updated its Title VI Program in November 2012 to comply with changes in FTA Circular 4702.1B.

METRO is required to submit a Title VI Program Submittal to FTA every three (3) years for compliance monitoring. Prior to METRO's Title VI Submittal with FTA, staff determined that the Title VI Program Regulation be updated to revise job titles and complaint procedures. The Title VI Program Submittal includes METRO's Title VI Program and Complaint Procedures, any Title VI complaints/ investigations and lawsuits, the public participation plan, METRO's public outreach efforts to engage minority and low-income populations, and system-wide service standards and service policies. METRO's Title VI Program Submittal is due to FTA on April 1, 2016.

METRO staff will forward the draft Title VI Program Submittal (*Attachment A*) to MAC and E&D TAC to obtain input from these committees.

Staff recommends that the Board adopt the Title VI Program Submittal (*Attachment A*). Upon the completion of the 45-day public comment period, METRO will hold a public hearing to receive any additional comments on the draft Title VI Program Submittal on March 25, 2016.

IV. FINANCIAL CONSIDERATIONS/IMPACT

Costs associated with circulating the draft Title VI Program are minor and limited to costs for reproduction of the draft Title VI Report, costs for the Public Hearing Notice in the Sentinel and Watsonville Pajaronian, and costs for any legal actions which arise from Title VI complaints. METRO has paid no settlements for Title VI complaints in the preceding three years.

V. ALTERNATIVES CONSIDERED

- Make no changes to the existing Title VI Program.
 - Staff does not recommend this option. This is a legal requirement under federal law (*CFR 49, Section 21*). Failure on the part of METRO to maintain an active, approved Title VI Program will result in grant denials and suspension of federal funds from FTA.

VI. ATTACHMENTS

Attachment A: METRO's DRAFT Title VI Program Report

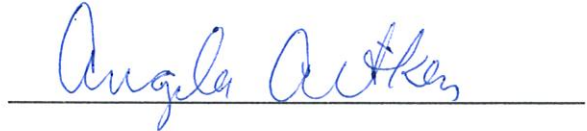
Prepared By: Rickie-Ann Kegley, Paralegal

VII. APPROVALS:

Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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Santa Cruz Metropolitan Transit District

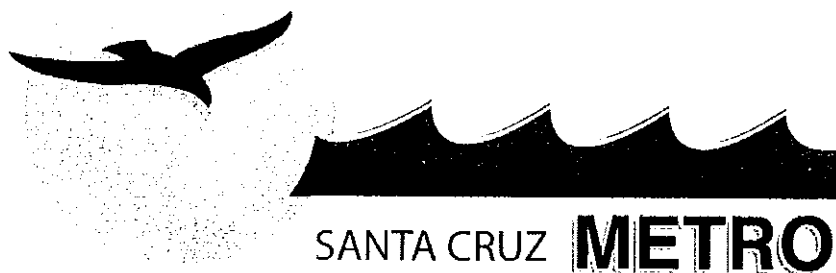
Title VI Program

2016 Report

*Title VI Program
Regulation*

Complaint Form

Public Notice



January 2016

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

ADMINISTRATIVE CODE

TITLE VI - TITLE VI PROGRAM REGULATION AND COMPLAINT PROCEDURE

CHAPTER 1

(This Chapter replaces AR-1029 pursuant to Resolution No. _____)

Table of Contents:

Article I	General Requirements
Article II	Applicability of the Title VI Program
Article III	Guidelines & Procedures
Article IV	Environmental Justice Requirements
Article V	Limited English Proficient (LEP) Individuals and Public Participation Requirements
Article VI	Complaints/Lawsuits and Appeals
Article VII	Deficiencies with Title VI Compliance
Article VIII	Administration of Title VI Program

Article 1

General Requirements

§6.1.101 Policy

The Santa Cruz Metropolitan Transit District (Santa Cruz METRO) is committed to ensuring that no person is excluded from participation in, denied the benefits of or otherwise subjected to discrimination under any of its programs, activities or services on the basis of race, color, national origin, age, sex, sexual orientation or gender identity. All persons, regardless of their citizenship, are covered under this regulation. In addition, METRO prohibits discrimination on the basis of race, color, national origin, age, sex, sexual orientation or gender identity in its employment and business opportunities.

§6.1.102 METRO will not condone retaliation against an individual for his/her involvement in asserting his/her rights pursuant to Title VI or because he/she filed a complaint or participated in an investigation under Title VI, and/or this regulation.

Attachment A

- §6.1.103** As a Federal Transit Administration (FTA) fund recipient, METRO will ensure that its programs, policies and activities comply with the Department of Transportation (DOT) Title VI Regulations of the Civil Rights Act of 1964.
- §6.1.104** METRO will ensure that the level and quality of its transportation service is provided without regard to race, color, national origin, age, sex, sexual orientation or gender identity.
- §6.1.105** METRO will promote the full and fair participation of all affected populations in the transportation decision-making process.
- §6.1.106** METRO will prevent the denial, reduction or delay in benefits related to programs and activities that benefit minority populations or low-income populations.
- §6.1.107** METRO will make good faith efforts to achieve environmental justice as part of its mission by identifying and addressing, as appropriate, disproportionately high and adverse human health or environmental effects of its programs, activities, and services on minority populations and low-income populations within METRO's service area.
- §6.1.108** METRO will ensure that Limited English Proficient (LEP) individuals have access to METRO's programs, activities and services.
- §6.1.109** This Regulation shall be maintained in English and Spanish.

§ 6.1.110 Definitions

The following capitalized words and phrases whenever used in this Chapter shall be construed as defined below:

ADVERSE EFFECT means having a harmful or undesired effect.

BOARD shall mean the Board of Directors of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO).

DISCRIMINATION refers to any act or inaction, whether intentional or unintentional, in any program or activity of a Federal aid recipient, sub recipient, or contractor that results in disparate treatment, disparate impact, or perpetuates the effect of prior discrimination based on race, color, national origin, age, sex, sexual orientation, or gender identity.

GENDER IDENTITY refers to an individual's gender, or lack thereof, a person self identifies with. It is not necessarily based on biological fact, either real or perceived, nor is it always based on sexual orientation. The gender identities one may choose from include male, female, both, somewhere in between (third gender) or neither.

Attachment A

LIMITED ENGLISH PROFICIENT (LEP) PERSONS are individuals for whom English is not their primary language and who have a limited ability to speak, understand, read, or write English. It includes people who reported to the U.S. Census that they do not speak English well or do not speak English at all.

LOW INCOME POPULATION means any readily identifiable groups of low-income individuals who live in geographic proximity, and if circumstances warrant, geographically dispersed transient persons (such as migrant workers or Native Americans) who will be similarly affected by a proposed DOT program, policy or activity.

MINORITY INDIVIDUALS include the following:

- a) American Indian and Alaska Native, which refers to people having origins in any of the original peoples of North and South America (including Central America), and who maintain tribal affiliation or community attachment.
- b) Asian, which refers to people having origins in any of the original peoples of the Far East, Southeast Asia or the Indian subcontinent.
- c) Black or African American, which refers to people having origins in any of the Black racial groups of Africa.
- d) Hispanic or Latino, which includes people of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.
- e) Native Hawaiian and Other Pacific Islanders, which refers to people having origins in any of the original people of Hawaii, Guam, Samoa or other Pacific Islands.

NATIONAL ORIGIN means the particular nation in which a person was born, or where the person's parents or ancestors were born.

RACE means a group of people united or classified together on the basis of common history, nationality or geographic distribution.

RECIPIENT means one that has received or is receiving Federal financial assistance under the Acts. The term includes sub recipients of a recipient and sub recipients in FTA's State administered programs.

RETALIATION Any adverse action taken against another individual because of his/her participation in the complaint, investigation or hearing relating to this policy or the provision of federal or state law.

Santa Cruz METRO shall mean the Santa Cruz Metropolitan Transit District as established and operated under Part 10, Division 10 of the *California Public Utilities Code*.

SEX refers to the classification of an individual's gender as either male, or female.

Attachment A

SEXUAL ORIENTATION refers to an individual's preference in terms of sexual relationship with others, whether the individual is homosexual, heterosexual or bisexual.

VITAL DOCUMENTS are documents that convey information that critically affects the ability of the customer to make informed decisions about his/her participation in the program. (e.g., public notices, consent forms, complaint forms, eligibility rules, notices pertaining to the reduction, denial or termination of services or benefits, right to appeal, and notices informing customers of the availability of free language assistance).

Article II

Applicability of the Title VI Program

- § 6.1.201** This policy is applicable to all Santa Cruz METRO employees, members of the public and all contractors hired by Santa Cruz METRO.
- §6.1.202** Failure of a Santa Cruz METRO employee to follow this policy and procedure shall subject such employee to disciplinary action up to and including employment termination.

Article III

Guidelines & Procedures

- §6.1.301** METRO will carry out its programs, activities and services in compliance with Title VI of the Civil Rights Act of 1964. METRO or any of its employees will not, on the grounds of race, color, national origin, age, sex, sexual orientation, or gender identity, exclude any person from participating in, deny the benefits of, or subject him/her to discrimination under any of METRO's programs, services, or activities.
- §6.1.302** METRO or any of its employees will not, on the grounds of race, color, national origin, age, sex, sexual orientation, or gender identity:
- a) Provide any service, financial aid, or benefit that is different from that provided to others;
 - b) Subject an individual to segregation or separate treatment;
 - c) Restrict an individual in the enjoyment of any advantage or privilege enjoyed by others;
 - d) Deny any individual service, financial aid, or benefits under any of METRO's programs, services, or activities;
 - e) Treat individuals differently in terms of whether they satisfy admission or eligibility requirements; and

Attachment A

- f) Deny an individual the opportunity to participate as a member of a planning or advisory body.

§6.1.303 METRO is encouraged to evaluate significant system-wide service and fare changes and proposed improvements at the planning and programming stages to determine whether these changes have a discriminatory impact on low-income and Limited English Proficient individuals. This applies to major service changes that affect more than 25% of service hours of a route.

§6.1.304 METRO holds at least one Board Meeting every month at a varying location throughout its geographic boundaries (e.g., Capitola, Scotts Valley, Watsonville and downtown Santa Cruz) to ensure that all individuals are afforded an opportunity to participate in METRO's transportation decisions.

- a) There will not be any Board Meetings conducted in the month of July.
- b) METRO's Board Chair or designee may cancel board Meetings for business reasons.

§6.1.305 In addition to all Title VI requirements, METRO provides a bilingual (Spanish-speaking) interpreter at the second Board Meeting every month, to ensure meaningful participation by persons with Limited English Proficiency. A Spanish-speaking interpreter can be obtained for any of its regular Board Meetings by contacting METRO's Administrative Services Coordinator at (831) 426-6080.

§6.1.306 METRO's District Counsel or his/her designee will maintain a list (a minimum of four years in active status) of any Title VI investigations, complaints, or lawsuits filed which allege METRO discriminated against a person or group on the basis of race, color, national origin, age, sex, sexual orientation, or gender identity. This list will include:

- a) The date the investigation, complaint, or lawsuit was filed;
- b) A summary of the allegation(s);
- c) The status of the investigation, complaint, or lawsuit; and
- d) Any actions, or corrective actions taken by METRO in response to the investigation, complaint or lawsuit.

§6.1.307 METRO will keep the public informed of the protections against discrimination afforded to them by Title VI and METRO's obligations under Title VI by posting this policy, or a *Title VI Policy Statement* (Attachment A), on METRO's website at www.scmtd.com, on transit center bulletin boards and on the official METRO bulletin board, located at METRO's Administrative offices. METRO's *Title VI Policy Statement* (Attachment A) will be posted in English and Spanish at all designated METRO facility locations.

Attachment A

- §6.1.308** METRO will take responsible steps to ensure meaningful access to the benefits, services, information and other important portions of its programs, activities and services for individuals who are Limited English Proficient (LEP).
- §6.1.309** METRO will provide information, upon request from FTA, in order to investigate Complaints of discrimination, or to resolve concerns about possible noncompliance with Title VI.
- §6.1.310** METRO will submit its Title VI Program to the FTA's regional civil rights officer once every three years to ensure compliance with Title VI Requirements.
- §6.1.311** METRO will ensure that minority and low-income individuals have meaningful access to METRO's programs, activities and services.

Article IV

Environmental Justice Requirements

- §6.1.401** METRO shall integrate an environmental justice analysis into its National Environmental Protection Act (NEPA) documentation of construction projects. METRO is not required to conduct environmental justice analyses of projects where NEPA documentation is not required. METRO will prepare and submit FTA's Categorical Exclusion (CE) checklist for those construction projects that do not require an environmental justice analyses. FTA's CE checklist includes a review of community disruption and environmental justice. METRO will consider preparing an environmental assessment (EA) or environmental impact statement (EIS) to integrate into its documents the following components:
- a) A description of the low-income and minority population within the study area affected by the project, and a discussion of the method used to identify this population (e.g., analysis of Census data, direct observation, or a public involvement process);
 - b) A discussion of all adverse effects of the project both during and after construction that would affect the identified minority and low-income populations;
 - c) A discussion of all positive effects of the project that would affect the identified minority and low-income populations, such as improvements in transit service, mobility, or accessibility;
 - d) A description of all mitigation and environmental enhancement actions incorporated into the project to address the adverse effects, including, but not limited to, any special features of the relocation program that go beyond the requirements of the Uniform Relocation Act and address adverse community effects such as separation or cohesion issues; and the replacement of the community resources destroyed by the project;

Attachment A

- e) A discussion of the remaining effects, if any, and why further mitigation is not proposed; and
- f) For projects that traverse predominantly minority and low-income and predominantly non-minority and non-low-income areas, a comparison of mitigation and environmental enhancement actions that affect predominantly low-income and minority areas with mitigation implemented in predominantly non-minority or non-low-income areas.

Article V

Limited English Proficient (LEP) Individuals and Public Participation Requirements

- §6.1.501** METRO will seek out and consider the viewpoints of minority, low-income and Limited English Proficient (LEP) populations in the course of conducting public outreach and involvement activities. METRO's public participation strategy will offer early and continuous opportunities for the public to be involved in the identification of social, economic and environmental impacts of proposed transportation decisions.
- §6.1.502** METRO will ensure that individuals have access to its programs, activities and services by developing and carrying out the language plan herein. METRO will continually assess the language assistance needs of the population to be served.
- §6.1.503** METRO will use the following four factors to determine what measures must be undertaken to provide reasonable and meaningful access to LEP individuals.
- a) Languages likely to be encountered and the number or proportion of LEP persons in the eligible service population likely to be affected by the program, activity, or service.
 - b) Frequency with which LEP individuals come into contact with METRO's programs, activities and services.
 - c) Importance of the program, activity or service provided by METRO to LEP individual's lives.
 - d) Resources needed to provide effective language assistance and costs.
- §6.1.504** **ORAL LANGUAGE ASSISTANCE**
- a) METRO maintains bilingual staff to provide Spanish-speaking interpretation at its Administrative offices and within its Customer Service facility for basic transit questions and trip planning assistance.
 - b) METRO's paratransit service provides Spanish-speaking reservationists to assist paratransit customers when scheduling a trip.
 - c) A bilingual (Spanish) interpreter is present for translation services at the second Board of Directors' Meeting every month.

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- d) Upon notification 24-hours in advance, METRO will provide an interpreter at the first Board Meeting, if requested.
- e) METRO's Ticket Vending Machines provide assistance with ticket purchases in English and Spanish.

§6.1.505 NOTIFY LEP CUSTOMERS OF AVAILABILITY OF LANGUAGE ASSISTANCE SERVICES

- a) METRO will post on its official bulletin board at its Administrative offices, at the Metro Center, Scotts Valley and at the Watsonville Transit Center, signs, which notify customers of the Language Assistance program and that free language assistance is available, if requested in a timely manner.
- b) METRO's fixed route buses and ParaCruz vans have language assistance cards informing passengers that language assistance is available in Spanish, if needed.

§6.1.506 TRANSLATION OF VITAL DOCUMENTS/WRITTEN LANGUAGE ASSISTANCE

- a) All public hearings that require notification to the public are posted in English and Spanish throughout METRO's service area and in local newspapers.
- b) METRO's Title VI Policy Statement (Attachment A) and Complaint Form (Attachment B) will be available in Spanish on METRO's website at www.scmttd.com, at Transit Centers, and on METRO's official bulletin board.
- c) METRO's Title VI Policy Statement (Attachment A) and Title VI Complaint Form (Attachment B) have been translated into Spanish and will be posted at transit centers, in transit vehicles, and on the official METRO bulletin board at METRO's Administrative offices.
- d) METRO's fixed route buses have Bus Cards (English/Spanish) informing passengers of their rights under Title VI of the Civil Rights Act of 1964.
- e) METRO's Headways is provided in English and Spanish.
- f) METRO will post a copy of the Board of Directors Agenda in Spanish on the official METRO bulletin board, located at METRO's Administrative offices.
- g) METRO's ParaCruz Guide is provided on the website in Spanish.

§6.1.507 METRO will provide written translations of vital documents for each LEP group that constitutes a minimum of 5% of the service area population or consists of at least 1,000 people.

§6.1.508 METRO's Board Meetings are held at varying locations throughout Santa Cruz County to ensure that low-income, minority and LEP individuals have meaningful access to these meetings. These locations include Capitola, Santa Cruz, Scotts Valley and Watsonville.

Attachment A

Article VI

Complaints/Lawsuits and Appeals

§6.1.601 **How to File a Title VI Complaint with METRO:** Any person who believes that he/she, or as a member of any specific class of individuals, has been subjected to discrimination on the basis of race, color, national origin, age, sex, sexual orientation, or gender identity with respect to METRO's programs, activities, services, or other transit related benefits, may file a written Complaint with METRO. A Complaint may be filed by the individual or by a representative. Customers are encouraged to file a Complaint with METRO after the alleged discrimination, and complainants are encouraged to submit complaints as soon as possible. METRO will promptly investigate all Complaints filed under Title VI, pursuant to this Regulation.

§6.1.602 **Complaint must include the following information:**

- a) A Complaint must be in writing, signed and dated by the Complainant or his/her representative before any action can be taken.
- b) A Complaint shall state, as fully as possible, the facts and circumstances surrounding the alleged discrimination, including the name and address of the complainant, the date, time and location of the incident. The Complaint shall include a description of the program, activity or service on which the alleged discrimination occurred.

§6.1.603 ***A Complaint Form*** (Attachment B) can be used to file a Title VI complaint with METRO. *A Complaint Form* will be made in an accessible format upon request. *A Complaint Form* can be obtained at the following locations:

- a) At the Santa Cruz METRO website, www.scmtd.com;
- b) By calling Santa Cruz METRO's Administrative Services Coordinator, or his/her designee at (831) 426-6080, (TDD 711 (TTY/voice)) a complaint form can be mailed.
- c) By picking up a Complaint Form at Customer Service, Pacific Station (formerly METRO Center), 920 Pacific Avenue, Santa Cruz, CA 95060 or Santa Cruz METRO Administrative offices, 110 Vernon Street, Santa Cruz, CA 95060.

§6.1.604 If the Complaint is received by anyone besides METRO's CEO/General Manager, the individual in receipt of the Complaint shall forward it to the CEO/General Manager or his/her designee as soon as practicable but no later than 2 working days of receipt. The CEO/General Manager shall immediately provide a copy of the Complaint to the Chair of the Board of Directors and the METRO Manager responsible for the program, activity or service that is identified as being out of compliance.

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- §6.1.605** **METRO's Procedures For Investigating Complaints:** The METRO Manager responsible for the program, activity or service which is alleged to be out of compliance shall promptly investigate the alleged complaint and shall prepare a written response as soon as practicable, but no later than 10 working days of his/her receipt of the complaint. The Manager may consult with appropriate METRO Staff in the preparation of his/her response to the complaint. The Manager shall forward his/her written response to the CEO/General Manager or his/her designee within the designated time frame.
- §6.1.606** **Efforts to Contact Complainant:** The CEO/General Manager or his/her designee shall make efforts to speak (meeting or telephone conversation) with the complainant, at which time the complainant may give written or oral evidence supporting the allegation that his/her rights under Title VI have been violated. The CEO/General Manager or his/her designee shall review and consider the response prepared by the Manager identified in Section 67.05, all the information provided by the complainant, if any, and any other evidence available regarding the allegations of the complaint. The CEO/General Manager or his/her designee shall prepare a written report of his/her findings and if corrective action is required, a timetable for the completion of such action.
- §6.1.607** **Completion of Investigation:** As soon as is practicable, but no later than 20 working days following receipt of the initial complaint, the CEO/General Manager or his/her designee shall inform the complainant of his/her findings and any corrective action to be taken as a result of the complaint together with the timetable for completion of such action.
- §6.1.608** **Appeal to Chair:** If the complainant is not satisfied with the findings and/or action of METRO's CEO/General Manager or his/her designee, then the complainant may file his/her Complaint with the Chair of the Board of Directors (see Section 67.09 below), or with the FTA's Office of Civil Rights (see Section 67.11 below).
- §6.1.609** **Appeal Process:** If the complainant chooses to file his/her Complaint with the Chair of the Board of Directors, then the complaint and any supporting documentation should be submitted within 15 working days of his/her receipt of the results of the CEO/General Manager's investigation, with the Chair of the Board of Directors by providing it to ~~the the Executive Assistant~~ Administrative Services Coordinator, or his/her designee, 110 Vernon Street, Santa Cruz, CA 95060. If an accommodation is needed, additional time may be provided to submit the appeal. Upon review of the file, the Chair of the Board shall notify the complainant of what actions, if any, will be taken as a result of the review by the Chair within 10 working days of the Chair's notification that the complainant is not satisfied with the results of the CEO/General Manager's investigation. The decision of the Chair of METRO's Board of Directors shall be final.

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§6.1.610 **Timeline Waiver:** Any timeline set forth herein may be extended by the CEO/General Manager as an accommodation (if needed), or upon a showing of good cause.

§6.1.611 **How to File a Title VI Complaint with the FTA:** Any person who believes that he/she, or as a member of any specific class of individuals, has been subjected to discrimination on the basis of race, color, national origin, age, sex, sexual orientation, or gender identity, with respect to METRO's programs, activities, or services, or other transit related benefits, may file a written complaint with FTA. A Complaint may be filed by the individual or by a representative. FTA will promptly investigate all Complaints filed under Title VI in accordance with DOT regulations 49 CFR §§21.11(b) and 21.11(c).

a) **A Complaint must include the following information:**

A Complaint may be filed by printing, completing and mailing the FTA Complaint Form found on FTA's website:

http://www.fta.dot.gov/printer_friendly/12328_5104.html

The Complaint must be in writing, signed and dated by the Complainant or his/her representative before any action can be taken. In cases where a Complainant is unable or incapable of providing a written statement, but wishes FTA or DOT to investigate alleged discrimination, a verbal Complaint of discrimination may be made to the FTA Director, Office of Civil Rights. If necessary, the Civil Rights Official will assist the person in converting the verbal Complaint into writing. All Complaints must, however, be signed by the Complainant or his/her representative.

FTA Civil Rights Office Address:

Federal Transit Administration
Office of Civil Rights

Attn: Complaint Team~~Title VI Program Coordinator~~
East Building, 5th Floor - TCR
1200 New Jersey Avenue, S.E.
Washington, DC 20590

TTY: 1-800-877-8339

Voice: 1-866-377-8642

FTA.ADAAssistance@dot.gov

b) ~~Please provide a summary of your allegations. A Complaint shall state, as fully as possible, the facts and circumstances surrounding the alleged discrimination, including the dates, times and location of the incident(s). Include any supporting documentation.~~ The Complaint shall include a description of the program, activity or service on which the alleged

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discrimination occurred. Any related correspondence from the transit provider may be included.

b)c) It is not required; however, FTA encourages individuals to first file a Complaint directly with the transit provider to give the provider the opportunity to resolve any situation that may be present.

§6.1.612 **Complaint Acceptance:** Once a Complaint has been accepted, FTA will notify METRO that it has been subject to a Title VI Complaint and ask METRO to respond in writing to the Complainant's allegations. Once the Complainant agrees to release the Complaint to METRO, FTA will provide METRO with the Complaint. FTA may choose to close a Complaint if the Complainant does not agree to release the Complaint to METRO. FTA strives to promptly investigate all Title VI Complaints.

§6.1.613 **Investigations:** FTA will make a prompt investigation whenever a compliance review, report, Complaint or any other information indicates a possible failure to comply with Title VI Regulations. FTA's investigation will include a review of the pertinent practices and policies of METRO, the circumstances under which the possible noncompliance occurred, and other factors relevant to a determination as to whether METRO has failed to comply with Title VI regulations.

§6.1.614 Following the investigation, FTA's Office of Civil Rights will transmit to the Complainant and METRO one of the following three letters based on its findings:

- a) **Letter of Resolution:** which explains the steps that METRO has taken or promises to take to come into compliance with Title VI.
- b) **Letter of Finding (Compliance):** which explains that METRO is found to be in compliance with Title VI. This letter will include an explanation of why METRO was found to be in compliance, and provide notification of the Complainant's appeal rights.
- c) **Letter of Finding (Noncompliance):** which explains that METRO is found to be in noncompliance. This letter will include each violation referenced, the applicable regulations, a brief description of proposed remedies, notice of the time limit on the conciliation process, the consequences for failure to achieve voluntary compliance, and an offer of assistance to METRO in devising a remedial plan for compliance.

§6.1.615 **Appeals Process:** The letters of finding and resolution will offer the Complainant and METRO the opportunity to provide additional information that would lead FTA to reconsider its conclusions. FTA requests that the parties in the Complaint provide this additional information within 60 days of the date of the FTA letter of finding. FTA's Office of Civil Rights will respond to an appeal either by issuing a revised letter of resolution or finding to the appealing party, or by informing the appealing party that the original letter of resolution or finding remains in force.

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Article VII

Deficiencies with Title VI Compliance

- §6.1.701** Compliance Reviews will be conducted periodically by FTA, as part of its ongoing responsibility pursuant to its authority under *49 CFR §21.11(a)*.
- §6.1.702** If FTA determines that METRO is in noncompliance with Title VI, it will transmit a *Letter of Finding* that describes FTA's determination and requests that METRO voluntarily take corrective action(s) which FTA deems necessary and appropriate.
- §6.1.703** METRO will submit a remedial action plan including a list of planned corrective actions and, if necessary, sufficient reasons and justification for FTA to reconsider any of its findings or recommendations within 30 days of receipt of FTA's *Letter of Finding*.

Article VIII

Administration

- §6.1.801** METRO will integrate the provisions within its Title VI Program into all programs, activities and services provided by METRO's Fixed Route service, Paratransit service and METRO facilities.
- §6.1.802** METRO will integrate the Title VI Program into its ~~policies and procedures~~ Administrative Code.

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ATTACHMENT A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT



TITLE VI POLICY STATEMENT

The Santa Cruz Metropolitan Transit District (METRO) is committed to providing public transportation in an environment that is free from discrimination on the basis of race, color, national origin, age, sex, sexual orientation or gender identity. METRO operates its programs, activities and services without regard to race, color, national origin, age, sex, sexual orientation or gender identity.

As a Federal Transit Administration (FTA) fund recipient, METRO will ensure that its programs, policies and activities comply with Title VI of the Civil Rights Act of 1964, as amended, and Department of Transportation regulations.

Any person who believes that he/she, has been subjected to discrimination on the basis of race, color, national origin, age, sex, sexual orientation, or gender identity, with respect to METRO's programs, activities, services, or other transit related benefits, may file a Title VI complaint. Complaints must be filed in writing and signed by the complainant, or a representative, and should include the complainants name, address, and telephone number or other means by which the complainant can be contacted. Complaint forms are available at Santa Cruz METRO Administration, 110 Vernon St., Santa Cruz, 831-426-6080; Customer Service, 920 Pacific Avenue (Pacific Station); and on the web at www.scmttd.com. Customers are encouraged to submit Complaints as soon as possible and can call the ~~Executive Assistant Administrative Coordinator~~ at (831) 426-6080 for assistance.

To request additional information on METRO's non-discrimination obligations or to file a Title VI Complaint, please submit your request or complaint in writing to:

Santa Cruz Metropolitan Transit District

Attn: CEO/General Manager

110 Vernon Street

Santa Cruz, CA 95060

Federal Transit Administration (FTA) Title VI Complaints may be filed directly to:

Federal Transit Administration

Office of Civil Rights

Attn: Complaint Team~~Title VI Program Coordinator~~

East Building, 5th Floor – TCR

1200 New Jersey Avenue, SE

Washington, DC 20590

ADMINISTRATIVE CODE:

TITLE VI, CHP. 1 – TITLE VI PROGRAM

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ATTACHMENT B

Santa Cruz Metropolitan Transit District
TITLE VI DISCRIMINATION COMPLAINT FORM
110 Vernon Street, Santa Cruz, CA 95060

Complainant's Name or Authorized 3rd Party: _____

Street Address: _____

City/State/Zip: _____

Phone: _____ E-mail Address: _____

Date/Time of Violation: _____ Date of Complaint: _____

Place of Violation: _____

Bus Number: _____ Bus Route: _____

Please indicate discrimination in this complaint because of any of the following, which are prohibited by Title VI of the Civil Rights Act of 1964:

- Race Color National Origin

Please indicate discrimination in this complaint because of any of the following, which are strictly prohibited by Santa Cruz METRO:

- Age Sex Sexual Orientation Gender Identity

Please provide the name(s) of the METRO Directors, employees and/or agents who allegedly discriminated against you, including their job titles (if known):

Identify what METRO service, program or activity (e.g. fixed route service, ParaCruz, etc.) resulted in discrimination against you:

Identify individuals by name, address and phone number that have information relating to the violation:

Explain as clearly as possible what happened, how you feel you were discriminated against and who was involved. Describe how you were treated differently:*

Signature of Complainant: _____ Date: _____


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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Número de Reglamento: AR-1029 (S)
Título de Computadora: Title VI Spanish.doc
Fecha Efectiva: 18 de diciembre de 2009
Páginas: 14

TÍTULO: REGLAMENTO DEL PROGRAMA Y DEL PROCEDIMIENTO DE QUEJAS DE TÍTULO VI

Historia de Procedimiento

NUEVA POLÍTICA	RESUMEN DE LA POLÍTICA	APROBADO
18 de diciembre, 2009	Nuevo Reglamento	D.B.
25 de mayo, 2012	Revisado para incluir nuevas medidas de asistencia lingüística y actualizaciones en el proceso de apelación	L.M.R.
30 de noviembre, 2012	Revisado para incorporar cambios efectuados por el Circular FTA 4702.1B de agosto, 2012	

I. POLÍTICA

- 1.01 El Distrito de Tránsito Metropolitano de Santa Cruz (METRO) se compromete a garantizar que ninguna persona sea excluida de participar en, negársele los beneficios de, o sujeto a discriminación bajo cualquiera de sus programas, actividades o servicios sobre la base de raza, color, origen nacional, edad, sexo, orientación sexual o identidad de género. Todas las personas, independientemente de su nacionalidad, están cubiertas por el presente Reglamento. Además, METRO prohíbe la discriminación por motivos de raza, color, origen nacional, edad, sexo, orientación sexual o identidad de género en su empleo y oportunidades de negocio.
- 1.02 METRO no tolerará represalias contra un individuo por su participación en la afirmación de sus derechos conforme con el Título VI, o porque él / ella presentó una queja o participo en una investigación en virtud del Título VI, y / o el presente Reglamento.
- 1.03 Como recipientes de fondos de la Administración Federal de Tránsito (FTA), METRO asegurará que sus programas, políticas y actividades cumplan con los Reglamentos del Departamento de Transporte (DOT) del Título VI del Acta de Derechos Civiles de 1964.
- 1.04 METRO asegurará que el nivel y la calidad de su servicio de transporte se ofrezca sin distinción de raza, color, origen nacional, edad, sexo, orientación sexual o identidad de género.

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- 1.05 METRO promoverá la participación plena y equitativa de todas las poblaciones afectadas en el proceso de decisiones de transporte.
- 1.06 METRO impedirá la denegación, reducción o retraso en los beneficios relacionados con los programas y actividades que son de beneficio a las poblaciones minoritarias o de las poblaciones de bajos ingresos.
- 1.07 METRO hará esfuerzos de buena fe para lograr la justicia ambiental como parte de su misión identificando y abordando, según correspondan, efectos adversos desproporcionadamente altos a la salud humana o al ambiente resultando de sus programas, actividades y servicios en las poblaciones minoritarias y poblaciones de bajos ingresos dentro del área de servicio de METRO.
- 1.08 METRO asegurará que individuos con Proficiencia Limitada en Inglés (LEP) tengan acceso a los programas, actividades y servicios de METRO.
- 1.09 El presente Reglamento se mantendrán en inglés y español.

II. APLICABILIDAD

- 2.01 Esta política es aplicable a todos los empleados de METRO, los miembros del público y de todos los contratistas empleados por METRO.
- 2.02 Falta de seguir esta política y procedimiento de un empleado de METRO objetará a dicho empleado a acción disciplinaria hasta e incluyendo terminación de empleo.

III. DEFINICIONES:

- 3.01 “**Efecto Adverso**” significa tener un efecto perjudicial o no deseado.
- 3.02 “**Discriminación**” se refiere a cualquier acto u omisión, intencional o no intencional, en cualquier programa o actividad de un recipiente de ayuda federal, sub-receptor, o contratista, que resulte en el trato desigual, impacto desigual, o que perpetúa los efectos de previa discriminación basada en la raza, color, origen nacional, edad, sexo, orientación sexual o identidad de género.
- 3.03 “**Identidad de género**” se refiere al género de un individuo, o su ausencia, con el que una persona se identifica. No es necesariamente basado en hechos biológicos, ya sea real o percibido, ni tampoco es siempre basado en la orientación sexual. Las identidades de género que se puede elegir incluyen hombres, mujeres, ambas, en algún punto intermedio (tercer género) o ninguno.
- 3.04 “**Personas de Proficiencia Limitada en Inglés (LEP)**” son personas para las que inglés no es su lengua materna y que tienen una capacidad limitada para hablar, entender, leer o escribir en inglés. Incluye a las personas que reportaron el Censo de EE.UU. que no hablan bien el idioma Inglés, o no hablan inglés en total.
- 3.05 “**Población de Bajos Ingresos**” se refiere a cualquier grupo fácilmente identificable de personas de bajos ingresos que viven en la proximidad geográfica, y si las circunstancias lo justifican, personas transeúntes dispersas geográficamente (como trabajadores

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emigrantes o Nativos Americanos) que serán igualmente afectados por una propuesta de programa, política, o actividad del DOT.

- 3.06 **“Individuos de las Minorías”** incluyen las siguientes:
- 1) Indios Americanos y Nativos de Alaska, que se refiere a las personas con orígenes en cualquiera de los pueblos originarios de América del Norte y América del Sur (incluyendo América Central), y que mantiene afiliación tribal o de comunidad.
 - 2) Asiáticos, que se refiere a las personas con orígenes en cualquiera de los pueblos originales del Lejano Oriente, el sudeste Asiático o el subcontinente Indio.
 - 3) Afro-Americanos, que se refiere a las personas con orígenes en cualquiera de los grupos raciales Negros de África.
 - 4) Hispanos o Latinos, que incluyen a personas de Cuba, México, Puerto Rico, Sudamérica o Centroamérica, o de cualquier otra cultura u origen española, independientemente de la raza.
 - 5) Nativos de Hawai y otras Islas del Pacífico, que se refiere a las personas con orígenes en cualquiera de las personas originarias de Hawai, Guam, Samoa u otras Islas del Pacífico.
- 3.07 **“Origen Nacional”** se refiere a la nación en particular en el que una persona nació o donde nacieron los padres o antecesores de la persona.
- 3.08 **“Raza”** es un grupo de personas unidas o clasificadas juntas en base de la historia común, la nacionalidad, o la distribución geográfica.
- 3.09 **“Recipiente”** es uno que ha recibido o está recibiendo asistencia financiera federal en virtud de las leyes. El término incluye a los sub-beneficiarios de un recipiente y los sub-beneficiarios en los programas administrados del Estado de FTA.
- 3.10 **“Represalia”** Cualquier acción adversa en contra de otro individuo a causa de su participación en la denuncia, la investigación, o audiencia relacionada con esta política o la disposición de la ley federal o estatal.
- 3.11 **“Sexo”** se refiere a la clasificación de género de un individuo ya sea masculino o femenino.
- 3.12 **“Orientación Sexual”** se refiere a la preferencia de un individuo en términos de relación sexual con otros, si la persona es homosexual, heterosexual o bisexual.
- 3.13 **“Documentos Vitales”** son documentos que transmiten la información que afecta gravemente la capacidad de los clientes al tomar decisiones informadas sobre su participación en el programa. (por ejemplo, avisos públicos, formularios de consentimiento, formularios de quejas, normas de elegibilidad, los anuncios relativos a la reducción, la denegación o cancelación de servicios o beneficios, el derecho a apelar, y las comunicaciones informando a los clientes de la disponibilidad de la asistencia lingüística gratuita).

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IV. REQUISITOS Y DIRECTRICES GENERALES

- 4.01 METRO llevará a cabo sus programas, actividades y servicios de conformidad con el Título VI del Acta de Derechos Civiles de 1964. METRO o cualquiera de sus empleados no excluirá a ninguna persona de participar en, negar los beneficios de, ni sujetar a él / ella a discriminación en cualquiera de los programas, servicios o actividades de METRO por motivos de raza, color, origen nacional, edad, sexo, orientación sexual o identidad de género.
- 4.02 METRO o cualquiera de sus empleados, no harán lo siguiente por motivos de raza, color, origen nacional, edad, sexo, orientación sexual o identidad de género:
- a) Proporcionar cualquier servicio, ayuda financiera, o beneficio que es diferente de lo previsto para los demás;
 - b) Someter a una persona a segregación o tratamiento separado;
 - c) Limitar a un individuo en el disfrute de cualquier ventaja o privilegio disfrutado por los demás;
 - d) Negar cualquier servicio individual, ayuda financiera, o beneficios en virtud de cualquiera de los programas, servicios o actividades de METRO;
 - e) Tratar a las personas de manera diferente en función de si cumplen los requisitos de admisión o de elegibilidad; y
 - f) Negar a una persona la oportunidad de participar como miembro de un órgano de planificación o consultivo.
- 4.03 METRO es alentado a evaluar el sistema de servicio a escala significativa y cambios en las tarifas y las mejoras propuestas en las etapas de planificación y programación para determinar si estos cambios tienen un efecto discriminatorio sobre los bajos ingresos y personas de Proficiencia Limitada en Inglés. Esto se aplica a cambios en los servicios principales que afectan a 25% de las horas de servicio de una ruta.
- 4.04 METRO celebra al menos una reunión de la Junta cada mes en lugares distintos a lo largo de sus fronteras geográficas (por ejemplo, Capitola, Scotts Valley, Watsonville y el centro de Santa Cruz) para garantizar que todas las personas tengan la oportunidad de participar en las decisiones de transporte de METRO.
- A. No habrá ninguna reunión de la Junta Directiva en el mes de julio.
 - B. Reuniones de la Junta Directiva podrán ser canceladas por motivos de negocios por el Presidente de la Junta del METRO o la persona designada.
- 4.05 Además de todos los requisitos del Título VI, METRO proporciona un intérprete de español en la segunda reunión de la Junta cada mes, para asegurar una participación significativa de las personas con Proficiencia Limitada en Inglés. Puede obtener un intérprete de español para cualquiera de sus reuniones periódicas de la Junta poniéndose en contacto con el Coordinador de Servicios en la Administración de METRO al (831) 426-6080.

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- 4.06 La Abogada del Distrito de METRO o su designado, mantendrá una lista (un mínimo de cuatro años en estado activo) de las investigaciones del Título VI, quejas o demandas presentadas que alegan que METRO discriminó contra una persona o grupo sobre la base de raza, color, origen nacional, edad, sexo, orientación sexual o identidad de género. Esta lista incluye:
- a) La fecha que fue presentada la investigación, denuncia o querrela;
 - b) Un resumen de la denuncia (s);
 - c) El estado de la investigación, denuncia o querrela, y
 - d) Cualesquiera medidas o acciones correctivas adoptadas por METRO en respuesta a la investigación, denuncia o demanda.
- 4.07 METRO mantendrá informado al público de las protecciones contra la discriminación que les ofrece el Título VI y las obligaciones de METRO en el Título VI mediante la publicación de esta política, o Aviso de Título VI (Anexo A), en la página web de METRO, www.scmtd.com, sobre los tableros de anuncios del Centro de Tránsito y en el tablón de anuncios oficial de METRO ubicado en las oficinas de Administración de METRO. Aviso de Título VI de METRO (Anexo A) será publicada en inglés y español en todos los lugares de instalación designados de METRO.
- 4.08 METRO tomará las medidas responsables para garantizar un acceso significativo a los beneficios, servicios, información y otras partes importantes de sus programas, actividades y servicios para personas que son de Proficiencia Limitada en Inglés (LEP).
- 4.09 METRO proporcionará la información, a petición del FTA, a fin de investigar las denuncias de discriminación, o para resolver las preocupaciones acerca de posibles incumplimientos con el Título VI.
- 4.10 METRO presentará su Programa de Título VI al oficial de la región de derechos civiles del FTA, una vez cada tres años para garantizar el cumplimiento con los Requisitos de Título VI.
- 4.11 METRO asegurará que las minorías y las personas de bajos ingresos tengan acceso significativo a los programas, actividades y servicios METRO.

V. REQUISITOS DE JUSTICIA AMBIENTAL

- 5.01 METRO deberá integrar un análisis de justicia ambiental en su documentación del Programa Nacional de Protección Ambiental (NEPA) de los proyectos de construcción. METRO no está obligado a realizar análisis de justicia ambiental en los proyectos donde la documentación de NEPA no es necesaria. METRO preparará y presentará la lista de Exclusión Categórica (CE) del FTA para los proyectos de construcción que no requieren un análisis de justicia ambiental. La lista CE del FTA incluye una revisión de la interrupción de la comunidad y de justicia ambiental. METRO considerará la preparación de una evaluación ambiental (EA) o la declaración de impacto ambiental (EIS) para integrar en sus documentos los siguientes componentes:

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- a) Una descripción de la población minoritaria y de bajos ingresos dentro de las áreas de estudio afectadas por el proyecto, y una discusión sobre el método utilizado para identificar a esta población (por ejemplo, el análisis de los datos del Censo, la observación directa, o un proceso de participación pública);
- b) Una discusión de todos los efectos adversos del proyecto, tanto durante como después de la construcción que afecte a las poblaciones minoritarias y de bajos ingresos identificados;
- c) Una discusión de todos los efectos positivos del proyecto que afectaría a las poblaciones minoritarias y de bajos ingresos identificados, tales como mejoras en el servicio de tránsito, la movilidad o accesibilidad;
- d) Una descripción de todas las acciones de mitigación y mejoramiento ambiental incorporado en el proyecto para abordar los efectos adversos, incluyendo pero no limitado a, todas las características especiales del programa de reubicación que van más allá de los requisitos de la Ley Uniforme de Reubicación y abordar los efectos adversos de la comunidad tales como el tema de separación o de la cohesión, y la sustitución de los recursos de la comunidad destruidos por el proyecto;
- e) Una discusión de los efectos restantes, si los hubiere, y por qué no es propuesta más mitigación, y
- f) Para los proyectos que atraviesan zonas predominantemente de minorías y de bajos ingresos y proyectos en zonas de predominantemente no-minorías y no-bajos ingresos, una comparación de las acciones de mitigación y mejoramiento del medio ambiente que afectan a zonas predominantemente de bajos ingresos y de minorías con las mitigaciones aplicadas en zonas predominantemente de no-minorías y de no-bajos ingresos.

VI. PERSONAS DE PROFICIENCIA LIMITADA EN INGLES (LEP) Y REQUISITOS DE PARTICIPACIÓN PÚBLICA

- 6.01 METRO buscará y examinará los puntos de vista de la población de minorías, de bajos ingresos y de Proficiencia Limitada en Inglés (LEP) en el curso de la realización de actividades de divulgación y actividades de participación. La estrategia de participación pública de METRO ofrecerá oportunidades tempranas y continuas para que el público participe en la identificación de los impactos sociales, económicos y ambientales de las decisiones de transporte propuestas.
- 6.02 METRO asegurará que las personas tengan acceso a sus programas, actividades y servicios mediante el desarrollo y ejecución del plan de idioma en el mismo. METRO continuamente evaluará la necesidad de la asistencia lingüística de la población servida.
- 6.03 METRO utilizará los siguientes cuatro factores para determinar qué medidas deben llevarse a cabo para proporcionar un acceso razonable y significativo para las personas LEP.

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- a) Idiomas susceptibles de ser encontrados y el número o la proporción de personas LEP en la población de servicios elegibles que podrían verse afectados por el programa, actividad o servicio.
- b) Frecuencia con la que los individuos con LEP entran en contacto con los programas, actividades y servicios de METRO.
- c) Importancia del programa, actividad o servicio prestado por METRO a las vidas individuales de los LEP.
- d) Los recursos necesarios para prestar asistencia eficaz de las lenguas y los costos.

6.04 ASISTENCIA DE LENGUAJE ORAL

- a) METRO mantiene personal bilingüe para proporcionar interpretación a español en sus oficinas administrativas y en sus facilidades de Servicio al Cliente para las preguntas básicas de tránsito y asistencia para la planificación del viaje.
- b) Servicio de paratransito de METRO ofrece reservacionistas de habla hispana para ayudar a los clientes de paratransito al programar un viaje.
- c) Un intérprete bilingüe (español) está presente para servicios de traducción en la segunda reunión de la Junta Directiva de cada mes.
- d) Tras la notificación de 24 horas de antelación, METRO proporcionará un intérprete en la primera reunión de la Junta, si así lo solicita.
- e) Las Máquinas Exendedoras de Boletos del METRO proporcionan asistencia con la compra de boletos en inglés y español

6.05 NOTIFICAR A CLIENTES LEP DE LA DISPONIBILIDAD DE SERVICIOS DE ASISTENCIA DE LENGUAJE

- a) METRO publicará en su tablón oficial de anuncios en sus oficinas administrativas, en el Centro del METRO, y en el Centro de Tránsito de Watsonville, un cartel indicando que la asistencia lingüística gratuita está disponible, si lo solicita en forma oportuna.
- b) Los autobuses de rutas fija del METRO y vehículos de ParaCruz tienen tarjetas de Asistencia Lingüística que informan a los pasajeros que hay ayuda disponible en el idioma español, si es necesario.

6.06 TRADUCCIÓN DE DOCUMENTOS DE VITALES / ASISTENCIA DE LENGUA ESCRITA

- a) Todas las audiencias públicas que requieren notificación al público están publicadas en inglés y español a través de las áreas de servicio del METRO y en periódicos locales.
- b) *Aviso de Título VI* de METRO (Anexo A) y *Formulario de Quejas* (Anexo B) estarán disponibles en español en el sitio web de METRO, www.scmtd.com, en los Centros de Tránsito y el tablón oficial de anuncios de METRO.

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- c) *Aviso de Título VI* de METRO (Anexo A) y *Formulario de Quejas* (Anexo B) han sido traducidos al español y se publicarán en los centros de tránsito, en los vehículos de tránsito, y en el tablón oficial de anuncios en las oficinas de Administración de METRO.
 - d) Autobuses de ruta fija tienen Tarjetas de Autobús (inglés/español) informado a pasajeros sobre sus derechos en virtud del Título VI de la Ley de Derechos Civiles de 1964.
 - e) Headways de METRO se ofrece en inglés y español.
 - f) METRO publicará una copia del Programa de la Junta de Directores en español en el tablón oficial de METRO, ubicado en las oficinas de Administración de METRO.
 - g) La Guía de Viajeros de ParaCruz se proporciona en el sitio web en español.
- 6.07 METRO proporcionará traducciones escritas de documentos vitales para cada grupo de LEP que constituye un mínimo del 5% de la población del área de servicio o se compone de al menos 1,000 personas.
- 6.08 Las reuniones de la Junta Directiva del METRO se llevan a cabo en diferentes lugares en el Condado de Santa Cruz para garantizar que personas de bajos recursos, minorías y LEP tengan acceso a estas juntas. Estos lugares incluyen Capitola, Santa Cruz, Scotts Valley y Watsonville.

VII. QUEJAS / JUICIOS Y APELACIONES

- 7.01 **Cómo presentar una queja de Título VI con METRO:** Cualquier persona que cree que él / ella, o como miembro de cualquier categoría específica de personas, ha sido objeto de discriminación por motivos de raza, color, origen nacional, edad, sexo, orientación sexual o identidad de género, con respecto a los programas, actividades, servicios u otros beneficios de METRO relacionados con el tránsito, puede presentar una Queja por escrito con METRO. Una Queja puede ser presentada por el individuo o por un representante. Se anima a los clientes presentar una Queja con METRO después de la supuesta discriminación, y se les anima a los denunciantes presentar las quejas tan pronto como sea posible. METRO investigará de inmediato todas las Quejas presentadas en virtud del Título VI, conforme con el presente Reglamento
- 7.02 **La Queja debe incluir la siguiente información:**
- a) Una Queja debe ser por escrito y firmado y fechado por el Demandante o su representante antes de cualquier acción puede ser tomada.
 - c) Una Queja debe indicar por la medida posible, los hechos y circunstancias que rodearon la presunta discriminación, incluyendo el nombre y dirección del demandante, la fecha, hora y lugar del incidente. La Queja deberá incluir una descripción del programa, actividad o servicio en el que ocurrió la presunta discriminación.

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- 7.03 **El Formulario de Quejas** (Anexo B) se puede utilizar para presentar una Queja de Título VI de METRO. El *Formulario de Quejas* se hará en un formato accesible a petición. El *Formulario de Quejas* se puede obtener en los siguientes lugares:
- En la página web del METRO Santa Cruz, www.scmtd.com;
 - Llamando al Coordinador de Servicios Administrativos de Santa Cruz METRO, o su designado al (831) 426-6080, (TDD 711 (TTY / Voz)) un formulario de queja puede ser enviada por correo.
 - Al recoger un *Formulario de Quejas* del Servicio al Cliente, Estación Pacífico (anteriormente Centro de METRO), 920 Pacific Avenue, Santa Cruz, CA 95060 o en las Oficinas Administrativas de Santa Cruz METRO, 110 Vernon Street, Santa Cruz, CA 95060.
- 7.04 Si la Queja es recibida por alguien aparte del Gerente General de METRO, la persona en recepción de la Queja la remitirá al Gerente General o su designado tan pronto como sea posible pero a más tardar 2 días hábiles de su recepción. El Gerente General proporcionará inmediatamente una copia de la Queja al Presidente de la Junta de Directores y al Administrador del METRO responsable por el programa, actividad o servicio que se identifica como fuera de cumplimiento.
- 7.05 **Procedimientos de METRO Para Investigar las Quejas:** el Administrador del METRO responsable por el programa, actividad o servicio que se supone que esta fuera de cumplimiento investigará sin demora la supuesta queja y preparará una respuesta por escrito tan pronto como sea posible pero a más tardar 10 días hábiles de su recepción de la reclamación. El Administrador puede consultar con el personal de METRO adecuada en la preparación de su respuesta a la queja. El Administrador remitirá su respuesta por escrito al Gerente General o su designado dentro del marco de tiempo designado.
- 7.06 **Esfuerzos para Contactar al Demandante:** El Gerente General o su designado deberá hacer esfuerzos para hablar (en persona o conversación telefónica) con el demandante, en cuyo momento el demandante puede dar testimonio oral o por escrito en apoyo a la alegación de que sus derechos en virtud del Título VI han sido violados. El Gerente General o su designado deberá revisar y considerar la respuesta preparada por el Administrador identificado en la Sección 7.05, toda la información proporcionada por el demandante, si los hubiere, y cualquier otra evidencia disponible sobre los alegatos de la queja. El Gerente General o su designado deberá elaborar un informe escrito de sus conclusiones y si se requieren medidas correctivas, un calendario para la realización de dicha acción.
- 7.07 **Conclusión de la Investigación:** Tan pronto como sea posible, pero a más tardar, 20 días hábiles siguientes a la recepción de la denuncia inicial, el Gerente General o su designado deberán informar al demandante de sus conclusiones y las medidas correctivas que deben adoptarse como consecuencia de la denuncia junto con el calendario para la realización de dicha acción.
- 7.08 **Apelación al Presidente de la Junta:** Si el demandante no está satisfecho con los resultados y / o acción de Gerente General de METRO, o su designado, entonces el

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demandante puede presentar su Queja con el Presidente de la Junta Directiva (véase la sección 7.09 más adelante), o con la Oficina de Derechos Civiles del FTA (vea la sección 7.11 más adelante).

- 7.09 **Proceso de Apelación:** Si el demandante opta por presentar su Queja con el Presidente de la Junta de Directores, entonces la denuncia y la documentación justificativa debe presentarse dentro de los 5 días hábiles de su recepción de los resultados de la investigación del Gerente General, con el Presidente de la Junta de Directores, proporcionándole al Coordinador de Servicios Administrativos, o su designado, 110 Vernon Street, Santa Cruz, CA 95060. Si una acomodación es necesaria, un tiempo adicional puede ser proporcionado para presentar la apelación. Tras examinar el expediente, el Presidente de la Junta notificará al denunciante de las acciones que, en su caso, se tomará como resultado de la revisión por el Presidente dentro de 10 días hábiles de la notificación del Presidente de que el denunciante no está satisfecho con los resultados de la investigación del Gerente General. La decisión del Presidente de la Junta Directiva de METRO será definitiva.
- 7.10 **Extension de Plazo:** Cualquier plazo establecido en el presente documento podrá ser prorrogado por el Gerente General como una acomodación (si es necesario), o en una muestra de una buena causa.
- 7.11 **Cómo Presentar una Queja de Título VI con el FTA:** Cualquier persona que cree que él / ella, o como miembro de cualquier categoría específica de personas, ha sido objeto de discriminación por motivos de raza, color, origen nacional, edad, sexo, orientación sexual o identidad de género, con respecto a los programas, actividades o servicios de METRO, o de otros beneficios conexos de tránsito, puede presentar una Queja por escrito al FTA. Una Queja puede ser presentada por el individuo o por un representante. FTA investigará de inmediato todas las denuncias presentadas en virtud del Título VI, de conformidad con las regulaciones del DOT 49 CFR § § 21.11 (b) y 21.11 (c).

A. **La Queja debe incluir la siguiente información:**

- 1) Una Queja debe ser por escrito y firmado y fechado por el demandante o su representante antes de que cualquier acción puede ser tomada. En casos donde un Demandante no puede o no es capaz de proporcionar una declaración por escrito, pero desea que el FTA o el DOT investigue la supuesta discriminación, una Queja verbal de la discriminación puede ser introducida al Director del FTA, Oficina de Derechos Civiles. Si es necesario, el Oficial de Derechos Civiles ayudará a la persona a convertir la queja verbal en escrito. Todas las quejas tienen que ser firmadas por el demandante o su representante.

Dirección de la Oficina de Derechos Civiles del FTA:

Federal Transit Administration Office of Civil Rights

Attn: Title VI Program Coordinator

East Building, 5th Floor - TCR

1200 New Jersey Avenue, S.E.

Washington, DC 20590

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TTY: 1-800-877-8339
Voice: 1-866-377-8642
FTA.ADAAssistance@dot.gov

- 2) La Queja debe indicar, por la medida posible, los hechos y circunstancias que rodearon la presunta discriminación, incluyendo la fecha, hora y lugar del incidente. La Queja deberá incluir una descripción del programa, actividad o servicio en el que ocurrió la presunta discriminación.
- 7.12 **Aceptación de Quejas:** Una vez que una Queja ha sido aceptada, el FTA notificará a METRO que ha sido objeto de una Queja de Título VI y le pedirá a METRO que responda por escrito a las alegaciones del Demandante. Una vez que el Demandante este de acuerdo de liberar la Queja al METRO, el FTA le dará la Queja a METRO. El FTA puede optar por cerrar una Queja si el Demandante no está de acuerdo en liberar la demanda al METRO. El FTA se esfuerza por investigar con prontitud todas las Queja de Título VI..
- 7.13 **Investigaciones:** El FTA hará una investigación rápida cada vez que una revisión de cumplimiento, informe, denuncia o cualquier otra información que indique un posible fracaso de cumplimiento con los Reglamentos del Título VI. La investigación del FTA incluirá una revisión de las prácticas pertinentes y las políticas de METRO, las circunstancias en que ocurrió el posible incumplimiento, y otros factores relevantes para una determinación en cuanto a si METRO ha dejado de cumplir con las regulaciones del Título VI.
- 7.14 Tras la investigación, la Oficina de Derechos Civiles del FTA transmitirá al Demandante y a METRO una de las siguientes tres cartas basadas en sus conclusiones:
- a) **Carta de Resolución:** explica los pasos que ha tomado METRO, o se compromete a tomar para entrar en cumplimiento con el Título VI.
 - b) **Carta de Encuentro (Cumplimiento):** explica que METRO se encuentra en cumplimiento con el Título VI. Esta carta incluirá una explicación de por qué METRO se encontró en el cumplimiento, y proporcionará una notificación al Demandante de sus derechos de apelación.
 - c) **Carta de Encuentro (Incumplimiento):** explica que METRO se encuentra en incumplimiento. Esta carta incluirá cada violación de referencia, la normativa aplicable, una breve descripción de las soluciones propuestas, conocimiento del límite de tiempo en el proceso de conciliación, las consecuencias para el fracaso de lograr el cumplimiento voluntario, y una oferta de asistencia a METRO en la elaboración de un plan de rehabilitación para su cumplimiento.
- 7.15 **Proceso de Apelación:** Las cartas de encuentro y resoluciones ofrecerán al Demandante y a METRO la oportunidad de proporcionar información adicional que llevaría al FTA reconsiderar su conclusión. El FTA pide que las partes en la Queja proporcionen esta información adicional dentro de 60 días de la fecha de la carta de encuentro. La Oficina de Derechos Civiles del FTA responderá a una apelación, ya sea mediante la emisión de

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una carta de revisión de la resolución o conclusión a la parte apelante, o informando a la parte apelante de que la carta original de la resolución o la búsqueda sigue en vigor.

VIII. DEFICIENCIAS DE CUMPLIMIENTO CON TÍTULO VI

- 8.01 Revisiones de Cumplimiento se llevarán a cabo periódicamente por el FTA, como parte de su responsabilidad permanente conforme con su autoridad en virtud de *49 CFR § 21.11 (a)*.
- 8.02 Si el FTA determina que METRO se encuentra en incumplimiento con el Título VI, se remitirá una *Carta de Encuentro* que describe la determinación del FTA y pide que METRO adopte voluntariamente medidas correctivas (s) que el FTA considera necesarias y apropiadas.
- 8.03 METRO presentará un plan de medidas correctivas, incluso una lista de acciones correctivas planeadas y, de ser necesario, las razones suficientes y justificadas para que el FTA reconsidere cualquier de sus conclusiones o recomendaciones en un plazo de 30 días de recibo de la *Carta de Encuentro* del FTA.

IX. ADMINISTRACIÓN DEL REGLAMENTO

- 9.01 METRO integrará las disposiciones dentro de su Programa de Título VI en todos los programas, actividades y servicios prestados por el servicio de ruta fija de METRO, servicio de Paratránsito e instalaciones de METRO.
- 9.02 METRO integrará el programa del Título VI, en sus políticas y procedimientos.

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT



DECLARACIÓN DE POLÍTICA DE TÍTULO VI

El Distrito de Tránsito Metropolitano de Santa Cruz (METRO) se compromete a proporcionar medios de transporte público en un ambiente libre de discriminación por motivos de raza, color, origen nacional, edad, sexo, orientación sexual o identidad de género. METRO opera sus programas, actividades y servicios, sin distinción de raza, color, origen nacional, edad, sexo, orientación sexual o identidad de género.

Como recipientes de fondos de la Administración Federal de Tránsito (FTA), METRO asegurará que sus programas, políticas y actividades cumplan con el Título VI del Acta de Derechos Civiles de 1964, según enmendada, y las regulaciones del Departamento de Transporte.

Cualquier persona que cree que él / ella, ha sido objeto de discriminación por motivos de raza, color, origen nacional, edad, sexo, orientación sexual o identidad de género, con respecto a los programas, actividades, o servicios de METRO u otras prestaciones relacionadas con el tránsito, puede presentar una Queja de Título VI. Las quejas deberán presentarse por escrito y ser firmadas por el demandante, o un representante, y deberán incluir el nombre de los denunciantes, dirección y número de teléfono u otro medio por el cual el demandante puede ser contactado. Formularios de Quejas están disponibles en el edificio de Administración del Santa Cruz METRO, 110 Vernon St., Santa Cruz, 831-426-6080; Servicio al Cliente, 920 Pacific Avenue (Estación Pacifica); y en la página web del METRO en www.scmtd.com. Se les anima a los clientes presentar su Queja lo más pronto posible y pueden llamar al Coordinador de Administración al (831) 426-6080 para asistencia.

Para solicitar información adicional sobre las obligaciones sobre discriminación de METRO o para presentar una queja del Título VI, por favor envíe su solicitud o queja por escrito a:

Santa Cruz Metropolitan Transit District
Attn: Gerente General
110 Vernon Street
Santa Cruz, CA 95060

Quejas de Título VI de la Administración Federal de Tránsito (FTA) pueden ser presentadas directamente a:

Federal Transit Administration Office of Civil Rights
Title VI Program Coordinator
East Building, 5th - TCR
1200 New Jersey Avenue, SE
Washington, DC 20590

Anexo A

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Santa Cruz Metropolitan Transit District
FORMULARIO DE QUEJAS DE DISCRIMINACIÓN DE TÍTULO VI
110 Vernon Street, Santa Cruz, CA 95060

Nombre del Demandante o Tercer Parte Autorizado: _____

Dirección: _____

Ciudad / Estado / Código Postal: _____

Teléfono: _____ Dirección de E-mail: _____

Fecha/hora de Violación: _____ Fecha de la Queja: _____

Lugar de Violación: _____

Número de Autobús: _____ Ruta de Autobús: _____

Por favor indique la discriminación en esta queja por cualquier de los siguientes motivos que son prohibidos por el Título VI del Acta de Derechos Civiles de 1964:

- Raza Color Origen Nacional

Por favor indique la discriminación en esta queja por cualquier de los siguientes motivos que son prohibidos por el Santa Cruz METRO:

- Edad Sexo Orientación Sexual Identidad de Género

Por favor, indique el nombre(s) de Directores, empleados o agentes de METRO que presuntamente han discriminado contra usted, incluyendo sus títulos de trabajo (si se conoce).

Identifique cual de los servicios, programas, o actividades (ejemplo: servicio de ruta fija, ParaCruz, etc.) que resultaron en discriminación contra usted:

Identifique a las personas por su nombre, dirección y número de teléfono que disponen de información relativa a la violación.

Explique lo más claramente posible lo que ocurrió, cómo siente que fue discriminado y quien estuvo involucrado. Describa cómo fue tratado de manera diferente:*

Firma del Demandante: _____ Fecha: _____

* Puede usar hojas de papel adicionales si es necesario.

Attachment A

Protocol for Reporting Protected Class Complaints of Discrimination/Harassment/Retaliation

(For Customer Service Representatives, Clerks, Reservationists, Dispatchers and Receptionists)

1. When a Customer/Member of the Public contacts Santa Cruz METRO to file a complaint, Santa Cruz METRO's Representative must listen to the complaint in order to determine whether the basis for the alleged violation is a protected class status;
2. The Customer Service Representative, Clerk, or Receptionist who takes the complaint of an alleged Title VI violation shall immediately send an email to his/her Manager/Supervisor describing the complaint and identifying the Complainant's contact information. The Manager/Supervisor will determine if a Title VI violation has occurred and inform the employee to proceed with the Protocol below.
3. If the alleged violation is as a result of a protected class status, an email describing the complaint, its basis and identifying the Complainant's contact information must be immediately forwarded to the General Manager, and the Affected Manager with a copy to the District Counsel;
4. Protected Classes include the following: Race, Color, National Origin, Ancestry, Religion, Age, Disability, Sex, Genetic Information, Sexual Orientation, Gender and Marital Status. Additionally, if anyone alleges that Santa Cruz METRO violated his/her rights because he/she were engaging in protected activity (i.e. assisting an individual with the filing of a complaint of discrimination based on a protected class) that should also be reported as set forth above.
5. Upon receipt of the Complaint, the General Manager/Designee will follow the appropriate Complaint Procedure for investigation and resolution of the matter.

6. Examples of Complaints that need to be reported pursuant to this protocol:

- a.) "My service dog was denied entry onto a bus." (Protected Class: Disability);
- b.) "The bus passed me by because I am black." (Protected Class: Race/Color/National Origin);
- c.) "The Bus Driver said I had to sit in the front of the bus because I am a Muslim and he wanted to keep an eye on me." (Protected Class: Religion); and/or
- d.) "The Bus Driver said I was too slow to wait until I got to my seat so he took off and caused me to fall. I am 92 years old." (Protected Class: Disability).

Attachment A

Title VI Program 2016 Report

**Title VI Investigations, Complaints
And Lawsuits**

Attachment A

LIST OF TRANSIT-RELATED TITLE VI INVESTIGATIONS, COMPLAINTS AND LAWSUITS

	Date of Incident	Summary (include basis of complaint: Race, color, or national origin)	Status	Action(s) Taken
Investigations conducted by FTA/other				
1. NONE	N/A			
Lawsuits				
1. Raymond Emme v. SCMTD, CV174743	Claim Received 1/13/12 (Claim #12-0002); 7/26/12 (Complaint Filed in Superior Court)	Emme filed a Claim against METRO. METRO's BOD rejected his claim on 1/27/12. Emme then filed a Civil Tort Claim with the Superior Court alleging that bus operators have treated him differently because he is a poor white male.	Order dismissing Plaintiff's complaint without leave to amend filed in the Sixth District Appellate Court on 6/23/14. Allegations made by Appellant were vague, uncertain and have no supporting facts. All Santa Cruz METRO employees who are identified in the litigation deny the allegations.	Order After Hearing on Demurrer submitted to the Superior Court on 4/3/13. Notice of Entry of Judgment filed 4/13/13. Plaintiff filed Notice of Appeal on 4/25/13. This matter was reviewed by the Sixth District Appellate Court in May 2014. The ORDER from the Appellate Court affirmed the decision of the Superior Court.

Attachment A

Title VI Program 2016 Report

Service Standards and Policies

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Regulation Number: AR-1033

Computer Title: System Standards

Effective Date: January 25, 2013

Pages: 7

TITLE: SYSTEM-WIDE SERVICE STANDARDS AND POLICIES

Procedure History

NEW POLICY

SUMMARY OF POLICY

APPROVED

January 25, 2013

New Regulation



I. POLICY

- 1.01 It is the policy of the Santa Cruz METRO, as a recipient of Federal Transit Administration (FTA) funds, that it shall comply with Title VI of the Civil Rights Act of 1964 which provides that, "No person in the United States shall on the ground of race, color or national origin be excluded from participation or be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."
- 1.02 Santa Cruz METRO ensures that the level and quality of its public transportation service are provided in a nondiscriminatory manner. Santa Cruz METRO promotes full and fair participation in public transportation decision-making without regard to race, color or national origin. Additionally, Santa Cruz METRO ensures meaningful access to transit-related programs and activities by persons with limited English proficiency (LEP).
- 1.03 Santa Cruz METRO shall not utilize criteria or methods of administration which have the effect of subjecting persons to discrimination because of their race, color or national origin. Santa Cruz METRO will implement these System-Wide Service Standards and Policies to ensure that service design and operation does not result in discrimination on the basis of race, color or national origin.
- 1.04 Santa Cruz METRO's service standards and policies address how service and amenities are distributed throughout the transit system. Santa Cruz METRO created these service standards and policies to prevent discrimination in the routing, scheduling and quality of transportation service provided throughout its service area. Santa Cruz METRO ensures that the manner of distribution of its transit services affords all users equal access to these assets.
- 1.05 It is the policy of Santa Cruz METRO that the location of routes, level of service, quality and age of its vehicles and quality of transit amenities serving different area may not be determined on the basis of race, color or national origin.

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II. APPLICABILITY

- 2.01 This policy and the system-wide service standards and service policies set forth herein apply to Santa Cruz METRO's employees in the creation of its transit service according to standards for the location of routes, headway between buses, passenger loads and on-time performance, and policies for assigning buses and installing transit amenities.

III. DEFINITIONS

- 3.01 **CNG:** Compressed natural gas.
- 3.02 **Highway 17 Express:** A regional route which provides service between Santa Cruz County and Santa Clara County along SR-17.
- 3.03 **Intercity:** The primary trunk lines with better than hourly service on arterial roads linking transit centers or significant activity centers (Santa Cruz, Watsonville, Scotts Valley). An intercity route tends to have high frequency and a long span of service
- 3.04 **Local:** An urban route which connects residential areas or major trip generators with transit centers
- 3.05 **National Origin:** The particular nation in which a person was born, or where the person's parents or ancestors were born.
- 3.06 **Non-peak:** The times of a given day with lower travel demand.
- 3.07 **On-Time Performance:** A measure of transit runs completed as scheduled.
- 3.08 **Peak:** The highest level of daily travel demand generally between the hours of 7am – 9am and between the hours of 2pm – 7pm.
- 3.09 **Program or Activity:** A facet of service provided by Santa Cruz METRO.
- 3.10 **Race:** A group of people united or classified together on the basis of common history, nationality or geographic distribution.
- 3.11 **Recipient:** A transit agency or transportation agency that receives federal financial assistance from the Federal Transit Administration. The term includes subrecipients of a designated recipient.
- 3.12 **Rural:** A transit route that provides service to rural areas beyond the urbanized area boundaries within Santa Cruz County. A rural route which provides the only transportation available to the transit dependent is lifeline service. A rural route tends to have low frequency and a short span of service
- 3.13 **Service Area:** The geographic area in which Santa Cruz METRO operates public transit services.
- 3.14 **Service Availability:** A general measure of a person's access to public transit within Santa Cruz County.

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- 3.15 **Service Standard/Policy:** An established service performance measure or policy used by Santa Cruz METRO to plan or distribute services and amenities within its service area.
- 3.16 **Transit Amenities:** Items of comfort, convenience and safety that are available to the general riding public. Examples include bus stop signs, benches, shelters, trashcans and lighting.
- 3.17 **UCSC Routes:** A route serving the University of California Santa Cruz campus. Some UCSC routes operate only during the UCSC school term and are not in service during the summer months. The UCSC routes tend to have the greatest frequency and the longest span of service in Santa Cruz METRO's route categories.
- 3.18 **Vehicle Headway Standard:** The amount of time scheduled between two transit vehicles traveling in the same direction along the same street. A shorter headway corresponds to a higher level of service. Vehicle headway is one component of the amount of travel time expended by a passenger to reach his/her destination. Headway standards can impact vehicle load.
- 3.19 **Vehicle Load Standard:** Expressed as the ratio of passengers to the total number of seats on a vehicle. For example, on a 40-seat bus a vehicle load of 1.5 means all seats are filled and there are 20 standees. The intent of monitoring vehicle load standard is to provide commensurate safety, comfort and service levels throughout the system.

IV. SERVICE STANDARDS

FTA requires all fixed route transit providers to develop quantitative standards for the following indicators: Vehicle Load, Vehicle Headway, On-Time Performance and Service Availability.

- 4.01 **Vehicle Load Standard.** Santa Cruz METRO's Vehicle Load Standard is based upon the factors listed below. The average of all loads on a route should not exceed the load factors shown below.

Load Factors

Vehicle Type	Seated	Standing	Total	Load Factor
25' Mini Bus	19	9	28	1.5
40' Low Floor Bus	39	19	58	1.5
35' Bus	30	15	45	1.5
40' Highway 17 Bus*	36-43	12	48-55	1.2-1.3

Note: The last trip of the night on any given route may have a higher load factor in the effort not to leave passengers stranded.

* Santa Cruz METRO operates a number of different 40' Highway 17 coaches which have different seating capacities

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If a route exceeds these standards, it will be monitored. In the event that an overload is documented on fifteen (15) days, over a six-month period, corrective action shall be considered to achieve a balanced vehicle load within the acceptable limits of these standards but dependent on the financial capability of Santa Cruz METRO.

- 4.02 **Vehicle Headway Standard:** Santa Cruz METRO strives to strike a balance between headways and span of service. Santa Cruz METRO uses the following five route categories to delineate different service characteristics and establishes different vehicle headway standards as shown in the table below to meet the trip characteristics in each category.
- Rural:** Routes that serve sparsely populated unincorporated areas, although the routes may start within an incorporated city.
 - Intercity:** Routes that travel between incorporated cities and may travel through rural areas and/or unincorporated areas.
 - Local:** Routes that travel within and/or around an incorporated city.
 - UCSC:** Routes which enter the University of California Santa Cruz campus during the school term.
 - Highway 17 Express:** A single, intercounty commuter express route with limited stops between Santa Cruz and San Jose.

Headway Standard

Routes	Weekday Peak	Weekday Base	Weekday Night	Weekend
Rural	30	60	90	30
Intercity	15	30	60	60
Local	60	60	60	60
UCSC	10	30	30	30
Highway 17 Express	20	60	60	60

Note: Peak hours are 7:00am - 9:00am and 2:00pm - 7:00pm.
Night service hours are 8:00pm - 12:00am. Not all routes in a route group will operate at all times of a day

Monitoring will be done prior to the beginning of each bid. Vehicle headways will be improved first on routes that exceed the load factor standard.

- 4.03 **On-Time Performance Standard:** The Santa Cruz METRO has a 72% on-time performance standard.

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- a. Santa Cruz METRO buses are considered on time if the actual departure is no earlier than zero seconds before and no later than five minutes after the scheduled departure time.
- b. Santa Cruz METRO buses are considered on time if the actual arrival is within five minutes of the scheduled arrival time.

Currently, Santa Cruz METRO does not have the technology or staffing to regularly track on-time performance. Santa Cruz METRO will collect on-time performance data twice a year using a point check with surveyors stationed at the three major transit centers (Santa Cruz, Capitola Mall and Watsonville) to record arrivals and departures. This policy is in place until Santa Cruz METRO is able to implement an Automatic Vehicle Locator system.

- 4.04 **Service Availability.** The Santa Cruz METRO Service Availability Standard considers the range of geographic variability within the service area.

Santa Cruz METRO serves the County of Santa Cruz, which encompasses 445.2 square miles with an average density of 589 persons per square mile and a total population of 262,382. Urban development in the county lies primarily within the incorporated cities of Capitola, Santa Cruz, Scotts Valley and Watsonville which serve as the predominant employment and residential centers in the service area. Numerous unincorporated places within the County separated by extensive rural areas lend for a generally low-density service area with medium densities within the incorporated cities. In addition, Santa Cruz METRO serves a non-urban university campus of approximately 20,000 students and staff which require a high level of transit service due to travel restrictions, even though the vast campus does not approach urban densities.

In consideration of the varied service area geography, Santa Cruz METRO will implement a service availability standard such that:

- a. Ninety percent (90%) of all residents living within the incorporated cities of Capitola, Santa Cruz, Scotts Valley and Watsonville are within a ½ mile of a bus stop.
- b. Ninety percent (90%) of all residents of Santa Cruz County are within 1 mile of a bus stop.

V. SERVICE POLICIES

FTA requires all fixed route transit providers to develop policies to ensure that the assignment of buses and distribution of transit amenities do not result in discrimination. Service policies do not have a quantitative threshold; rather, they govern how service is implemented.

- 5.01 **Vehicle Assignment.** Vehicle assignment refers to the process by which transit vehicles are placed into service on routes throughout Santa Cruz METRO's service area.

- a. Santa Cruz METRO assigns buses to vehicle tasks and blocks based on the following criteria:

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1. Ridership/vehicle capacity;
 2. Whether the bus is being operated during peak periods;
 3. Whether there are topographical or geographical limitations that would prohibit a specific bus from being operated in that area;
 4. Availability.
- b. Santa Cruz METRO assigns suburban style buses with overhead bins to the Highway 17 Express.
- 5.02 **Transit Amenities.** Implementation of the following transit amenities will occur at bus stops and transit centers based on the objective criteria cited below:
- a. **Signs:** Bus stop information signs shall be installed at all Santa Cruz METRO bus stops. To promote accessibility and readability, the signs shall be located at a minimum of two (2) feet from the curb face; with the top of the information sign positioned no more than seven (7) feet from ground level.
 - b. **Benches/Shelters:**
 1. Proximity to hospitals, schools, senior centers, shopping centers, medical centers, transit transfer centers, and transit centers;
 2. Frequency of service (shorter headways, no bench; longer headways, benches);
 3. Adjacent land use compatibility (e.g. apartment complexes, senior and/or disabled communities/housing);
 4. Availability of space to construct shelters and waiting areas is required. The location must accommodate a concrete pad and is required to set back two feet from the roadway. The bench/shelter must not block the view of vehicular traffic and site must comply with all federal, state and local legal requirements;
 5. Passenger/Public requests;
 6. Existing bench or shelter locations will be considered for equity in distribution within the service area.
 - c. **Bike racks:** Bike racks will be installed at all transit center locations. Bike racks will be installed in bus stops located in major shopping centers.
 - d. **Trash Cans:** Santa Cruz METRO provides trash cans at all urban and inner city bus stops and upon request in interconnecting and rural routes.
 - e. **Lighting:** All new sheltered bus stops will receive solar lighting.
- 5.03 **Replacement of Existing Amenities.** Existing bus stops with vandalized, defective or damaged bus shelters or benches will receive priority for a new and/or repaired to a state of good repair bus shelter or bench.

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VI. REQUESTS FOR NEW SERVICE

- 6.01 Requests for new bus service received from a resident when the request is supported by community organizations, a majority of the residents, and/or political representatives of the community will be considered and evaluated.

VII. USE OF SERVICE STANDARDS

- 7.01 These system-wide service standards will be used by Santa Cruz METRO's Planning Department and Operations Department to ensure that service is distributed across the system in a nondiscriminatory manner which affords users equal access to public transit assets.
- 7.02 Santa Cruz METRO's Planning Department and Operations Department are responsible for monitoring Santa Cruz METRO's service standards and notifying the Board of Directors if changes are necessary.

VIII. ADMINISTRATION OF REGULATION

- 8.01 The Operations Manager is responsible to administer and enforce this policy within the respective department.
- 8.02 This policy will be updated as needed as determined by the Operations Manager or the General Manager.
- 8.03 Santa Cruz METRO will integrate these System-Wide Service Standards and Policies into its Administrative Regulations and procedures.

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Número de Reglamento: AR-1033
Título de Computadora Normas del Sistema
Fecha Efectiva: 25 de enero de 2013
Páginas: 8

TÍTULO: NORMAS Y POLÍTICAS DE SERVICIO DE TODO EL SISTEMA

Historia de Procedimiento

NUEVA POLÍTICA	RESUMEN DE LA POLÍTICA	APROBADO
25 de enero, 2013	Nuevo Reglamento	

I. POLÍTICA

- 1.01 Es la política del Santa Cruz METRO, como recipiente de fondos de la Administración Federal de Tránsito (FTA), que deberá cumplir con el Título VI de la Acta de Derechos Civiles de 1964, que establece que: "Ninguna persona en los Estados Unidos será, por motivos de raza, color u origen nacional, excluida de participar o ser negado los beneficios de, o ser sujeto a discriminación bajo cualquier programa o actividad que reciba asistencia financiera Federal. "
- 1.02 Santa Cruz METRO asegura que el nivel y la calidad de su servicio de transporte público se proporciona de manera no discriminatoria. Santa Cruz METRO promueve la participación plena y justa en el transporte público de tomar de decisiones, sin distinción de raza, color u origen nacional. Además, Santa Cruz METRO asegura acceso significativo a los programas relacionados con el tránsito y las actividades de las personas con Dominio Limitado del Inglés (LEP).
- 1.03 Santa Cruz METRO no utilizará los criterios o métodos de administración que tienen el efecto de someter a las personas a la discriminación por motivos de raza, color u origen nacional. Santa Cruz METRO aplicará estas Normas y Políticas de Servicio de Todo el Sistema para asegurar que el diseño de servicios y la operación no dé lugar a la discriminación por motivos de raza, color u origen nacional.
- 1.04 Normas y políticas de servicio del Santa Cruz METRO dirigen como el servicio y las instalaciones están distribuidas en todo el sistema de tránsito. Santa Cruz METRO creó estas normas y políticas de servicio para evitar la discriminación en el enrutamiento, la programación y la calidad del servicio de transporte proporcionado a través de su área de servicio. Santa Cruz METRO asegura que la forma de distribución de sus servicios de transporte brinda a todos los usuarios el mismo acceso a estos bienes.

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- 1.05 Es la política del Santa Cruz METRO que la ubicación de las rutas, nivel de servicio, calidad y edad de sus vehículos y la calidad de los servicios de tránsito que sirven áreas diferentes no puede determinarse sobre la base de raza, color u origen nacional.

II. APLICABILIDAD

- 2.01 Esta política y las normas de servicio de todo el sistema y las políticas de servicios establecidas en este documento se aplican a los empleados del Santa Cruz METRO en la creación de su servicio de transporte de acuerdo con las normas para la ubicación de las rutas, progreso entre los autobuses, cargas de pasajeros y el rendimiento a tiempo, y las políticas para la asignación de los autobuses y la instalación de los servicios de tránsito.

III. DEFINICIONES

- 3.01 **CNG:** Gas Natural Comprimido
- 3.02 **Highway 17 Express:** Una ruta regional que da servicio entre el Condado de Santa Cruz y el Condado de Santa Clara a lo largo de la ruta estatal SR-17.
- 3.03 **Interurbanos:** Las líneas troncales primarias con mejor servicio cada hora en las carreteras principales que unen los centros de tránsito o los centros importantes de actividad (Santa Cruz, Watsonville, Scotts Valley). Una ruta interurbana tiende a tener alta frecuencia y un largo período de servicio
- 3.04 **Local:** Una ruta urbana que conecta las zonas residenciales o generadores de viaje principales con los centros de tránsito
- 3.05 **Origen Nacional:** La nación particular en que nació una persona, o donde nacieron los padres o antepasados de la persona.
- 3.06 **No Pico:** Las horas de cualquier día con la demanda de viajes más baja.
- 3.07 **Rendimiento de Puntualidad:** Una medida de corridas de tránsito que se completan como programadas.
- 3.08 **Pico:** El nivel más alto de la demanda de viajes al día generalmente entre las horas de 7am-9a.m. y entre las horas de 2pm - 7pm.
- 3.09 **Programa o Actividad:** Una faceta del servicio proporcionado por Santa Cruz METRO.
- 3.10 **Raza:** Un grupo de personas unidas o clasificadas juntas sobre la base de la historia común, la nacionalidad o la distribución geográfica.
- 3.11 **Recipiente:** Una agencia de transporte o agencia de transporte que recibe asistencia financiera federal de la Administración Federal de Tránsito. El término incluye a los beneficiarios secundarios de un beneficiario designado.
- 3.12 **Rural:** Una ruta de tránsito que da servicio a las zonas rurales más allá de los límites de las áreas urbanizadas dentro del Condado de Santa Cruz. Una ruta rural que ofrece el único medio de transporte disponible para los dependientes de tránsito es un servicio de línea de vida. Una ruta rural tiende a tener baja frecuencia y un corto periodo de servicio

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- 3.13 **Área de servicio:** El área geográfica en la que Santa Cruz METRO opera servicios de transporte público.
- 3.14 **Disponibilidad del servicio:** Una medida general de acceso de las personas al transporte público en el Condado de Santa Cruz.
- 3.15 **Política/Norma de Servicio:** Una medida de rendimiento del servicio establecido o la política utilizada por el Santa Cruz METRO para planear o distribuir servicios y amenidades dentro de su área de servicio.
- 3.16 **Servicios de Tránsito:** Los artículos de comodidad, conveniencia y seguridad que están disponibles para el público viajero en general. Los ejemplos incluyen las señales de paradas de autobús, bancas, marquesinas, basureros e iluminación.
- 3.17 **Rutas UCSC:** Una ruta sirviendo al campus de la Universidad de California Santa Cruz. Algunas rutas UCSC operan solamente durante el período escolar UCSC y no están en servicio durante los meses de verano. Las rutas UCSC tienden a tener la mayor frecuencia y la distancia más larga de servicio en categorías de rutas del Santa Cruz METRO.
- 3.18 **Norma de Avance de Vehículo:** La cantidad de tiempo programado entre dos vehículos de tránsito que viajan en la misma dirección a lo largo de la misma calle. Un avance más corto corresponde a un nivel más alto de servicio. Avanzar vehículo es un componente de la cantidad de tiempo de viaje gastado por un pasajero para llegar a su destino. Normas de Avance pueden afectar la carga del vehículo.
- 3.19 **Norma de Carga de Vehículo:** Expresada como la relación de los pasajeros y el número total de asientos en el vehículo. Por ejemplo, en un autobús de 40-asientos, la carga de un vehículo de 1.5 significa que todos los asientos están ocupados y hay 20 pasajeros de pie. La intención de la norma de carga de vehículo es para proporcionar niveles de seguridad adecuados, confort y servicio en todo el sistema.

IV. NORMAS DE SERVICIO

FTA requiere que todos los proveedores de transporte de ruta fija desarrollen normas cuantitativas para los siguientes indicadores: carga del vehículo, avances del vehículo, rendimiento de puntualidad y disponibilidad de servicios.

- 4.01 **Norma de Carga de Vehículo.** La Norma de Carga de Vehículos del Santa Cruz METRO se basa en los factores que se enumeran a continuación. El promedio de todas las cargas en una ruta no debe superar los factores de carga que se muestra a continuación.

Factores de Carga

Tipo de Vehículo	Sentado	Parado	Total	Factor de Carga
25' Mini Autobús	19	9	28	1.5
40' Autobús de Piso Bajo	39	19	58	1.5

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35' Autobus	30	15	45	1.5
40' Autobús Highway 17*	36-43	12	48-55	1.2-1.3

Nota: El último viaje de la noche en cualquier ruta puede tener un factor de carga mayor en el esfuerzo de no dejar a los pasajeros varados.

* Santa Cruz METRO cuenta con un número de diferentes autobuses del Highway 17 de 40' que tienen diferentes capacidades de asientos

Si una ruta excede las normas mencionadas, será objeto de seguimiento. En el caso de que una sobrecarga está documentada en quince (15) días, durante un período de seis meses, la acción correctiva se considerará para lograr una carga de vehículo equilibrada dentro de los límites aceptables de estas normas, pero depende de la capacidad financiera de Santa Cruz METRO .

- 4.02 **Normas de Avance de Vehículo:** Santa Cruz METRO se esfuerza por lograr un equilibrio entre avances y palmos de servicio. Santa Cruz METRO utiliza las siguientes cinco categorías de ruta para delinear las diferentes características de servicio y establece las diferentes normas de avance de vehículo como se muestra en la tabla siguiente para cumplir con las características de actuación de cada categoría.
- a. **Rural:** Rutas que sirven áreas poco pobladas y no incorporadas, aunque las rutas pueden empezar dentro de una ciudad incorporada.
 - b. **Interurbano:** Las rutas que viajan entre ciudades incorporadas y pueden viajar a través de zonas rurales y / o áreas no incorporadas.
 - c. **Local:** Las rutas que viajan dentro y / o alrededor de una ciudad incorporada.
 - d. **UCSC:** Las rutas que entran en la Universidad de California en Santa Cruz durante el término escolar.
 - e. **Highway 17 Express:** Una sola ruta expresa entre condados con paradas limitadas entre Santa Cruz y San José.

Norma de Avance

Rutas	Pico Día entre Semana	Base Día entre Semana	Noche Fin de Semana	Fin de Semana
Rural	30	60	90	30
Interurbano	15	30	60	60
Local	60	60	60	60
UCSC	10	30	30	30
Highway 17 Express	20	60	60	60

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Nota: Las horas pico son 7a.m.-9 a.m. y 2:00 pm - 7:00 pm. Horas de servicio nocturno son de 8:00 pm - 12:00 am. No todas las rutas en un grupo de ruta se operan durante todo el día.

El seguimiento se realizará antes del comienzo de cada oferta. Avances de vehículos serán mejorados primero en las rutas que exceden el factor de normas de carga.

4.03 **Norma de Rendimiento de Puntualidad:** El Santa Cruz METRO tiene un estándar de 72% de rendimiento de puntualidad.

- a. Autobuses del Santa Cruz METRO se consideran a tiempo si la salida real es no antes de cero segundos y no más tarde de cinco minutos después de la hora de salida programada.
- b. Autobuses del Santa Cruz METRO se consideran a tiempo si la llegada real está durante cinco minutos de la hora de llegada prevista.

Actualmente, Santa Cruz METRO no tiene la tecnología ni el personal para hacer un seguimiento con regularidad de rendimientos de puntualidad. Santa Cruz METRO recogerá los datos de rendimiento de puntualidad dos veces al año usando un punto de control con inspectores destacados en los tres principales centros de tránsito (Santa Cruz, Capitola Mall y Watsonville) para registrar las entradas y salidas. Esta política está en su lugar hasta que Santa Cruz METRO sea capaz de implementar un Sistema Automático de Localizador de Vehículos.

4.04 **Disponibilidad del servicio.** La Norma de Disponibilidad de Servicio del Santa Cruz METRO considera el alcance de variabilidad geográfica dentro del área de servicio.

Santa Cruz METRO sirve el condado de Santa Cruz, que abarca 445.2 millas cuadradas con una densidad media de 589 habitantes por milla cuadrada y una población total de 262,382. El desarrollo urbano en el condado se encuentra principalmente dentro de las ciudades incorporadas de Capitola, Santa Cruz, Scotts Valley y Watsonville que sirven como las áreas de empleo y centros residenciales predominantes en el área de servicio. Numerosos lugares no incorporados dentro del Condado son separados por amplias zonas rurales para prestar un área de servicio en general de baja densidad con densidades medias dentro de las ciudades incorporadas. Además, Santa Cruz METRO sirve un campus universitario no urbano de aproximadamente 20,000 estudiantes y personal que requieren un alto nivel de servicio de tránsito debido a las restricciones de viaje, a pesar de que el enorme campus no se acerca a la densidad urbana.

En consideración de la geografía de área de servicio variado, Santa Cruz METRO implementará una norma de disponibilidad de servicio de tal manera que:

- a. El noventa por ciento (90%) de todos los residentes que viven dentro de las ciudades incorporadas de Santa Cruz, Santa Cruz, Scotts Valley y Watsonville se encuentran a media milla de una parada de autobús.
- b. El noventa por ciento (90%) de todos los residentes del Condado de Santa Cruz están a 1 milla de una parada de autobús.

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V. SERVICE POLICIES

FTA requiere que todos los proveedores de transporte de ruta fija desarrollen políticas para asegurar que la asignación de buses y la distribución de los servicios de tránsito no den lugar a la discriminación. Políticas de servicio no tienen un umbral cuantitativo, sino que gobiernan cómo el servicio del Santa Cruz METRO se lleva a cabo.

5.01 **Asignación de vehículos.** Asignación de vehículos se refiere al proceso por el cual los vehículos de transporte se ponen en servicio en las rutas a través del área de servicio

a. Santa Cruz METRO asigna autobuses para tareas de vehículos y bloques basado en los siguientes criterios:

1. El número de pasajeros / capacidad de vehículo;
2. Si el autobús está en funcionamiento durante las horas pico;
3. Si existen limitaciones topográficas o geográficas que prohíben a un autobús específico de ser operado en esa zona;
4. Disponibilidad

b. Santa Cruz METRO asigna autobuses estilo suburbano con compartimentos superiores al Highway 17 Express

5.02 **Servicios de Tránsito.** Implementación de los servicios de tránsito siguientes ocurrirán en las paradas de autobuses y centros de tránsito en base a los criterios objetivos citados a continuación:

a. **Signos:** Los signos informativos de paradas se instalarán en todas las paradas de autobuses del Santa Cruz METRO. Para promover la accesibilidad y legibilidad, los signos, se colocarán en un mínimo de dos (2) pies del bordillo, con la parte superior del cartel informativo colocado no más de siete (7) metros desde el nivel del suelo.

b. **Bancas / Marquesinas:**

1. Proximidad a hospitales, escuelas, centros de ancianos, centros comerciales, centros médicos, centros de transferencia de tránsito y centros de tránsito;
2. Frecuencia del servicio (avances cortos, no hay bancas, avances largos, bancas);
3. Compatibilidad de uso de tierra adyacente (por ejemplo, complejos de apartamentos, viviendas de comunidades mayores y / o discapacitados);
4. Disponibilidad de espacio para construcción de marquesinas y áreas de espera es necesario. La localidad debe acomodar una base de concreto y es necesario retrasarla dos pies de la carretera. La banca / marquesina no deben bloquear la vista del tráfico vehicular y el sitio debe cumplir con todos los requisitos federales, estatales y locales legales;
5. Pasajeros / solicitudes públicas;

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6. Los actuales ubicaciones de bancas o marquesinas serán consideradas para la equidad en la distribución dentro del área de servicio.
 - c. **Bastidores de bicicletas:** Los portabicicletas se instalarán en todas las ubicaciones de los centros de tránsito. Bastidores de bicicletas se instalarán en las paradas de autobús ubicadas en centros comerciales importantes.
 - d. **Basureros:** Santa Cruz METRO ofrece basureros en todas las paradas de autobuses urbanos e interior de la ciudad y bajo petición en las rutas rurales interconexiónadas.
 - e. **Iluminación:** Todas las nuevas paradas de autobús protegidas recibirán iluminación solar.
- 5.03 **Sustitución de Servicios Existentes.** Paradas de autobús existentes con vandalismo, marquesinas o bancas defectuosas o dañadas tendrán prioridad para un nuevo y / o reparado a un estado de buen reparo de marquesinas de autobús y bancas.

VI. SOLICITUDES DE NUEVO SERVICIO

- 6.01 Las solicitudes de nuevo servicio de autobús recibido de un residente, cuando la solicitud esté apoyada por organizaciones de la comunidad, la mayoría de los residentes, y / o representantes políticos de la comunidad serán considerados y evaluados.

VII. UTILIZACIÓN DE LAS NORMAS DE SERVICIO

- 7.01 Estas normas de servicio de todo el sistema serán utilizados por el Departamento de Planificación y de Operaciones del Santa Cruz METRO para garantizar que el servicio se distribuya a través del sistema de una manera no discriminatoria, que ofrezca a los usuarios acceso igual a los bienes de transporte público.
- 7.02 El Departamento de Planificación y Operaciones del Santa Cruz METRO es responsable de supervisar las normas de servicio del Santa Cruz METRO e informar a la Junta Directiva si los cambios son necesarios.

VIII. ADMINISTRACIÓN DEL REGLAMENTO

- 8.01 El Gerente de Operaciones es responsable de administrar y aplicar dicha política en el departamento respectivo
- 8.02 Esta política se actualizará cuando sea necesario según lo determine el Gerente de Operaciones o el Gerente General.
- 8.03 Santa Cruz METRO integrará estas normas y políticas de servicio de todo el sistema en su Reglamento y Procedimientos Administrativos.

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Title VI Program 2016 Report

**Public Outreach & Involvement
Public Participation Plan**

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Date of Activity	Activity	Low-Income/ Minority / LEP Population
<p>Tentatively, the MAC will be meeting the third Wednesday of the assigned month, and will meet quarterly thereafter at the Metro Center Conference Room, 920 Pacific Ave., Santa Cruz.</p>	<p><u>METRO Advisory Committee Meetings:</u></p> <p>The METRO Advisory Committee (MAC) provides advice to Santa Cruz METRO’s Board of Directors on matters of Santa Cruz METRO policy and operations referred to the Committee by the Board or Secretary/General Manager and to perform such additional duties as assigned by the Board. The Committee may also address issues which members or the public raise with respect to the quantity and quality of services provided by Santa Cruz METRO.</p> <p>Each member of Santa Cruz METRO’s Board of Directors will appoint one member to the Metro Advisory Committee after reviewing the applications received. All appointees must be residents of the County of Santa Cruz and the term of membership shall be two years, with a possibility of reappointment for two successive terms. Terms shall commence on appointment by the Board of Directors.</p>	
<p>Meetings are generally held at 1:30pm on the 2nd Tuesday of even numbered months (i.e., Feb, April, June, Aug, Oct, Dec).</p>	<p><u>Elderly and Disabled Transportation Advisory Committee (E&D TAC):</u>The E&D TAC advises the Regional Transportation Commission (RTC) and other transportation agencies on the network of specialized transportation services for seniors and people with disabilities in Santa Cruz County as well as about the transportation needs of these members of our community</p> <p>In addition, the E&D TAC serves as the local Social Services Transportation Advisory Council (SSTAC), a state-required entity that seeks input - from transit-dependent and transit disadvantaged persons, including seniors, people with disabilities, low income persons, and youth -regarding transit needs in Santa Cruz County.</p> <p>The E&D TAC has 16 members comprised of citizen, service provider and agency representatives. Santa Cruz METRO is a member of this Advisory Committee. According to RTC Bylaws, the committee must include the following:</p> <ol style="list-style-type: none"> 1. Potential transit user who is 60 years of age or older 2. Potential transit user who is handicapped 3. Local social service provider for seniors 4. Social service transportation provider. 5. Local social service provider for persons of limited means. 	

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6. Local consolidated transportation service agency.		
Date of Activity	Activity	Low-Income/ Minority / LEP Population
Meetings are held once a month with the exception of July, when there are no meetings.	<p><u>METRO's Board of Directors' Meetings:</u></p> <p>The Santa Cruz Metropolitan Transit District is governed by an eleven member board, plus one ex-officio member from UCSC. The Directors are appointed by City & County jurisdictions and represent various areas throughout the service area.</p> <p>The first Board meeting (if necessary) of every month is held at METRO's Administration office. The second meeting of every month is held at varying locations throughout METRO's service area (i.e., Capitola, Scotts Valley, Santa Cruz and Watsonville). *At least 3 meetings a year are held in Watsonville. A bilingual (Spanish) interpreter is present for translation services at the 2nd meeting of every month.</p>	Low income, Minority and LEP
January 2013	Updated informational signage for all Ticket Vending Machines (TVM's), to include CRUZ Card instructions (English & Spanish).	Low income, Minority and LEP
Spring, Summer, Fall & Winter 2013	Transit Tips / Posters at all METRO Transit Centers and on all buses re: schedule changes.	
Fall 2013- 12/2013	UCSC Night Owl Bus Service informational posters, and handouts on all UCSSC buses	
Holidays 2013	Posters and flyers created for all holiday schedule changes: New Year's Eve/Day, Martin Luther King Day, Presidents' Day, Memorial Day , 4th of July, Labor Day, Veteran's Day, Thanksgiving Day/Day After, Christmas Eve, Christmas Day. Posted at all Transit Centers, flyers for distribution and Posters on buses. Facebook update and gov.delivery. Local newspaper ads, Headways Rider's Guide and Customer Service contact provides information. Website and CS phone info updated.	Low income, Minority and LEP
April 2013	First Friday Outreach /Pacific Avenue (Customer Surveys in English and Spanish).	Low income, Minority and LEP

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Date of Activity	Activity	Low-Income/ Minority / LEP Population
July 4, 2013	4 th of July Parade Outreach Watsonville /Aptos.	
September 2013	<p>SC County Fair:</p> <ul style="list-style-type: none"> • Week at the fair with a booth, interactive games, promotional items, information on ParaCruz service and demonstrations. • Fixed route bus tours. Educating children on using the bus and how to board. Posters, flyers, bus fares, bus schedules provided to public. • ParaCruz service to the Fair. • Flyers distributed @ Customer Service., on Facebook and gov.delivery.Website. 	
6/28/13	Public Hearing on FY14 Final Budget at Board Meeting, which was held at the Santa Cruz City Council Chambers.	Low income, Minority and LEP
February 2014	Discussion RE: Community Outreach for Pacific Station Redesign	
2/14/14	Public Hearing on FY14 Revised Budget at Board Meeting, which was held at Santa Cruz METRO's Administrative Offices.	Low income, Minority and LEP
Spring, Summer, Fall Winter 2014	Transit Tips / Posters at all METRO Transit Centers and on all buses re: schedule changes. Schedule Changes to gov.delivery sent to all subscribers on gov.delivery. Also posted on METRO's website.	
April 2014	Campaign for Hwy 17 Express fare Increases. Posters, flyers, handouts at all Transit Centers and buses. Website.	
April 2014	CS Representatives at Transit Center in Watsonville, Capitola Mall, Santa Cruz distributing information re: Hwy 17 fare increase and Rt. 68 /Rt. 6 issues. Public meetings to follow. Gov.delivery info sent to subscribers.	
April 2014	Campaign for Rt. 68 /Rt. 6 Changes. Brochure, posters on buses at Transit Centers and Customer Service.	

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Date of Activity	Activity	Low-Income/ Minority / LEP Population
May 2014	RIDER ALERT poster, handouts at Transit Centers and on all buses and Customer Service. Information regarding bay area Clipper Cards not honored for upgrade on Hwy 17 Express buses. Gov.delivery. Website.	
May 2014	Highway 17 Express 10 Year Anniversary Celebration at Pacific Station. Speeches local dignitaries, Former State Senator ,music, refreshments open to the public.	
June 2014	NATIONAL DUMP THE PUMP DAY Posters, handouts buttons and tabling at Metro Center focusing awareness on the difference made when using alternative	
6/27/14	Public Hearing on FY15 & FY16 Final Budget at Board Meeting, which was held at the Santa Cruz City Council Chambers.	Low income, Minority and LEP
July 2014	HOT Summer Discount for Students \$1.00 fare. Posters, flyers, at Transit Centers, Buses , Customer Service and website.	
July 2014	<u>Capitol Corridor Schedule Changes</u> as they relate to the Hwy 17 Express transfers. Posters , flyers and handouts available on Buses, Transit Centers ,Customer Service and website.	
July 2014	Outreach re: New 49 ers Levi Stadium. KEEP CALM Take the bus to the stadium! Posters, handouts at Transit Centers, on buses Customer Service, website. Facebook.	
August 2014	Informational Outreach to all K- 21 Schools in SC County re: Field Trip Bus Program . Sent via email.	
September 2014	SC County Fair . Week at the fair; booth, interactive games, promotional items , information ParaCruz van and demonstrations, Fixed route bus tours and kid education. Posters , flyers, Fair Bus schedules, ParaCruz service to the Fair. Transit Centers, buses , flyer distribution, Customer Service. Facebook and gov.delivery.Website.	
10/9 & 10/10/14	Re-Imagine Pacific Station beginning of Community Meetings to encourage conversation re: a new Metro Building downtown Santa Cruz Interactive.	

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Date of Activity	Activity	Low-Income/ Minority / LEP Population
December 2014	CRUZ with METRO Student Art Contest starts. Posters, handouts, emails to county wide schools K – 12. Website. Newspaper. Contest deadline January 31, 2015.	
January 2015	January 31, 2015 Art Contest - Judged and winners chosen. Top 4 winners have artwork on outside of several buses that serve routes in the area of their school. All artwork submitted displayed on interior of buses. Presentation and slide show of Artwork at Board of Directors meeting March 2015. Awards presented to winning Artists.	Low-Income/ Minority / LEP Population
January 2015	<u>Public Hearing</u> Outreach Route 68 & Route 6 Broadway/Frederick Travel time increases, change connecting times Eliminate Rt. 6 . Posters, Brochures at Transit Centers , buses, handouts and at Customer Service. Website.	
2/10/15 @ SCCRTC	Structural Deficit and potential Fare and Service Restructuring Meeting for the Elderly & Disabled Transportation Advisory Committee (E&D TAC) at the Santa Cruz County Regional Transportation Commission offices. (a total of 12 public outreach meetings were conducted in Feb. 2015)	
2/11/15 @ SC Downtown Library	Public Meeting #1: Structural Deficit and potential Fare and Service Restructuring Meeting at SC Downtown Library.	Low income, Minority
2/12/15 @ Aptos Library	Public Meeting #2: Structural Deficit and potential Fare and Service Restructuring Meeting at Aptos Public Library.	
2/12/15 @ SCCRTC	Structural Deficit and potential Fare and Service Restructuring Meeting conducted for the Commission On Disabilities at SCCRTC.	Low income, Minority
2/18/15 @ SV City Council	Structural Deficit and potential Fare and Service Restructuring Meeting at Scotts Valley City Council.	
2/18/15 @ Pacific Station	Structural Deficit and potential Fare and Service Restructuring Meeting to the METRO Advisory Committee (MAC).	
2/23/15 @ Ben Lomond Fire Station	Public Meeting #3: Structural Deficit and potential Fare and Service Restructuring Meeting at Ben Lomond Fire Station.	Low income

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Date of Activity	Activity	Low-Income/ Minority / LEP Population
2/24/15 @ Watsonville Public Library	Public Meeting #4: Structural Deficit and potential Fare and Service Restructuring Meeting at the Watsonville Public Library.	Low income, Minority and LEP
2/24/15 @ SVCC	Structural Deficit and potential Fare and Service Restructuring Meeting at the Scotts Valley City Council.	
2/25/15 @ Swim Ctr.	Public Meeting #5: Structural Deficit and potential Fare and Service Restructuring Meeting at the Simpkins Swim Center.	Low income, Minority and LEP
2/26/15 @ Capitola	Structural Deficit and potential Fare and Service Restructuring Meeting at the Capitola City Council Chambers.	
February 2015	Outreach at Cabrillo College. Discussion with Student Senate re: METRO/Cabrillo bus pass, in the future. Onsite educational outreach with a bus on campus. Posters created specific for youth. Focus on green, sustainable, cost savings.	
February 2015	Structural Deficit Brochure created to educate the public and elicit feedback from the public re: possible solutions. Posters and brochures distributed on buses, at Transit Centers, Customer Service and on website.	
February 2015	NOTICE OF PUBLIC MEETINGS TO CONSIDER FARE RESTRUCTURE & CHANGES TO PARTRANSIT SERVICE. Posters, handouts, brochures at all Transit Centers; on buses, gov. delivery, website. Information and outreach materials available at Customer Service.	Low income, Minority
3/10/15 @ SCC	Structural Deficit and potential Fare and Service Restructuring Meeting at the Santa Cruz County Board of Supervisors.	
March 2015	Transit Driver Appreciation Day ! Posters on Buses , Transit Centers, handouts on buses and in Headways Rider's Guide.	
March 2015	Outreach event at Cabrillo College to encourage bus ridership and educate about schedules, bus service and eliciting feedback /survey. Bus tours and outreach material available.	

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Date of Activity	Activity	Low-Income/ Minority / LEP Population
April 2015	Public Hearings on Restructuring of Hwy 17 Fares, Adjustments to ParaCruz service. FINAL BOARD ACTION posters, flyers, at Transit Centers, on buses on website, Headways, newspaper.	Low income, Minority and LEP
April 2015	<u>STAND UP4 TRANSPORTATION</u> National education calling attention to state of transportation, need long term funding. Event held at Metro Center open to the public, speakers; local politicians, Board members, other agency representatives, music etc... Posters, invitation flyers, handouts on buses, at Customer Service, on website, at Transit Centers. TV and local newspaper coverage.	
May 2015	OPEN STREETS Watsonville: Participation in outreach to Spanish speaking community . Brochures, information, educational games to encourage bus awareness. Promotional gifts, bus tours. Posters, on buses, at Transit Centers.	Low income, Minority and LEP
6/26/15	Public Hearing @ Board Meeting for final adoption of the FY16 and FY17 Final Budget. Board Mtg. held at the Santa Cruz City Council Chambers.	Low income, Minority and LEP
June 2015	NATIONAL DUMP THE PUMP DAY Posters, handouts buttons and tabling at Metro Center focusing awareness on the difference made when using alternative transportation. Thanking METRO customers! Outreach materials on buses, at Transit Centers & on website. Local newspaper ad for event.	
July 2015	ADA 25 years . Posters, handouts, at Transit Centers, Customer Service, on buses and website.	
August 2015	CS supervisor interviewed by internet Travel writer for article titled " <i>Santa Cruz CAR FREE JOURNEY</i> ". Tips on riding the bus in SC county, where to go, buses to get to local places of interest. Personal favorite special places in each SC Community.	
August 2015	Outreach event at Cabrillo College first week of semester to encourage bus ridership and educate about schedules, bus service and eliciting feedback/survey. Bus tours and outreach material available.	Low income, Minority
September 2015	Informational Outreach to all K- 21 Schools in SC County re: Field Trip Bus Program. Sent via email.	Low income, Minority

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Date of Activity	Activity	Low-Income/ Minority / LEP Population
September 2015	<p>SC County Fair: Week at the fair; booth, interactive games, promotional items, information ParaCruz van and demonstrations, Fixed route bus tours and kid education.</p> <p>Title VI survey distribution and Comprehensive Operational Analysis (COA) outreach. Posters , flyers, Fair Bus schedules, ParaCruz service to the Fair. Transit Centers, buses , flyer distribution, Customer Service. Facebook, gov.delivery and website.</p>	Low-Income/ Minority / LEP Population
September 2015	<p>OPEN STREETS: Westside Participation in outreach to Santa Cruz community.</p> <p>Title VI survey distribution and Comprehensive Operational Analysis (COA) outreach, and recording public comments.</p> <p>Brochures, information, educational games to encourage bus awareness. Promotional gifts, bus tours, Posters on buses and at Transit Centers.</p>	
September 2015	<p><u>ParaCruz Service Brochures :</u> Extensive outreach to the community re: changes in the ParaTransit Service. Fare structure, service area. Brochures, posters, available on all fixed route buses, ParaCruz buses, outreach via US Postal Service to all ParaCruz clients. Brochure on the Website, at Customer Service and distributed by all operators.</p>	Low-Income
October 2015	<p>FIRST FRIDAY Event (Downtown SC): Title VI survey distribution and Comprehensive Operational Analysis (COA) outreach and recording public comments.</p>	
October 2015	<p>SC Farmers' Market: Title VI survey distribution and Comprehensive Operational Analysis (COA) outreach and recording public comments.</p>	Minority / LEP Population
November 2015	<p>Live Oak OPEN HOUSE: Comprehensive Operational Analysis (COA) outreach and disseminating information on structural deficit. Activity to rank public's transit priorities.</p>	Low-Income/ Minority / LEP Population
November 2015	<p>Aptos Library OPEN HOUSE: Comprehensive Operational Analysis (COA) outreach and disseminating information on structural deficit. Activity to rank public's transit priorities.</p>	

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Date of Activity	Activity	Low-Income/ Minority / LEP Population
November 2015	Watsonville Transit Center OPEN HOUSE: Comprehensive Operational Analysis (COA) outreach and disseminating information on structural deficit. Activity to rank public's transit priorities.	Low-Income/ Minority / LEP Population
November 2015	Watsonville Civic Plaza OPEN HOUSE: Comprehensive Operational Analysis (COA) outreach and disseminating information on structural deficit. Activity to rank public's transit priorities.	Low-Income/ Minority / LEP Population
November 2015	SC Farmers' Market: Comprehensive Operational Analysis (COA) outreach and recording public comments. Activity to rank public's transit priorities.	Minority / LEP Population
November 2015	Climate Action Network: Comprehensive Operational Analysis (COA) outreach and recording public comments. Activity to rank public's transit priorities.	
December 2015	FIRST FRIDAY Event (Downtown SC): Comprehensive Operational Analysis (COA) outreach and recording public comments. Activity to rank public's transit priorities.	
December 2015	Watsonville Transit Center: Comprehensive Operational Analysis (COA) outreach and recording public comments. Activity to rank public's transit priorities.	Low-Income/ Minority / LEP Population
December 2015	Pacific Station (Downtown SC): Comprehensive Operational Analysis (COA) outreach and recording public comments. Activity to rank public's transit priorities.	Minority / LEP Population
1/22/16	Public Hearing @ Board Meeting re: FFY15-FFY17 Disadvantaged Business Enterprise (DBE) goal. Board Mtg. to be held at the Santa Cruz City Council Chambers, 809 Center St., Santa Cruz.	

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Improving Access for People with Limited English Proficiency (LEP)

Implementation Plan



Santa Cruz Metropolitan Transit District

110 Vernon Street
Santa Cruz, CA 95060
www.scmtd.com

(831) 426-6080

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Improving Access for People with Limited English Proficiency (LEP)

Four-Factor Analysis

The Santa Cruz Metropolitan Transit District (Santa Cruz METRO) is a public transit agency that provides fixed route and paratransit services throughout the County of Santa Cruz and its regional area. Santa Cruz METRO conducted this analysis to meet its requirements under Title VI of the Civil Rights Act of 1964, which seeks to improve access to services for persons with Limited English Proficiency (LEP). The purpose is to ensure that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance from the Federal Transit Administration (FTA). By conducting this analysis, Santa Cruz METRO is better able to determine the appropriate mix of language assistance necessary for its customers and potential customers to access its transportation services. This analysis is designed to comport with the Department of Transportation (DOT) LEP Guidance.

Analysis Using Four Factor Framework:

Santa Cruz METRO conducted the following analysis using the four factors identified in the DOT's LEP Guidance:

I. Factor 1: The number and proportion of LEP persons served or encountered in the eligible service population.

Task 1, Step 1: Examine prior experiences with LEP individuals.

The County of Santa Cruz's ethnic makeup continues to be dominated by whites and Latinos, who combine to make up more than 91 percent of the population.¹ Additionally, Santa Cruz County has experienced a growing Latino population in the last decade.² The City of Watsonville grew 15.7 percent from 2000 to 2010, increasing from 44,265 people to 51,199.³ Watsonville's growth is largely attributable to an expansion of the city's already strong Latino majority, who make up 81 percent of its population.⁴

¹ 2010 U.S. Census.

² 2010 U.S. Census.

³ 2010 U.S. Census.

⁴ Based on population totals received from the 2010 U.S. Census.

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The University of California at Santa Cruz (UCSC) which Santa Cruz METRO serves brings people from all over California to Santa Cruz. A large majority of the 16,451 undergraduate and graduate students come from the San Francisco and Monterey Bay Areas and Southern California. UCSC also attracts students from the Central Valley and adjacent areas. According to UCSC Institutional Research Office (Student data from 2010-11 3rd Quarter Average) undergraduate and graduate students at UCSC, 45% identified themselves as white, 22% Asian/Pacific Islander, 19% Latino, 3% African American, 1% Native American and 9% Other /unknown. Less than 2% of the student population was International.⁵

Santa Cruz METRO Staff conducted a poll to obtain the number of LEP persons who come into contact with Santa Cruz METRO's services on a daily basis. This poll was conducted by Santa Cruz METRO's Customer Service personnel, Paratransit Reservationists, Accessible Services Coordinator, and the ADA Eligibility Coordinator. Individuals who contacted Santa Cruz METRO were counted for the four weeks of October 2011. In most cases, the information requested from Santa Cruz METRO related to the use of transit services including requests for route and schedule information, fare information and transfers (Survey Results; Appendix B.1).

The Administrative Services Coordinator indicated that he and his staff (Administration/ Reception) have a minimum of five contacts per week from LEP persons who generally are Spanish speakers (Survey Results; Appendix B.1). Santa Cruz METRO's poll confirms that approximately 89% of the LEP population served by Santa Cruz METRO speaks Spanish. English-speaking family members or friends are sometimes, but not always, available to help with translation when needed.

Santa Cruz METRO's fixed-route transit operators report daily interactions with LEP persons, who are primarily Spanish speakers. During 2011, Santa Cruz METRO conducted 592 paratransit eligibility assessments and, of those, 50 individuals required a Spanish/English translator (Santa Cruz METRO ParaCruz Records).

Task 1, Step 2: Become familiar with data from the U.S. Census.

The 2010 American Community Survey of the U.S. Census Bureau⁶ describes the languages spoken in Santa Cruz County and the number of individuals speaking each language as follows:

**(See chart on next page)*

⁵ UCSC Office for Diversity, Equity and Inclusion (July 2011) website

⁶ 2010 American Community Survey of the U.S. Census Bureau (1-year Estimates) – Appendix B-5.

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<u>Language Spoken</u>	<u>Number of Speakers</u>	<u>Speak English “less than very well”</u>
Total population 5 years and over	248,383	***
English only	171,633	***
Spanish/Spanish Creole	63,586	31,602
Asian/Pacific Island languages	6,210	1,428
Other Indo-European languages	5,464	929
Other languages	1,242	1,015
Total:	248,383	<u>35,022</u>

The most significant non-English language populations speak Spanish. More detailed information shown by Census tract is available on Appendix B.2 and B.3.

Task 1, Step 2A: Identify the geographic boundaries of the area that your agency serves.

Santa Cruz METRO’s service area is defined by the County of Santa Cruz boundaries, plus a regional commuter route (Highway 17) which extends into Santa Clara County. Appendix B.4 includes a map showing the boundary of Santa Cruz METRO’s taxing district with census tracts included.

Task 1, Step 2B: Obtain Census data on the LEP population in your service area.

Appendix B.5 contains census data on English proficiency in Santa Cruz County, listing population by language spoken at home and the percentage of those persons speaking English “less than very well.”

Task 1, Step 2C: Analyze the data you have collected.

Non-proficiency is determined by counting those who speak English in any category other than *very well*. According to the 2010 American Community Survey, in Santa Cruz County, 30.9% of the population (5 years and over) speaks a language other than English at home, and 14.1% of the population in the county (or 35,022 people 5 years and over) speak English *less than very*

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*well. Of these LEP persons, 61.6% are foreign-born (See page 2 of Appendix B.6). *Please note that these figures apply to SC County. For information on the individual cities, see the chart on page 5.*

According to the data from the 2010 American Community Survey (1-year Estimates), 90% of LEP persons in Santa Cruz county speak Spanish. The next largest group of LEP persons speak Asian and Pacific Island languages, which make up 4.1% of the LEP population.⁷

Task 1, Step 2D: Identify any concentrations of LEP persons within your service area.

The chart below shows the language spoken at home by the population five years old and over in each of the four cities that Santa Cruz METRO serves. In the City of Watsonville, approximately 69.9% of the population 5 years and over (or 31,556 people) speak Spanish/Spanish-Creole at home.⁸ In contrast, only 4.6% of the population 5 years and over (or 493 people) in Scotts Valley speak Spanish/Spanish-Creole at home.⁹

In the City of Santa Cruz, there is a pocket of low-income residents concentrated in the Beach Flats area, which also had the highest concentration of minority households.¹⁰ According to data from the 2000 Census, 39% of the residents in the Beach Flats community are below poverty level. In addition, 82% of the individuals in this neighborhood are Spanish-speakers, and 40% are monolingual.¹¹

Language Spoken at home for the population 5 yrs. old and over ¹²	<u>Santa Cruz</u>	<u>Scotts Valley</u>	<u>Capitola</u>	<u>Watsonville</u>
Total Population (5 years old and over)	55,880	10,728	9,177	45,145
People who speak <u>only English</u> at home	43,921	9,526	7,525	11,737
People who speak Spanish/Spanish-Creole at home	7,543	493	963	31,556
Other languages (non-English and non-Spanish)	4,416	709	689	6,852
Total population who speak a language other than English at home	11,959	1,202	1,652	33,408

⁷ 2010 American Community Survey of the U.S. Census Bureau (1-year Estimates).
⁸ American Community Survey of the U.S. Census Bureau (2006-2010) 5-year Estimates.
⁹ American Community Survey of the U.S. Census Bureau (2006-2010) 5-year Estimates.
¹⁰ City of Santa Cruz (2007-2014) Draft Housing Element.
¹¹ Beach Flats Community Center - <http://www.beachflatscommunitycenter.org/bfcc/Home.html>
¹² American Community Survey of the U.S. Census Bureau (2006-2010) 5-year Estimates.

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Language Spoken at home for the population 5 yrs. old and over ¹³	<u>Santa Cruz</u>	<u>Scotts Valley</u>	<u>Capitola</u>	<u>Watsonville</u>
Percent of population who speak Spanish/ Spanish-Creole at home	13.5%	4.6%	10.5%	69.9%

The chart above confirms that the majority of persons who speak Spanish at home live in the City of Watsonville. Although the percentage is much smaller in the City of Santa Cruz (13.5%),¹⁴ the predominant language spoken, other than English, is the same. There is also a small percentage of individuals who speak Asian and Pacific Island languages at home.

Task 1, Step 3: Consult State and local sources of data.

Information received from the California Department of Education (CDE) supports the conclusion that larger concentrations of Spanish-speaking people live in Watsonville. During the 2010 – 11 school year, the CDE reported a total of 11,126 English Learners (EL) for grades K-12 in Santa Cruz County. Of those EL students, 10,754 were Spanish-speakers (see Appendix B.7). The second highest concentration of non-English speakers (115 students) for grades K-12 speak Mixteco (an indigenous language of the Aztecs).

Santa Cruz County reported a total of 919 teachers providing Specially Designed Academic Instruction in English (SDAIE), English language development (ELD), or primary language instruction to EL students in grades K-12. Pajaro Valley Unified School District reported 442 teachers providing these services to their students in Watsonville (See Appendices B.8 and B.9). The number of EL students in Santa Cruz County has increased every year since 2007, from 10,195 to 11,359 students, as illustrated on the graph in Appendix B.10.¹⁵

Task 1, Step 4: Community Organizations that serve LEP persons.

Santa Cruz METRO identified and contacted community organizations that serve LEP persons, including organizations that Santa Cruz METRO has associations with, such as, La Manzana Community Resource Center in Watsonville, and Live Oak Family Resource Center. La Manzana is a neighborhood and community-based center where families can receive a broad range of services, as well as information and referrals to other programs that may be of assistance to their specific needs. La Manzana provides translation services for persons speaking

¹³ American Community Survey of the U.S. Census Bureau (2006-2010) 5-year Estimates.

¹⁴ American Community Survey of the U.S. Census Bureau (2006-2010) 5-year Estimates.

¹⁵ California Dept. of Education, Educational Demographics Office – SC County 2010-11.

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limited English, as well as English classes for Spanish speakers. In recent years, Santa Cruz METRO has held focus groups at La Manzana to reach out to the minority, LEP community, and traditionally ride-dependent groups within the Watsonville community.

The Live Oak Family Resource Center provides health services, parenting classes and paraprofessional counseling to low-income and LEP persons. The Live Oak Resource Center is also a Santa Cruz METRO pass outlet.

Task 1, Step 4A: Identify community organizations.

LEP persons are served by many organizations in the Santa Cruz County community. Santa Cruz METRO identified community organizations and churches that provide services to LEP individuals within Santa Cruz County (See list in Appendix B.11).

Task 1, Step 4B: Contact relevant community organizations.

Santa Cruz METRO Staff created a list of community organizations that provide assistance and translation services to LEP, low-income and minority individuals. The following organizations are involved in serving LEP persons within the community, and were contacted by Santa Cruz METRO:

- Beach Flats Community Center
- Central California Alliance for Health
- Community Action Board of SC County – SC County Immigration Project
- Community Bridges
- Davenport Resource Center
- Familia Center
- First 5 Santa Cruz County
- La Manzana Community Resource Center
- Lift Line Transportation Services
- Live Oak Family Resource Center
- Mountain Community Resources
- Our Lady Help of Christians Parish
- Pajaro Valley Prevention and Student Assistance, Inc.
- Santa Cruz County Housing Authority
- Santa Cruz Zen Center
- St. Patrick Parish
- Valley Churches United

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- Volunteer Centers of Santa Cruz County, Literacy Program
- Watsonville Family YMCA

In October 2011, a letter and survey were sent to each of these organizations requesting information to assist Santa Cruz METRO on improving its LEP services that it provides. A sample letter and survey is provided in Appendix B.12.

Task 1, Step 4C: Obtain Information.

Survey Results:

Live Oak Family Resource Center provides health services, parenting classes and paraprofessional counseling to low-income and LEP persons. Most individuals in this group are high school graduates who speak English and/or Spanish. The most frequently traveled destinations are downtown Santa Cruz, Capitola Mall and local routes within the Live Oak area. The group stated that the prices to ride the bus are expensive. The group also expressed a need for transit service to Portola and East Cliff Drive.¹⁶

Familia Center is responsive to the needs of low-income Latinos and functions as a one-stop resource center that provides parenting classes, food and clothing assistance. The educational level of this group is 6th grade or less in Spanish, therefore, rendering the group as LEP. Frequently traveled destinations are Watsonville and the Palo Alto Medical Clinic in downtown Watsonville. The group expressed a need for transit service to the Santa Cruz City Schools Office on Old San Jose Road in Soquel. The Program Director at Familia Center indicated that the best way to deliver messages to this group would be to have Santa Cruz METRO Staff come to the Center and conduct outreach directly with the group.¹⁷

Valley Churches United is a coalition of community and church volunteers that provide humanitarian aide to San Lorenzo and Scotts Valley residents. The agency also provides Santa Cruz METRO bus passes to those who are in need, as the bus stops within one block of their mission. Most individuals who receive assistance speak English. The most frequently traveled destinations are San Lorenzo Valley, Scotts Valley and the adjacent unincorporated areas. Mountain Community Resources provides translation services when needed.¹⁸

Mountain Community Resources is a family resource center serving San Lorenzo and Scotts Valley residents. This organization assists individuals with housing, employment, counseling, domestic violence prevention and child care services. They also provide bilingual services to

¹⁶ Survey received from Live Oak Family Resource Center.

¹⁷ Survey received from Program Director at Familia Center.

¹⁸ Survey received from Valley Churches United.

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LEP persons. The most frequently traveled destinations are the Emeline Clinic, the Santa Cruz County Courthouse, and the Watsonville Courthouse. The group expressed concern about the timing of bus service and the 2011 service cuts. The group would like to have service restored to Big Basin Way, China Grade, Graham Hill and Zayante/Lompico. According to their Community Advocate, the best means of communication with this group would be a community survey or a community forum to receive public input.¹⁹

Santa Cruz County Immigration Project is a resource center that provides free general information regarding immigration topics. They provide assistance with replacement green cards and citizenship papers, as well as offering workshops on immigrant topics. Most individuals in this group speak Spanish or one of the indigenous languages of Mexico. The educational level of this group is low and most of their clients have less than six years of formal education. Public transit is used by this group to attend medical appointments, access local schools, and the county court house. In addition, this group relies on public transit to get to/from work, school, shopping and appointments.²⁰

II. Factor 2: The frequency with which LEP individuals come into contact with your programs, activities, and services.

Task 2, Step 1: Review the relevant program, activities and services you provide.

As identified in Task 1, LEP individuals inquire about, use, and are affected by the services that Santa Cruz METRO provides on a daily basis. Operational services include fixed route service and ADA Paratransit service (ParaCruz). LEP individuals also come into contact with Santa Cruz METRO Staff on a daily basis by calling Santa Cruz METRO's Customer Service Center, the Administrative Office, and the Reservationists at ParaCruz, as well as using Santa Cruz METRO's website, www.scmtd.com.

Task 2, Step 2: Review information obtained from community organizations.

Individuals from the Live Oak Family Resource Center indicated that their most frequently traveled destinations are downtown Santa Cruz, Capitola Mall and local routes within the Live Oak area. The group stated that the prices to ride the bus are expensive. The group also expressed a need for service to Portola and East Cliff Drive.

¹⁹ Survey received from Mountain Community Resources.

²⁰ Survey received from Santa Cruz County Immigration Project.

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Frequently traveled destinations for individuals at Familia Center are Watsonville and the Palo Alto Medical Clinic in downtown Watsonville. The group expressed a need for transit service to the Santa Cruz City Schools Office on Old San Jose Road in Soquel.

Santa Cruz METRO conducted a survey of community organizations in the Fall of 2011, with the results summarized above. In addition to its current efforts to reach the LEP community, Santa Cruz METRO plans to meet with some of these organizations by the end of the 2012 calendar year to ask LEP persons whether they are aware of the types of language assistance Santa Cruz METRO provides and to discuss which forms of communication are most helpful. Santa Cruz METRO would also like to find out which, if any, additional language assistance measures would be beneficial to LEP persons in the community. Santa Cruz METRO has submitted questions which address the LEP community in the Santa Cruz County Regional Transportation Commission's (SCCRTC) survey, which will be conducted in the Spring of 2012.

Task 2, Step 3: Consult directly with LEP persons.

Santa Cruz METRO held focus groups from July 2010 through August 2011 in an effort to actively engage the Watsonville Community in the transit planning process and receive public input on Santa Cruz METRO's current services. The focus groups targeted seniors, low-income residents, LEP residents, youth, and recently-released prison inmates. Moore and Associates staff assisted Santa Cruz METRO in facilitating these meetings and translation services were available through the social service agency, if needed. In general, the issues raised by focus group attendees fell into four broad categories: (1) new areas to be served; (2) enhancements; (3) Capital/Technology; and (4) policy.

Focus group attendees indicated that the west side of Watsonville is growing faster than the rest of Watsonville. They also expressed a need for more frequent service on existing routes, and stated that Route 69 needs more capacity, as the bus is always full. Attendees suggested that there be more bike racks on buses and that all crosswalks near bus stops should be improved.

They also expressed a need for benches at the bus stops on Lincoln Street, and the bus stop in front of the Social Security office, which has no sidewalk, shelter, or bench. The focus groups indicated that the bus stops along Green Valley, Lincoln, Pennsylvania, Freedom, Clifford, and at Pajaro Valley High School need improvements.

Many LEP persons ride buses throughout Watsonville and requested that the bus stop announcements be in Spanish all the time. Some focus groups suggested that information packets be provided to schools and teachers to make sure students have information about Santa Cruz METRO's services. The most requested recommendation was for new service to Sunset

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Beach, the fairgrounds, and the labor camps. As predicted, lower fares were a universal request.²¹

III. Factor 3: The importance to LEP persons of your program, activities, and services.

Task 3, Step 1: Identify your agency's most critical services.

Using public transportation is very important to LEP persons as indicated from survey results. Santa Cruz METRO's most critical services are:

- Fixed Route transit services.
- Paratransit services.
- UCSC service.
- Highway 17 Express service.

If limited English is a barrier to using these services then the consequences for the individual are serious, including limited access to obtain health care, education, or employment. Critical information from Santa Cruz METRO which can affect access includes:

- Route and schedule information
- Fare and payment information
- Information about how to ride and purchase tickets/passes
- Public hearing announcements
- Safety and security announcements
- Complaint Forms
- Information about Santa Cruz METRO's ParaCruz service & eligibility
- Information needed to correctly book daily paratransit rides

Task 3, Step 2: Review input from community organizations and LEP persons

Concentrations of LEP Spanish-speaking riders use Santa Cruz METRO fixed routes 71, 75 and 69W. In addition, routes 72, 74, 79 and 69A, which either begin or end in Watsonville, have high concentrations of Spanish-speaking riders.

IV. Factor 4: The resources available to the recipient and costs

²¹ Santa Cruz Metro – Preliminary Results from Watsonville Transit Study conducted by Moore & Associates, Inc.

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Task4, Step 1: Inventory language assistance measures currently being provided, along with associated costs.

Santa Cruz METRO provides the following language assistance measures:

- Santa Cruz METRO maintains bilingual staff to provide Spanish-speaking interpretation throughout its employment ranks. Bus operators, ParaCruz operators, Administrative staff, and Customer Service representatives are fluent in English and Spanish to provide assistance to Santa Cruz METRO's LEP population on an as needed basis with transit questions, route and scheduling information and trip planning assistance. Santa Cruz METRO provides a premium pay to those employees who qualify as able to speak/read/write Spanish.
- Santa Cruz METRO's Paratransit service provides Spanish-speaking reservationists to assist Paratransit customers when scheduling a trip.
- A bilingual (Spanish) interpreter is present for translation services at the second Board of Directors' Meeting every month. Upon notification 24-hours in advance, Santa Cruz METRO will provide an interpreter at the first Board Meeting, if requested.
- Santa Cruz METRO's fixed route buses have Bus Cards (English/Spanish) informing passengers of their rights under Title VI of the Civil Rights Act, and informing passengers that Language assistance is available in Spanish, if needed.
- Santa Cruz METRO's Ticket Vending Machines provide assistance with ticket purchases in English and Spanish.
- Santa Cruz METRO's ParaCruz Guide is provided in English and Spanish and is available on Santa Cruz METRO's website in both languages.
- Vital information on Santa Cruz METRO's website is translated into Spanish.
- Santa Cruz METRO has a sign on its bulletin board at the Administrative office and at Metro Center Pacific Station, which indicates that *free language assistance is available if requested in a timely manner.*
- All public hearings that require notification to the public are posted in English and Spanish throughout Santa Cruz METRO's service area and in local newspapers.
- Santa Cruz METRO's *Headways Magazine* is provided in English and Spanish. The Headways Magazine contains all transit-related information on transit routes and schedules.

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- Bilingual services are available at the Customer Service Booth at the Santa Cruz METRO Center (Pacific Station).
- Security Officers at the Santa Cruz Metro Center (Pacific Station) and the Watsonville Transit Center are bilingual speakers (English/Spanish).
- Station Manager at the Watsonville Transit Center provides bilingual (English/Spanish) transit information.
- Signage in Santa Cruz METRO's bus shelters is in English and Spanish.
- Most signage at Santa Cruz METRO's transit centers is in English and Spanish.
- Training of Santa Cruz METRO staff including bus operators and ParaCruz Operators for interactions with LEP speakers.

The cost of providing these services has been less than \$10,000 annually depending on the number of public hearings that are held each year.

Task 4, Step 2: Determine what, if any additional services are needed to provide meaningful access.

Due to the small size of the agency, limited resources and consideration of the language assistance services already provided, Santa Cruz METRO should focus its language measures on areas that have not already been covered. The following measures will be implemented on an on-going basis as funds become available:

- Translation of safety and security related information at all transit centers.
- "I Speak" cards in Spanish for each reception area.
- Availability for Reception/Staff to Telephone translation services when necessary.
- Electronic translators for the Customer Service Booths at each transit center and the Administrative Reception areas in each Santa Cruz METRO facility.
- Encouraging advertisers with Santa Cruz METRO to provide their advertisements in both English and Spanish.

Task 4, Step 3: Analyze your budget.

Like most public agencies, Santa Cruz METRO is constrained by several factors, including staff and funding resources. Santa Cruz METRO Grants/Legislative Analyst will be directed to seek monies which could pay for the electronic translators that would assist with translation in any language. "I Speak" cards will be created with administrative funds that are available. The

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Operations and Maintenance Departments will provide necessary funding for the translation of the safety and security information at the transit centers.

Task 4, Step 4: Consider cost effective practices for providing language services.

Santa Cruz METRO may wish to collaborate with the community organizations identified in Task 1 to provide cost-effective practices. Santa Cruz METRO may wish to partner with these organizations to provide:

- Distribution channels for printed information.
- Translation assistance for LEP persons.
- Educational and outreach opportunities to help improve access for LEP persons.

In addition, Santa Cruz METRO may research and pursue language assistance products and translation services developed and paid for by local, regional, or state government agencies.

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Number of LEP Customers for December 2015

Language Spoken by Individuals who speak English 'less than very well'	Week One (Dec. 1 st - 4 th)	Week Two (Dec. 7 th - 11 th)	Week Three (Dec. 14 th - 18 th)	Week Four (Dec. 21 st - 24 th)
Spanish	103	100	53	16
Chinese	11	5	7	
Portuguese	2	1		2
Japanese	-	3	3	3
Korean	-	-		
Tagalog	5	4		
German	1	3		
Russian	-	-	1	
Other	<i>Specify: Arabic, Hindi</i>	26 (1 Arabic, 2 Hindi)		

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Language Use and Limited English Proficiency

Week of Dec. 1 – Dec. 4, 2015

Employee Name: _____

Job Title: _____

1. Please track the number of *Limited English Proficient (LEP)* individuals you come into contact with on a daily basis. Use “tally” marks to track each *LEP* person that you come into contact with via telephone or in person. **Place tally marks for each LEP person encountered:**
2. What is the LEP person’s language of use? (Place tally mark in appropriate column)

Language Spoken by Individuals who speak English <i>'less than very well'</i>	Number of People (use tally marks)
Spanish	
Chinese	
Portuguese	
Japanese	
Korean	
Tagalog	
German	
Russian	
Other	<i>Specify:</i>

Date: _____

Signature: _____

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Title VI Program 2016 Report

Language Assistance Plan

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Improving Access for People with Limited English Proficiency (LEP)

Language Assistance Plan

The Santa Cruz Metropolitan Transit District (Santa Cruz METRO) has adopted the following implementation plan to meet requirements under Title VI of the Civil Rights Act of 1964, which seeks to improve access to services for persons with Limited English Proficiency (LEP). The purpose is to ensure that no person shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance from the FTA. Santa Cruz METRO prepared a Four-Factor Analysis to focus its attention on the needs of the LEP populations that it serves.

Plan for Implementation

I. Identify LEP individuals who need language assistance.

Research and field work completed in the four-factor analysis establish that the ethnic make-up of the County of Santa Cruz, Santa Cruz METRO's service area, is dominated by whites and Latinos who combine to make up more than 91% of the County's total population of 262,382.²² Of the county population, 29.9% speak a language other than English, and 14.4% or 36,993 are individuals with Limited English Proficiency (LEP).²³ Of this group, 90% speak Spanish or Spanish-Creole, 4.1% speak Asian/Pacific Island languages, and 2.7% speak other Indo-European languages.²⁴ A large proportion of the Spanish-speaking LEP persons, approximately 31,556 people reside within the City of Watsonville.²⁵

Information collected from the United Transportation Union (UTU) Committee of Adjustments, the Union that represents Santa Cruz METRO's fixed-route coach operators, and paratransit drivers, reservationists and dispatchers, indicates that Santa Cruz METRO serves a multi lingual community in which staff comes into contact with LEP Spanish-speaking persons on a daily basis. Santa Cruz METRO's customer service

²² 2010 American Community Survey of the U.S. Census Bureau (1-year Estimates).

²³ American Community Survey of the U.S. Census Bureau (2006-2010) 5-year Estimates).

²⁴ 2010 American Community Survey of the U.S. Census Bureau (1-year Estimates).

²⁵ American Community Survey of the U.S. Census Bureau (2006-2010) 5-year Estimates.

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and administration staff has also indicated that they have contact with LEP persons speaking Spanish on a daily basis.

II. Language assistance measures.

Santa Cruz METRO currently has in place numerous language assistance measures that are set forth in the Four-Factor Analysis for the Spanish-speaking LEP population. Santa Cruz METRO's intentions are to continue to utilize these measures. In addition, Santa Cruz METRO staff needs to be prepared to communicate orally and in writing with LEP Spanish-speakers. It is critical that Santa Cruz METRO connect in a consistent and positive way with the LEP population, which will also insure that Santa Cruz METRO transit services are readily accessible to them.

Written Language:

Santa Cruz METRO staff receives written communications in different ways from LEP persons who write/read Spanish. Individuals write to the Santa Cruz METRO's Board of Directors about a concern, an interest, or to request additional transit services. They may also file a tort claim seeking compensation for injuries sustained while utilizing Santa Cruz METRO's transit services or file complaints regarding the transit service provided or what transit service was not provided.

When a written communication in Spanish is received at the Santa Cruz METRO's Administration Offices, 110 Vernon Street, Santa Cruz, CA, it is forwarded to the Administrative Services Coordinator or METRO's Claims Investigator for translation into English and translation of the response into the native Spanish language.

- Santa Cruz Metropolitan Transit District
Administrative Services Coordinator
**(incumbent speaks/writes Spanish fluently)*
110 Vernon Street
Santa Cruz, CA 95060
(831) 426-6080
- Santa Cruz Metropolitan Transit District
Claims Investigator
**(incumbent speaks/writes Spanish fluently)*
110 Vernon Street
Santa Cruz, CA 95060
(831) 426-6080

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- When a written communication in Spanish is received at the Santa Cruz METRO's ParaCruz Offices, 2880 Research Park Drive #160, Santa Cruz, CA, it is forwarded to a bilingual Reservationist for translation into English and translation of the response into the native language. Santa Cruz METRO ParaCruz uses a translation service to translate eligibility letters from English to Spanish. Vital documents such as the ParaCruz Customer Guide and the Quick Guide have been translated and are available in Spanish.
- When a written communication in Spanish is received at the Santa Cruz METRO's Operations Department, Santa Cruz, CA, it is forwarded to the Claims Investigator for translation into English and translation of the response into the native language.
- When a written communication in Spanish is received at the Santa Cruz METRO's Customer Service Offices, Pacific Station, 920 Pacific Avenue, Santa Cruz, CA, it is forwarded to the Customer Service Supervisor for translation into English and translation of the response into the native language. Complex and legal documents received at the Customer Service Office are forwarded to the Claims Investigator for translation services.

Oral language:

- Santa Cruz METRO Customer Service Staff (831) 425-8600, and the Administrative Services Coordinator (831) 426-6080 are available to provide Spanish translation services by telephone or in person to customers.
- Currently, 37% of the Fixed Route Operators are receiving bilingual pay to assist Spanish-speaking passengers. 23% of the ParaCruz Operators are bilingual and able to provide assistance to Spanish-speaking passengers. In addition, three of Santa Cruz METRO's transit supervisors are bilingual.

When a phone call from a Spanish-speaking LEP customer is received, or when the customer comes into the Administrative offices in person, the Administrative Services Coordinator (ASC) will be contacted. If the ASC is not available, then Santa Cruz METRO's Claims Investigator will be contacted. Some Santa Cruz METRO bus operators and Paratransit operators are bilingual (English/Spanish) to provide bilingual assistance to passengers.

Bilingual Staff: Santa Cruz METRO maintains bilingual staff to provide Spanish-speaking interpretation on its buses, at its Administrative offices, at its paratransit facility and within its Customer Service facility for basic transit questions, paratransit assessment

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appointments and trip planning assistance. For an employee to qualify for bilingual pay, he/she must take a test with an outside testing facility that tests for oral and written skills in Spanish. Upon the successful completion of the test, employees are paid bilingual pay in accordance with their labor agreement.

It may be difficult for a non-bilingual bus operator to provide assistance to an LEP person who boards the vehicle and requests information. In such circumstances, the bus operator has been instructed to ask if another passenger on the bus could serve as a translator, or the driver could provide the phone number for Customer Service (831) 425-8600 for translation assistance. If available, the bus operator could also direct the passenger to translated transit information in the Santa Cruz METRO *Headways Magazine*, such as printed schedules and routes. In the case of a non-bilingual paratransit operator, the operator may open one-on-one communication with a bilingual dispatcher or reservationist utilizing the operator's hand held radio.

It is important for Santa Cruz METRO to ensure the competency of its oral and written translation services. Santa Cruz METRO requires testing in order to be eligible for bilingual pay.

The competency of the translation providers listed above is assured. Each has demonstrated the ability to provide accurate oral and written translation and is familiar with terminology associated with public transit.

III. Training Staff

Santa Cruz METRO Staff and Management are likely to come into contact with LEP persons. These include bus operators, paratransit personnel, dispatchers, transit supervisors, customer service personnel, coordinators, administrative staff and management.

Training on Santa Cruz METRO's responsibility to serve LEP persons is implemented by the following means:

- Orientation and initial training for new bus operators, Paratransit operators and ongoing training, will include information on serving LEP persons, *with retraining at least one time every three years.*
- Dispatchers, transit supervisors, customer service personnel, Paratransit reservationists, administrative staff, and management will take part in ongoing training, *with at least one training session every three years on the topic of serving LEP persons.*

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IV. Providing Notice to LEP Persons

Santa Cruz METRO incorporates a variety of methods to communicate with transit users and the public. Route and printed schedule information is available in English and Spanish in the *Headways Magazine*, on Santa Cruz METRO's website and at the Customer Service Booth at METRO Center. In addition, Santa Cruz METRO's fixed route buses have bus cards (English/Spanish) informing passengers of their rights under Title VI of the Civil Rights Act, and informing passengers that language assistance is available, if needed. Santa Cruz METRO ParaCruz customer Guide is available in English and Spanish. Santa Cruz METRO has a sign on the bulletin board at the Administrative office and at METRO Center, which indicates that free language assistance is available if requested in a timely manner. All public hearings that require notification to the public are posted in English/Spanish throughout Santa Cruz METRO's service area, in local newspapers, and on Santa Cruz METRO's website.

Santa Cruz METRO will conduct outreach efforts beginning in March of 2012 to the organizations identified in Task I of the Four-Factor Analysis. The Operations Manager will conduct these efforts.

V. New LEP Assistance Measures

Dependent on funding resources and available staff, Santa Cruz METRO will be implementing five new measures to reach out to and connect with its LEP population. The first, will be translating all safety and security signage at the Santa Cruz METRO's transit centers currently only in English into Spanish. Taking this action will insure that the LEP persons who utilize Santa Cruz METRO's services will have the same access to safety and security measures as those who speak English. Additionally, Santa Cruz METRO will be obtaining "I Speak" cards for its Administrative and transit center receptionist areas so that as LEP customers seek transit information, Santa Cruz METRO employees who do not speak Spanish can respond adequately without having to send the person to someone else. Further, Santa Cruz METRO will authorize the use of telephone translation services when bilingual staff is not available. Additionally, Santa Cruz METRO will be encouraging its advertiser to provide bilingual advertisements. Finally, Santa Cruz METRO will be seeking to purchase electronic translators which can be located at each transit center and each Santa Cruz METRO administrative reception area so that if an individual needs transit-related information, no matter the language, Santa Cruz METRO staff can provide it.

VI. Monitoring and Updating the LEP Plan

Ongoing outreach efforts will include a process to obtain feedback on Santa Cruz METRO's language assistance measures. Monitoring of the program will be assigned to the Operations Manager. Specific tasks will include triennial contact with the

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organizations to measure results and discuss needs of LEP persons. These efforts will reveal any changes to the implementation plan that may be necessary, including any noticeable changes in demographics of the LEP population or the availability of new resources.

Santa Cruz METRO needs to determine whether any additional language assistance measures would be beneficial to LEP persons in the community. Santa Cruz METRO will be making outreach efforts to the community organizations that it identified and communicated with during this process. Additionally, Santa Cruz METRO prepared questions which address the LEP community that are being included in the Santa Cruz County Regional Transportation Commission's (SCCRTC) survey, which will be conducted in the Spring of 2012.

The Department of Transportation (DOT) guidance also recommends internal monitoring by performing ride checks, in which LEP persons are engaged to ride and report on their experience. It should be noted that this activity is designed to collect information on LEP implementation, not monitor the performance of any specific employees resulting in corrective or disciplinary action.

Based on the feedback received, Santa Cruz METRO may make incremental changes to the type of written and oral language assistance provided. Evaluation may result in expansion of language assistance measures that are effective, or the modification or elimination of measures that are proven to be ineffective for the LEP population.

If service is expanded into areas with high concentrations of LEP persons, Santa Cruz METRO should consider modifying the implementation plan as needed in order to ensure meaningful access by previously un-served LEP persons.

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Bilingual Employees by Department

Department	Number of Employees	Bilingual Employees
Administration	4	
Finance	7	
Customer Service	5	4
Human Resources	5	1
Information Technology	4	
Service Planning	4	1
District Counsel	3	
Risk Management	2	
Purchasing	7	
Facilities Maintenance	15	
Paracruz Non Drivers	16	8
Paracruz Management	4	
Paracruz Drivers	32	17
Operations Non-Drivers	13	4
Operations Drivers	164	78
Fleet Maintenance	36	
Capital Funded Labor	2	
Total of Employees	323	113

Bilingual Employees

34.98%

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**Task performed on an ongoing basis.

	<u>Language Assistance Measures Currently Provided</u>	<u>Steps taken to ensure compliance and Date completed</u>
	ORAL LANGUAGE ASSISTANCE MEASURES	
1.	METRO maintains bilingual staff to provide Spanish-speaking interpretation at its Administrative offices and within its Customer Service booth for basic transit questions and trip planning assistance.	Job descriptions for Customer Service Coordinator and Customer Service Representative contain the following statement: <i>"Conversational knowledge of Spanish preferred."</i>
2.	More than 30% of METRO's employees are bilingual and available to assist Spanish-speaking passengers. 48% of our fixed route operators are bilingual. 53% of our ParaCruz operators are bilingual.	See attached spreadsheet entitled <i>"Bilingual employee's by Department"</i> .
3.	METRO's paratransit service provides Spanish-speaking reservationists to assist paratransit customers when scheduling a trip.	**
3.	A bilingual (Spanish) interpreter is present for each Board of Directors' Meeting every month.	Included on every Board Agenda.
4.	METRO's Ticket Vending Machines provide assistance with ticket purchases in English and Spanish. The visual (on screen) assistance and audio assistance are available in Spanish.	
	NOTIFY LEP CUSTOMERS OF AVAILABILITY OF LANGUAGE ASSISTANCE SERVICES	
5.	METRO has posted on its official bulletin board at its Administrative offices and at the following transit centers: Pacific Station, Cavallaro, Watsonville and the Capitola Mall, a sign which indicates that free language assistance is available, if requested in a timely manner.	12/1/15: NEW copies posted at all transit centers and on Admin bulletin board.
6.	METRO's fixed route buses and Paratransit vehicles have language assistance cards informing passengers that language assistance is available in Spanish, if needed.	12/2015: Fleet is currently conducting an audit of all fixed route and Paratransit vehicles.

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**Task performed on an ongoing basis.

	<u>Language Assistance Measures Currently Provided</u>	<u>Steps taken to ensure compliance and Date completed</u>
	TRANSLATION OF VITAL DOCUMENTS / WRITTEN LANGUAGE ASSISTANCE MEASURES	
1.	All public hearings that require notification to the public are posted in English and Spanish throughout METRO's service area and in local newspapers.	METRO's Executive Assistant takes care of ensuring this.
2.	METRO's <i>Title VI Policy Statement</i> and <i>Complaint Form</i> will be available in Spanish on METRO's website at www.scmtd.com .	**
3.	METRO's <i>Title VI Policy Statement</i> (English & Spanish) is posted at the transit centers. The <i>Title VI Policy Statement</i> is also posted on the official METRO bulletin board at METRO's Admin. Office.	Currently posted. 11/25/15: NEW Policy Statement updated at all transit centers and on Admin bulletin board.
4.	METRO's fixed route buses have Bus Cards (English/Spanish) informing passengers of their rights under <u>Title VI of the Civil Rights Act of 1964</u> .	12/2015: Fleet is currently conducting an audit of all fixed route and Paratransit vehicles.
5.	METRO's Headways is provided in English and Spanish.	**
6.	The Board of Directors' Agenda has a statement on the first page, which reads: <i>"Spanish language interpretation and Spanish language copies of the agenda packet are available on an as-needed basis. Please make advance arrangements with the Executive Assistant at 831-426-6080."</i>	**
7.	METRO's ParaCruz Guide is provided on the website in Spanish.	
8.	METRO will provide written translations of vital documents for each LEP group that constitutes a minimum of 5% of the service area population or consists of at least 1,000 people.	METRO currently provides all vital docs. In English/Spanish. (e.g., ADA Policy, ParaCruz Guide)

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**Task performed on an ongoing basis.

	<u>Language Assistance Measures Currently Provided</u>	<u>Steps taken to ensure compliance and Date completed</u>
9.	METRO's Board Meetings are held at varying locations throughout Santa Cruz county to ensure that low-income, minority and LEP individuals have meaningful access to these meetings. These locations include Capitola, Santa Cruz, Scotts Valley and Watsonville.	**
	ADDITIONAL LANGUAGE ASSISTANCE MEASURES – METRO'S IMPLEMENTATION PLAN	
10.	Signage in Santa Cruz METRO's bus shelters is in English and Spanish.	
11.	Most signage at Santa Cruz METRO's transit centers is in English and Spanish.	
12.	Training of Santa Cruz METRO staff including bus operators and ParaCruz Operators for interactions with LEP speakers.	
13.	Translation of safety and security related information at all transit centers. Operations and Maintenance Depts. will provide necessary funding for the translation of the safety and security information at the transit centers.	
14.	"I Speak" cards in Spanish for each reception area. "I Speak" cards are available at the Admin office, and Customer Service, if needed.	
15.	Availability for Reception/Staff to Telephone translation services when necessary.	

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Title VI Program 2016 Report

Advisory Committees

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TABLE DEPICTING MINORITY REPRESENTATION ON COMMITTEES AND COUNCILS SELECTED BY SANTA CRUZ METRO

Santa Cruz METRO receives advisory information from two committees, the METRO Advisory Committee (MAC) and the Elderly and Disabled Advisory Committee (E&D TAC).

The MAC shall be composed of no greater than 7 members appointed by the Board of Directors. All MAC members shall serve for a term of four (4) years and will serve at the pleasure of the Board of Directors. Members wishing to resign from an appointment may submit such resignation to the CEO/General Manager.

The METRO Board of Directors shall nominate individuals to be considered for appointment as members of the MAC. Additionally, Santa Cruz County residents who have submitted an application directly to METRO shall be considered. Annually, the METRO Board Chair shall appoint an Ad Hoc Committee composed of four members of the Board and who shall meet as needed to review the list of Board nominees and other citizen applications and make appointment recommendations to the full Board. Appointments to the MAC shall be made by the METRO Board of Directors.

The Santa Cruz County Regional Transportation Commission (SCCRTC) selects members of the E&D TAC. Santa Cruz METRO has no authority over or influence on the selection process. The racial composition of the E&D TAC members is not known at this time.

Table Depicting Membership of Committees, Councils, Broken Down by Race

Body	Caucasian	Hispanic/Latino	African American	Asian	Native American
Service Area Population	64.1%	42.5%	1.2%	5.5%	0.9%
*METRO Advisory Committee	0%	0%	0%	0%	0%

*This information is unavailable, as we did not poll the current MAC Members when they were appointed to their position.

Attachment A

Title VI Program 2016 Report

Subrecipient Compliance Monitoring

METRO has no Subrecipients

Attachment A

Title VI Program 2016 Report

Title VI Equity Analysis for New Facilities

Attachment A



Title VI Equity Analysis for New Facilities Santa Cruz METRO

Title VI compliance requires that Santa Cruz METRO evaluate the impact of new facilities on minority and low-income populations. The environmental review process of a capital construction project incorporates an assessment of negative impacts upon minority and low incomes within the federal National Environmental Protection Act.

Santa Cruz METRO embarked upon a new facilities project in 1995 to replace maintenance and operating facilities that were damaged by the 1989 Loma Prieta earthquake. Environmental Impact Reports were prepared for multiple sites prior to selecting a site in 2002. The preferred and financially feasible site finally selected used existing properties, some of which had been leased, vacated other leased properties and acquired additional right of way around the owned properties to build replacement facilities consolidated within a cluster of adjacent sites. Santa Cruz METRO named the comprehensive project "MetroBase." MetroBase was the only new facilities project which Santa Cruz METRO initiated since 2002.

For several reasons, the Federal Transit Administration determined MetroBase to be Categorically Exempt from further environmental review for NEPA compliance. First, MetroBase replaced existing facilities and did not create increased public transit service delivery; there were no traffic impacts. Second, Santa Cruz METRO's consolidation project occurred within an area zoned for industry. Third, Santa Cruz METRO's operation was compatible with surrounding industrial operations. Finally, MetroBase did not displace residents because there were no residences in proximity.

Although not required by the Federal Transit Administration, Santa Cruz METRO prepared an Environmental Impact Report anyway in order to accommodate in-depth public review of the project's impacts. The Environmental Impact Report did not disclose any unmitigated impacts on nearby populations.

An on-site Title VI compliance review at Santa Cruz METRO in September 2011 generated an advisory on the environmental justice assessment. Santa Cruz METRO had not used a checklist which specified an environmental justice assessment in the environmental scoping process for MetroBase. Although the scoping process and the written justification to support a Categorical Exclusion considered potential impacts on residences within the zone of influence, it did not reference separately environmental justice for low-income and minority populations. The advisory stated that for future construction projects, Santa Cruz METRO must use the environmental impact checklist to address environmental justice. In the future, Santa Cruz METRO will use the environmental assessment checklist to ensure an evaluation of impacts on minority and low-income population.

Attachment A

Santa Cruz METRO
Title VI Equity Analysis
for New Facilities

While Santa Cruz METRO did not initiate any new facilities projects during the last three years, the 2011 Title VI Compliance Review, which produced an advisory finding in the Title VI Equity Analysis for New Facilities, occurred during the reporting period. An excerpt of the Title VI Equity Analysis from the Title VI Compliance Review report is attached along with the FTA's determination for a Categorical Exclusion and supporting documents for the Categorical Exclusion.



U.S. Department
of Transportation
Federal Transit
Administration

Attachment A

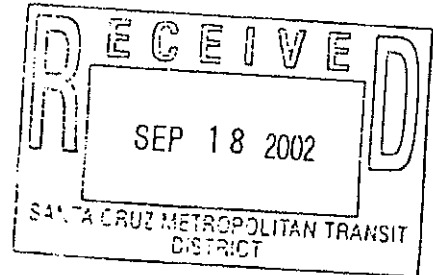
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REGION IX
Arizona, California,
Hawaii, Nevada, Guam

201 Mission Street
Suite 2210
San Francisco, CA 94105-1835
415-744-3133
415-744-2726 (fax)

SEP 16 2002

Mr. Leslie White
General Manager
Santa Cruz Metropolitan Transit District
370 Encinal Street, Suite 100
Santa Cruz, CA 95060



Re: Categorical Exclusion; Metrobase Facility

Dear Mr. White:

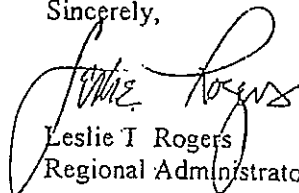
The Federal Transit Administration has completed its review of your September 5, 2002 request and attachments requesting an environmental determination on the Santa Cruz Metropolitan Transit District (SCMTD) Metrobase project to be located at Harvey West Industrial Park in Santa Cruz. Based on the information submitted, we concur in your determination that this project qualifies as a categorical exclusion under 23 CFR part 771.117(d)(8), "Construction of new bus storage and maintenance facilities in areas used predominately for industrial or transportation purposes where such construction is not inconsistent with existing zoning and located on or near a street with adequate capacity to handle anticipated bus and support vehicle traffic."

Your letter states that the project is consistent with the criteria associated with this categorical exclusion since this project is located within a heavy industrial zone and the local street capacities are adequate to handle project-generated traffic. The Facility will be built on property leased by the SCMTD and will not require any displacement of households, but will require the relocation of two commercial businesses. We agree with your assessment that this project is consistent with the criteria under the requirements for this categorical exclusion.

This review, which is based on past experience with similar projects, finds that this project: does not induce significant environmental impacts to planned growth or land use for the area; does not require the relocation of significant numbers of people; does not have a significant impact on natural, cultural, recreational, historical or other resource; does not involve significant air, noise, or water quality impacts; does not have significant impacts on travel patterns; or does not otherwise, either individually or cumulatively, have any significant environmental impacts.

If you have any questions about this review, please contact Paul Page at 415.744.3116.

Sincerely,


Leslie T. Rogers
Regional Administrator

cc: pp
9/11/02

16A.92

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DATE: January 22, 2016
TO: Board of Directors
FROM: Ciro Aguirre, Chief Operations Officer

**SUBJECT: CONSIDERATION OF SANTA CRUZ METRO PROVIDING
TRANSPORTATION SERVICE TO THE WARMING CENTER AT THE
SANTA CRUZ COUNTY FAIRGROUNDS IN WATSONVILLE UNDER
PROCLAMATION OF A LOCAL EMERGENCY**

I. RECOMMENDED ACTION

That the METRO Board of Directors authorize the CEO to enter into an agreement with Santa Cruz County to provide transportation services to the Santa Cruz County Fairgrounds Warming Center at times when the County proclaims a local emergency

II. SUMMARY

- On December 2, 2015 the Director of General Services for the County of Santa Cruz (County) contacted Santa Cruz Metropolitan Transit District (METRO) to discuss availability to provide transportation services.
- Services would be considered when, and if, an emergency proclamation was issued due to ambient temperatures dropping to 32 degrees Fahrenheit (32 degrees) or lower and if local shelter capacities at capacity.
- If such conditions occurred, the County Office of Emergency Services would declare an emergency and begin coordination of transporting persons without shelter to the Warming Center at the Santa Cruz County Fairgrounds in Watsonville.
- Staff recommends that the METRO Board authorize the CEO to enter into an agreement with Santa Cruz County to provide transportation services under a proclaimed emergency, subject to agreement on the reimbursement costs.

III. DISCUSSION/BACKGROUND

METRO has been part of the Santa Cruz County Emergency Management Council (EMC) for several years and in accordance with Title 2 - Administration and Personnel 2.26, Emergency Services of the EMC Code (see Attachment A). METRO has previously been involved in Essential Support Functions during State or Local proclaimed emergencies, such as the Summit, Trabing, Lockheed fires, and police actions providing personnel transport to or evacuation from areas declared under the emergency.

On December 2, 2015, the Santa Cruz County General Services Director contacted METRO inquiring, and seeking clarification on whether METRO would be able to provide transportation services with or without a declaration of emergency. The Director explained that concerns regarding severe cold weather throughout the County could overwhelm local shelter capacity, requiring persons without shelter to be transported to an alternate site. The County would monitor weather service forecasts for Santa Cruz provided by 10:00 AM on any particular day to determine if evening or nighttime temperatures would drop to 32 degrees or below. This type of forecast, combined with local Warming Centers reaching capacity, would result in the need to activate METRO bus service to transport persons to the Warming Center at the Santa Cruz County Fairgrounds in Watsonville.

There would be two pick-up points established: one in the City of Santa Cruz, and one in the City of Watsonville. More specific location details would be communicated if the need for service was activated. METRO bus transport would be coordinated to the Warming Center, then from the Warming Center the following day. It was not established as to how many trips would be required, but would depend on the number of persons requiring transport to the Warming Center. How often the service would be required would be dependent on weather conditions reaching 32 degrees or below and shelters reaching capacity. The program would be in effect from January until March 2016. (See Attachments B, C, & D.)

METRO expressed that transportation services could be provided, if an emergency was proclaimed by Santa Cruz County. Without a proclaimed emergency, Federal Transportation Administration (FTA) Charter Regulations, 49 CFR, Part 604.3f (see Attachment E) would preclude METRO from providing such services. METRO suggested that "For Hire" private transportation entities be considered if the service was to be provided as a non-declared emergency.

Under a proclaimed emergency METRO bus service can be provided without violation of FTA Charter Rules. An agreement entered into by METRO and Santa Cruz County would allow METRO to be activated when conditions met the aforementioned criteria; and, resource utilization to be tracked for billing purposes to the County. Additionally, it was expressed to the Director that any agreement reached would include an on-board security officer to ensure Operator and passenger safety.

Staff recommends that the Board of Directors authorize the CEO and Santa Cruz County to enter into an agreement to provide bus service to the Warming Center at the Santa Cruz County Fairgrounds in Watsonville under a proclaimed emergency.

IV. FINANCIAL CONSIDERATIONS/IMPACT

It is undetermined at this time what the costs will be to provide the service since it would be predicated on the number of hours required to transport persons from the two locations to the Santa Cruz Fairgrounds, and the number of days the emergency would be proclaimed.

In the event that an emergency is proclaimed, METRO would begin tracking resources used to provide transportation services, and billing the County for services rendered on a monthly basis. Currently, the Revenue Per Hour (RPH) cost of providing bus service is approximately \$178.

In preliminary discussions with the County, METRO expressed the need to have security assigned to each bus. The use of Security Officers will be inclusive in the agreement and will offer the options of having the County provide said security or for METRO to provide security and bill the cost as part of the service rendered.

A one-way bus transport consisting of two coordinated stop locations (one in Santa Cruz and one in Watsonville), then on to the Warming Center at the Fairgrounds and back would take approximately two hours taking into consideration the following elements:

- One Bus
- One Operator
- One Security Officer
- Distance to Boarding Locations
- Boarding Time
- Traffic Considerations
- Return to Division

Approximate one-way (RPH) total = \$356*

A repeat of this example would take place the next day, beginning at the Fairgrounds, and then returning persons to their initial boarding locations.

Approximate RPH total to and from Fairgrounds = \$712*

*Approximate costs above do not include security services.

Costs to provide this service would be initially born within the Operations Cost Centers of 3200 (Operations) and 3300 (Bus Operators), then billed for reimbursement to the County of Santa Cruz.

V. ALTERNATIVES CONSIDERED

- Do not authorize METRO to enter into an agreement with Santa Cruz County – Not Recommended. In a proclaimed emergency, METRO would be obligated to respond as part of the requirements of the EMC. Authorizing an agreement be entered into allows METRO to begin preparing in conjunction with the County and other involved parties for the delivery of services, when required, in a well orchestrated manner.

If the County requires more flexibility in implementing this program, private “For Hire” transportation firms could be contracted with by the County allowing for transportation services to be provided without an emergency proclamation. METRO would be precluded from providing service due to FTA Charter Regulations.

- Authorization could be made to have METRO sponsor bus service free of charge – Not Recommended. Projected weather patterns due to the atmospheric climate interaction known as “El Niño” is projecting temperature drops to 32 degrees or below in our region in the weeks ahead. There is a high likelihood of capacity limits being reached at local Warming Centers, requiring activation of transportation services to the Santa Cruz Fairgrounds in Watsonville. Transportation services could become costly for METRO if activated frequently and for extended periods of time. METRO could be impacted negatively in sponsoring these services free of charge given its current Structural Deficit.

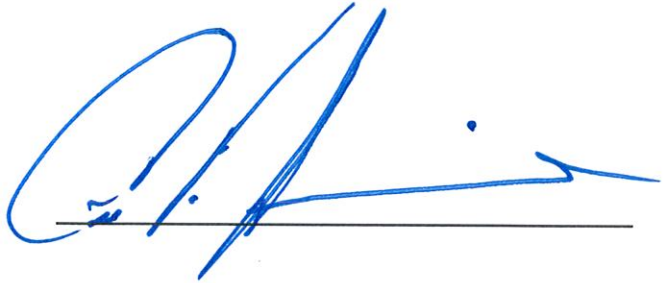
VI. ATTACHMENTS

- Attachment A:** Title 2 Emergency Management Council Code
- Attachment B:** Santa Cruz City Council Agenda Report 11/19/15
- Attachment C:** City of Watsonville Community Development Department 12/03/15
- Attachment D:** County of Santa Cruz Report on Shelter Services 12/15/15
- Attachment E:** FTA 49 CFR, Part 604

Prepared By: Ciro Aguirre, COO

VII. APPROVALS:

Ciro Aguirre, COO



Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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Attachment A

Title 2 ADMINISTRATION AND PERSONNEL

Chapters:

- 2.02 Board of Supervisors**
- 2.03 Records of County Supervisors**
- 2.04 Supervisorial Districts**
- 2.06 Consolidated and Separated Offices**
- 2.08 County Administrative Officer**
- 2.10 County Auditor-Controller-Treasurer-Tax Collector**
- 2.11 *Repealed***
- 2.12 Public Guardian**
- 2.14 Director of Public Works**
- 2.16 Personnel Director**
- 2.18 Surveyor**
- 2.20 *Repealed***
- 2.21 Probation Fees**
- 2.22 Administration of Estates**
- 2.23 Unclaimed Property**
- 2.24 Peace Officer Training and Recruitment**
- 2.25 Grand Jury**
- 2.26 Emergency Services**

Chapter 2.26 EMERGENCY SERVICES

Sections:

- 2.26.010 Purpose of provisions.
- 2.26.020 Emergency defined.
- 2.26.030 Director and Deputy Director—Created.
- 2.26.040 Director and Deputy Director—Powers and duties.
- 2.26.050 Succession of Director's powers and duties.
- 2.26.060 Emergency organization.
- 2.26.070 Emergency plan.
- 2.26.080 Expenditures.
- 2.26.090 Unlawful acts designated—Penalty.
- 2.26.100 Continuation of earlier provisions.
- 2.26.110 Summary nuisance abatement.
- 2.26.120 Nonsummary nuisance abatement.
- 2.26.130 Abatement hearing—Notice.
- 2.26.140 Abatement hearing.
- 2.26.150 Decision.
- 2.26.160 Failure to comply with order.
- 2.26.170 Abatement cost recovery.

2.26.010 Purpose of provisions.

The declared purposes of this chapter are to provide for:

- (A) The preparation and carrying out of plans for the protection of persons and property within this County in the event of an emergency;
- (B) The direction of the emergency organization; and
- (C) The coordination of the emergency functions of this County with all other public agencies, corporations, organizations and affected private persons. [Ord. 2532, 1978; prior code § 5.15.010].

2.26.020 Emergency defined.

As used in this chapter, "emergency" means the actual or threatened existence of disaster or of extreme peril to the safety of persons and property within this County caused by such conditions as air pollution, fire, flood, storm, epidemic, riot, earthquake, or other conditions, including conditions resulting from war or imminent threat of war, but excluding conditions resulting from a labor controversy, which disaster or peril is or is likely to be beyond the control of the services, personnel, equipment and facilities of this County, requiring the combined forces of other political subdivisions to control. [Ord. 2532, 1978; prior code § 5.15.020].

2.26.030 Director and Deputy Director—Created.

- (A) There is created the Office of Director of Emergency Services. The County Administrative Officer shall be the Director of Emergency Services.

(B) There is created the Office of Deputy Director of Emergency Services, who shall be appointed by the Director. [Ord. 2532, 1978; prior code § 5.15.030].

2.26.040 Director and Deputy Director—Powers and duties.

(A) The Director is empowered to:

(1) Request the Board of Supervisors to proclaim the existence or threatened existence of a "local emergency" if the Board is in session, or to issue such a proclamation if the Board is not in session. If the Board of Supervisors is not in session, and it is necessary and appropriate for the Director to proclaim the existence or threatened existence of a "local emergency," the Director shall, prior to issuing the proclamation, contact, or attempt to contact, each member of the Board of Supervisors to inform them of the facts giving rise to the existence or threatened existence of such a "local emergency," in order that the Director may receive the advice and counsel of members of the Board of Supervisors, and to give the Board of Supervisors the opportunity to come into session, should the chairperson or a majority of the Board determine that calling the Board into session is appropriate. Whenever a local emergency is proclaimed by the Director, the Board of Supervisors shall take action to ratify the proclamation within seven days thereafter, or the proclamation shall have no further force or effect;

(2) Request the Governor to proclaim a "state of emergency" when, in the opinion of the Director, the locally available resources are inadequate to cope with the emergency;

(3) Control and direct the effort of the emergency organization of the County for the accomplishment of the purposes of this chapter;

(4) Direct cooperation between and coordination of services and staff of the emergency organization of the County, and resolve questions of authority and responsibility that may arise between them;

(5) Represent the County in all dealings with public or private agencies on matters pertaining to emergencies, as defined in SCCC 2.26.020;

(6) In the event of the proclamation of a "local emergency" as herein provided, the proclamation of a "state of emergency" by the Governor or the Director of the State Office of Emergency Services, or the existence of a "state of war emergency," the Director is empowered:

(a) To make and issue rules and regulations on matters reasonably related to the protection of life and property as affected by such emergency; provided, however, such rules and regulations must be confirmed at the earliest practicable time by the Board of Supervisors,

(b) To obtain vital supplies, equipment, and such other properties found lacking and needed for the protection of life and property, and to bind the County for the fair value thereof and, if required immediately, to commandeer the same for public use,

(c) To require emergency services of any County officer or employee and, in the event of the proclamation of a "state of emergency" in the County or the existence of a "state of war

emergency," to command the aid of as many citizens of the County as he deems necessary in the execution of his duties; such persons shall be entitled to all privileges, benefits and immunities as are provided by State law for registered disaster service workers,

(d) To requisition necessary personnel or material of any County department or agency, and

(e) To execute all of his ordinary powers as County Administrative Officer, all of the special powers conferred by this chapter or by resolution or emergency plan pursuant hereto adopted by the Board of Supervisors, all powers conferred by any statute, by any agreement approved by the Board of Supervisors, and by any other lawful authority.

(B) The Deputy Director shall, under the supervision of the Director and with the assistance of emergency service chiefs, develop emergency plans and manage the emergency programs of the County, and shall have such other powers and duties as may be assigned by the Director. [Ord. 4109 § 1, 1991; Ord. 2532, 1978; prior code § 5.15.040].

2.26.050 Succession of Director's powers and duties.

(A) The following persons are designated, in the order named, to succeed to all the powers and duties of the Director of Emergency Services during the absence or unavailability of the Director and of any other persons who are hereby designated with prior authority to succeed to such powers and duties:

- (1) Assistant County Administrative Officer;
- (2) Deputy Director of Emergency Services;
- (3) Chairperson of the Board of Supervisors;
- (4) Vice-Chairperson of the Board of Supervisors;
- (5) Any other member of the Board of Supervisors.

(B) In the event of an emergency, any of the above-named persons shall be deemed "unavailable" if that person cannot be immediately contacted by telephone or radio. [Ord. 2532, 1978; prior code § 5.15.050].

2.26.060 Emergency organization.

All officers and employees of the County, together with those volunteer forces enrolled to aid them during an emergency, and all groups, organizations and persons who may by agreement or operation of law, including persons impressed into service under the provisions of this chapter, be charged with duties incident to the protection of life and property in the County during such emergency, shall constitute the emergency organization of the County. [Ord. 2532, 1978; prior code § 5.15.060].

2.26.070 Emergency plan.

The County Disaster Council shall be responsible for the development of the Santa Cruz County Emergency Plan, which plan shall provide for the effective mobilization of all of the resources of the

County, both public and private, to meet any condition constituting a local emergency, state of emergency, or state of war emergency, and shall provide for the organization, powers and duties, services and staff of the emergency organization. Such plan shall take effect upon adoption by resolution of the Board of Supervisors. [Ord. 2532, 1978; prior code § 5.15.070].

2.26.080 Expenditures.

Any expenditures made in connection with emergency activities, including mutual aid activities, shall be deemed conclusively to be for the direct protection and benefit of the inhabitants and property of the County of Santa Cruz. [Ord. 2532, 1978; prior code § 5.15.080].

2.26.090 Unlawful acts designated—Penalty.

It is a misdemeanor, punishable by a fine of not to exceed \$500.00, or by imprisonment for not to exceed six months, or both, for any person, during a state of war emergency, state of emergency, or local emergency, to:

- (A) Wilfully obstruct, hinder or delay any member of the emergency organization in the enforcement of any lawful rule or regulation issued pursuant to this chapter, or in the performance of any duty imposed upon such member by virtue of this chapter;
- (B) Do any act forbidden by any lawful rule or regulation issued pursuant to this chapter, if such act is of such a nature as to give or be likely to give assistance to the enemy, or to imperil the lives or property of inhabitants of the County, or to prevent, hinder or delay the defense or protection thereof;
- (C) Wear, carry or display, without authority, any means of identification specified by the Emergency Agency of the State or the County. [Ord. 2532, 1978; prior code § 5.15.090].

2.26.100 Continuation of earlier provisions.

It is the intent of the Board of Supervisors in enacting the ordinance codified in this chapter that it shall be considered a revision and continuation of the ordinances repealed by such ordinance, and the status of volunteers shall not be affected by such repeal; nor shall plans and agreements, rules and regulations, or resolutions adopted pursuant to such repealed ordinances be affected by such repeal, until amended, modified or superseded as provided in the ordinance codified in this chapter. [Ord. 2532, 1978; prior code § 5.15.100].

2.26.110 Summary nuisance abatement.

(A) Whenever, in the judgment of the Director of Emergency Services or of the Director's designee, it appears that a public nuisance exists in, on, or near any premises, building or structure, constituting an imminent and substantial hazard to public health or safety, requiring prompt action, the Director, or the Director's designee, may order that premises, building or structure or a portion thereof, be immediately:

- (1) Vacated and thereafter kept vacant until the Chief Building Official of the County has issued permission to reoccupy the premises;
- (2) Barricaded, boarded up, or otherwise secured against entry, occupancy or use by all persons, except as permitted by the order; and

(3) Demolished or repaired in a manner set forth in the order.

(B) The order shall state the time within which action is required. A copy of the order shall be posted in a conspicuous place upon the premises, building or structure. A copy of the order shall also be served upon the owner, lienholders, lessees and others whose interest in the premises appears in public records of title. The order shall be served either personally or by registered or certified mail, return receipt requested in the manner described in SCCC 2.26.130. [Ord. 4028 § 1, 1989].

2.26.120 Nonsummary nuisance abatement.

Whenever, in the judgment of the Director of Emergency Services or of the Director's designee, it appears that a building or structure is unsafe as defined in Section 203 of the Uniform Building Code but does not meet the summary procedure criteria of SCCC 2.26.110, and determines that the risk to public health and safety requires abatement of the building or structure as a threat to public health and safety, the Director or the Director's designee may initiate abatement procedures by setting the matter for hearing before a Hearing Officer designated by the Director. The Director may record an appropriate lis pendens giving notice of the pendency of the proceeding. [Ord. 4029 § 1, 1989; Ord. 4028 § 1, 1989].

2.26.130 Abatement hearing—Notice.

The Director shall publish notice, and give five days' written notice of the time and place of the hearing, either personally or by certified or registered mail, to the owner and any lienholder or the holder of any other legal or equitable interest in the property whose name and address appears in public records of title. Service by certified or registered mail shall be effective on the date of mailing, if a certified or registered letter containing a copy of such notice is mailed, postage prepaid, return receipt requested, to the owner at the owner's address as it appears on the last equalized assessment roll of the County of Santa Cruz, or at the address to which the most recent real property tax bill for said property was mailed by the Treasurer-Tax Collector. If no such address appears from County tax records, then a copy of the notice shall be addressed to such person at the address of the building, structure or property involved in the proceeding. The failure of any owner to receive such notice shall not affect the validity of any proceeding taken hereunder. The person giving notice shall prepare and sign a declaration under penalty of perjury certifying the time and manner in which such notice was given, along with any receipt of such notice by certified or registered mail. The notice shall also be published at least once prior to the hearing in a newspaper of general circulation. [Ord. 4028 § 1, 1989].

2.26.140 Abatement hearing.

The hearing shall be held at the time and place designated in the notice of hearing. After the hearing has been opened, it may be continued to a date certain without further notice. All persons having an interest in the building, structure or property, or having knowledge of the facts material to the allegations in any notice or order, may present evidence at the hearing. [Ord. 4028 § 1, 1989].

2.26.150 Decision.

Upon conclusion of the hearing, the Hearing Officer shall, based upon the evidence presented at the hearing, determine whether the premises, or any part thereof, constitutes a public nuisance. If the

Hearing Officer finds a public nuisance to exist, the Hearing Officer shall issue an order of abatement, which shall direct and order the nuisance abated by demolition or repair within the time, and in the manner, set forth in the order. The Hearing Officer shall give notice of the determination by serving a copy of the order upon the property owner, and by mailing a copy to any person who has requested a copy of the order and has provided an address for mailing. If the Hearing Officer finds a nuisance does not exist, the order shall so state. The determination of the Hearing Officer shall be final and conclusive. It shall terminate the administrative proceeding. [Ord. 4028 § 1, 1989].

2.26.160 Failure to comply with order.

Whenever an order to repair or demolish any building has not been complied with within the time set by the order, the Director of Emergency Services may, in addition to any other remedy provided herein or by law, cause the building, structure or property, or portion thereof, to be:

- (A) Vacated and barricaded, boarded up or otherwise secured against use or occupancy pending the repair or demolition ordered;
- (B) Dismantled or demolished and the site cleared by such means as the Director shall deem advisable; and
- (C) Repaired or altered, so as to be safe. [Ord. 4028 § 1, 1989].

2.26.170 Abatement cost recovery.

The County Auditor-Controller shall keep an accounting of the cost, including administrative expenses, of abating any nuisance under this chapter. The County Auditor-Controller shall prepare an itemized report thereof, showing the expense of abatement, and the County shall recover these expenses from the owner. [Ord. 4028 § 1, 1989].

The Santa Cruz County Code is current through Ordinance 5209, passed August 18, 2015.

The Santa Cruz County Codes are provided here as a public service. This online version of the County Code should not be relied upon for legal determination. Official Santa Cruz County Codes are on file in the Office of the Clerk of the Board. The County of Santa Cruz is not liable for any omissions or inaccuracies and is not liable for any reliance on these codes by the reader. It is recommended that you consult official Santa Cruz County Codes in the Office of the Clerk of the Board.

County Website: <http://www.co.santa-cruz.ca.us/>
County Telephone: (831) 454-2323

Code Publishing Company

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Attachment B

0191



CITY COUNCIL AGENDA REPORT

DATE: 11/19/2015

AGENDA OF: 11/24/2015
DEPARTMENT: City Manager
SUBJECT: City Facilities For Warming Center (CN)

RECOMMENDATION: Motion to direct City staff to identify and make available a suitable City of Santa Cruz facility (or facilities) for use as a Warming Center up to 10 nights this winter season at no charge, contingent on the Warming Center organization identifying other facilities that will commit to sharing in this effort by providing 30 nights of Warming Center use. As with any other user of City facilities, City staff would set reasonable standards and conditions for the use of these facilities and the City's offer of use of these facilities would be withdrawn if those standards are not met. Once a site is identified and City costs clarified, staff will return to Council with a proposed budget adjustment to cover city costs.

BACKGROUND: With winter approaching and heavy El Niño rain expected over the next few months, many agencies and organizations are making preparations to address the problems that this winter season will likely deliver. Among the most vulnerable this winter will be people living on the street without housing, emergency shelter, or a vehicle for protection. While there are about 300 emergency shelter beds being used in Santa Cruz and there are many homeless individuals that own vehicles that provide rudimentary protection from bad weather, most of the approximately 830 homeless individuals in Santa Cruz are without even the most basic shelter.

Compared to an emergency shelter, the Warming Center model is a more bare-bones facility, often operated at a church or large open room. While the location may provide mats or floor space for the homeless, they are primarily just a roof and walls to protect participants from the elements and offer a bit of warmth. Any given Warming Center facility only opens on evenings when rain is forecast or when temperature is forecast to go below a certain level.

DISCUSSION: In 2014, a group of local volunteers partnered with a local nonprofit organization (The United Services Agency) and two local churches (thus far) to form the Warming Center Project. Last winter, the Warming Center Project successfully operated in Santa Cruz on two nights of particularly cold weather. The program uses the temperature threshold of 34 degrees and/or multiple nights of rain and it notifies potential participants of the night's location (since the Warming Center rotates between several locations) through the United Way's 211 system.

In response to this winter's weather forecasts, the group is gearing up to operate on substantially more nights. It has secured commitments of indoor space for approximately 25 nights of

19

17B.1

Attachment B

0192

Warming Center activity and is seeking commitments for additional indoor space from the City and from other entities.

Because the City of Santa Cruz owns a wide range of buildings that could be suitable for temporary overnight use as a Warming Center space, the volunteer group approached me and at least one other City Councilmember to seek commitment of some City facility or facilities for its program.

While we are very supportive of the Warming Center effort, we are also concerned that the City could become overcommitted when most City facilities are fairly heavily used and there are many other suitable buildings in the private and nonprofit sector that could share the burden. We believe the City could manage to identify space for up to 10 nights of Warming Center use and that the program could identify 30 nights at other facilities in the community.

We recommend that the City Council direct staff to identify a location or locations that could be made available for up to 10 nights this winter to provide basic overnight protection and simple restroom facilities for up to 50 individuals each of those nights. These facilities would be made available at no charge contingent on the Warming Center Program securing a commitment of at least 30 nights from other community facilities. The Warming Center Program will need to meet normal City requirements for facility use and designate a responsible staff person to oversee the Warming Center operation at the City facility. As with other facility users, City permission to use facilities may be withdrawn if the user fails to comply with City rules and conditions.

FISCAL IMPACT: The fiscal impact is unknown at this time. If directed, staff will identify a suitable City facility and assess the costs to the City of participation in the Warming Center program for 10 days. These costs then will be returned to the City Council for a budget appropriation.

Submitted by:

Don Lane
Mayor

Submitted by:

Richelle Noroyan
Councilmember

ATTACHMENTS:

None.

Attachment C

CITY COUNCIL 9.2

City of Watsonville
Community Development Department

0193

MEMORANDUM



DATE: December 3, 2015
TO: Marcela Tavantzis, Assistant City Manager
FROM: Doug Mattos, Senior Administrative Analyst
SUBJECT: 2015/16 Possible Winter Warming Shelter

Teen Challenge Monterey Bay, Pajaro Rescue Mission and the Freedom Women's Center has been partnering with the local Salvation Army facility located on Union Street to serve the City's homeless population. Due to the weather forecasts of this Winter's probable severe El Nino, Teen Challenge staff has arranged emergency transportation to the Pajaro Rescue Mission from the Union Street location should maximum capacity occur at that location.

During recent discussions with Teen Challenge Director Mike Borden, he assured staff that no client that has requested shelter has been denied this Winter. The only reason clients would be denied entrance is if they were a threat to themselves or others. Effective today a new MOU has been signed that will allow forty additional shelter beds and the Union Street facility

The Teen Challenge staff also currently partners with the City of Watsonville, The Salvation Army and many Faith-based agencies to provide a hot meal each evening between November 14, 2015 thru April 15, 2016 for up to 150 people.

A conference call was recently held on November 14th about a possible Watsonville warming center. This call included participants representing of the City of Watsonville. Community Action Board (CAB), local Faith Based groups including Reverend Tino Cordoba representing First Christian Church, County of Santa Cruz staff including deputy county administrator Carlos Palacios, housing manager Julie Conway and County Supervisor Greg Caput and local activist Brent Adams, who has participated in prior fundraising activities for the Santa Cruz warming center.

Discussions included the potential of First Christian Church as a possible Watsonville warming center, possible Red Cross funding for South County shelter/Warming Center, and CAB's consideration of involvement in South County shelter/warming needs. Discussions ensued about the needs, and potential gaps. There was discussion of concern regarding the causes and lack of shelter and what resources should be marshalled.

Costs to run a warming center were discussed and could include: insurance, mats, blankets, laundry services (blankets would be required to be laundered after each night's use), security, indoor and outdoor monitoring during center hours as well as the necessity to keep single women and women with children separated from single males.

Attachment C

Another item discussed was how the homeless population would be notified when the shelters are open. 0194

Opening warming shelters could be triggered by:

- ✓ 34 degrees or lower
- ✓ 36 degrees following a day of rain
- ✓ a forecasted fourth day of rain

Notifications could take place via 211 and with the cooperation of local service providers such as Loaves and Fishes, Salvation Army, etc.

Staff will continue to work with the various partners working on the issue.



County of Santa Cruz

COUNTY ADMINISTRATIVE OFFICE

0187

701 OCEAN STREET, SUITE 520, SANTA CRUZ, CA 95060-4073

(831) 454-2100 FAX: (831) 454-3420 TDD: (831) 454-2123

SUSAN MAURIELLO, J.D., COUNTY ADMINISTRATIVE OFFICER

December 9, 2015

AGENDA: December 15, 2015

BOARD OF SUPERVISORS
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

Report on Shelter Services in Santa Cruz County

Dear Members of the Board:

As we enter into a forecasted strong El Niño winter with the potential for severe weather, numerous community stakeholders have reached out to the County to solicit our participation in efforts to create community emergency warming facilities for homeless residents of our County. County staff from the County Administrative Office, Planning Department, General Services Department, Human Services Department and Sheriff's Office have met with various stakeholders and convened internally to discuss how the County may be a part of a community-wide effort to address severe cold weather incidents. The purpose of this report is to update your Board about these efforts, availability of emergency shelter services and additional steps the County may take to facilitate, support, and be a partner in various community-wide efforts.

Background and Current Services

The Winter Shelter program at the Armory, jointly funded by community partners through the Homeless Action Partnership (HAP) was created in the 1990s in response to the very concerns currently being raised regarding the need for warming centers. The initial criteria for activation was when temperatures were forecasted for 32°F or below, or 40°F or below with 50% or more chance of rain. In the ensuing years, the temperature thresholds were abandoned and the shelter kept open for the duration of the winter season, typically November 15th to April 15th. While the Armory could, at maximum, accommodate 100 people, it rarely reaches full capacity. In addition to the Winter Shelter at the Armory operated by the Homeless Services Center (HSC), there are two South County shelters in Watsonville that have ample capacity. To date this season, none of them exceeded approximately 50% capacity, even on the coldest nights. Table 1, below, provides more detail.

Attachment D

Table 1.

	Winter Shelter/Armory	Pajaro Rescue Mission	Grace Harbor
Location	North County	Watsonville	Watsonville
Operator	Homeless Services Center	Teen Challenge	Teen Challenge
Capacity	100	35 men	40 men 28 Women
Utilization this season	51		
Funding	HAP	Private/Faith	Private/Faith
Temperature Threshold	None	None	None

It should also be noted that there is an existing privately operated Warming Center program in the community. Brent Adams directs this program. Warming Center reports having capacity for 75 persons at the Episcopal Church downtown in Santa Cruz and 75 persons at the Santa Cruz Quaker Hall. This program has relaxed rules which allow shelter access to persons who may have pets, bulky personal belongings such as bicycles, or who have a history of drug or alcohol use, provided they are behaving in a way that does not pose a threat to themselves or others. The conditions under which the Warming Center program is activated are for the following forecasted conditions: 34°F or lower; 40°F following rain; or 4th day of rain.

Addressing Gaps in Services

While we are not currently lacking Winter Shelter capacity there is no doubt that emergency warming centers can play an important role. If the Winter Shelter at the Armory or the South County shelters in Watsonville should reach capacity when the weather is severe, then augmentation may become necessary. In the interest of protecting human life during the most severe weather, having alternative plans in place is recommended. Staff from the County Administrative Office, Planning Department, General Services Department, Human Services Department, and Sheriff's Office have met with numerous community partners and convened internal meetings to discuss and explore options.

The County has provided support for establishing overflow on an emergency basis, and the other jurisdictions will be requested to provide their per capita share of any costs. The City of Santa Cruz, on their November 24th agenda, considered use of City facilities for the Warming Center. The City Council directed staff to come back in January with a recommendation for a potential City facility that could be used. The City's staff report is provided as Attachment 1. The City of Watsonville also had a Warming Shelter item on their December 8 agenda, provided as Attachment 2. The Watsonville report describes the available shelter services in Watsonville and staff was requested to work with various partners working on the issue.

Attachment D

Fairgrounds Option

Under proclamation of a local emergency, the County is authorized to utilize the facilities at the Santa Cruz Fairgrounds in Watsonville for provision of an emergency shelter. Staffing of the shelter would be provided by the Human Services Department. The American Red Cross has indicated they are willing to locate cots and blankets in a storage pod onsite at the fairgrounds for on-demand access. The Sheriff's Office Correctional facility kitchen can prepare and deliver bag-lunch meals for up to 200 persons at \$3/meal if notified in the morning on any given day. Based on outreach with Santa Cruz Metro, transportation of clients to and from the Fairgrounds could be provided by Santa Cruz Metro at no cost. A local weather disaster declaration would be required. General Services would arrange for First Alarm Security as needed. With these logistical issues addressed, concerns with the fairgrounds option still include uncertainty about availability of adequate and appropriate staffing on short notice, suitable pickup and drop-off location(s), and concern that the remote location would result in a low rate of utilization. There also exist concerns about pre-empting scheduled events such as weddings, Quinceañeras, or other community activities. The fairgrounds, as a state-owned facility, would also not be able to provide shelter for the homeless who may have pets, be under the influence of alcohol, etc. Staff finds that while the fairgrounds is an option, it does not represent an ideal situation.

Non-Profit Managed Overflow Shelter Option

Another option is for the County to work with a non-profit such as the Community Action Board (CAB) who may be able to serve as a fiscal agent and operational lead for an overflow shelter/warming center. Staff has convened meetings with CAB and determined they are willing to work with the County to establish a pilot overflow cold night project. Under this option, CAB would be responsible for establishing readiness to open shelters when other shelters are nearing capacity and severe inclement weather is forecast. Services included would be First Alarm security personnel, trained shelter staff, and coordination of essential supplies. The Sheriff's Office Correctional facility kitchen could still provide bag lunch meals. It's anticipated this effort would be a pilot project, and could include facilities in North County, South County or both. Probable locations would be community churches. CAB has indicated they would partner with Warming Center to build on and support existing community efforts. Staff from the CAO's office and Planning Department are currently in conversations with CAB about this option. Staff believes this approach may be a more suitable contingency plan for times when existing shelters may reach capacity. Again, depending on capacity issues, this overflow resource may or may not be required.

Conclusion

The Homeless Action Partnership Executive Committee will be discussing how jurisdictions may work together on establishing an overflow shelter/warming center pilot project and how services may be funded and provided for on a community-wide basis. There are a number of available Winter Shelter options in both North and South County, some publicly provided and some privately provided. To date this season, none have exceeded 50% capacity despite extremely cold weather in recent weeks.

Attachment D

BOARD OF SUPERVISORS
SHELTER SERVICES IN SANTA CRUZ COUNTY

AGENDA: DECEMBER 15, 2015

0190

It is, therefore, RECOMMENDED that your Board

1. Accept and file this report;
2. Direct staff to continue to work to assure the availability of augmented services in the event existing facilities reach capacity during extreme cold weather;
3. Direct staff to meet with Homeless Action Partnership Executive Committee to seek cooperation from other jurisdictions; and
4. Provide a further update to the Board by the end of January, 2016.

Very truly yours,



SUSAN A. MAURIELLO
County Administrative Officer

SAM:rkm

Attachments:

- 1) City of Santa Cruz Staff Report, 11/24/15 Agenda
- 2) Watsonville City Council Staff Report, 12/8/15 Agenda

§ 604.3

49 CFR Ch. VI (10–1–14 Edition)

(d) The requirements of this part shall not apply to a recipient transporting its employees, other transit system employees, transit management officials, transit contractors and bidders, government officials and their contractors and official guests, for emergency preparedness planning and operations.

(e) The requirements of this part shall not apply to a recipient that uses Federal financial assistance from FTA, for program purposes only, under 49 U.S.C. 5310, 49 U.S.C. 5311, 49 U.S.C. 5316, or 49 U.S.C. 5317.

(f) The requirements of this part shall not apply to a recipient, for actions directly responding to an emergency declared by the President, governor, or mayor or in an emergency requiring immediate action prior to a formal declaration. If the emergency lasts more than 45 days, the recipient shall follow the procedures set out in subpart D of 49 CFR 601.

(g) The requirements of this part shall not apply to a recipient in a non-urbanized area transporting its employees, other transit system employees, transit management officials, and transit contractors and bidders to or from transit training outside its geographic service area.

§ 604.3 Definitions.

All terms defined in 49 U.S.C. 5301 *et seq.* are used in their statutory meaning in this part. Other terms used in this part are defined as follows:

(a) “*Federal Transit Laws*” means 49 U.S.C. 5301 *et seq.*, and includes 23 U.S.C. 103(e)(4), 142(a), and 142(c), when used to provide assistance to public transit agencies for purchasing buses and vans.

(b) “*Administrator*” means the Administrator of the Federal Transit Administration or his or her designee.

(c) “*Charter service*” means, but does not include demand response service to individuals:

(1) Transportation provided by a recipient at the request of a third party for the exclusive use of a bus or van for a negotiated price. The following features may be characteristic of charter service:

(i) A third party pays the transit provider a negotiated price for the group;

(ii) Any fares charged to individual members of the group are collected by a third party;

(iii) The service is not part of the transit provider’s regularly scheduled service, or is offered for a limited period of time; or

(iv) A third party determines the origin and destination of the trip as well as scheduling; or

(2) Transportation provided by a recipient to the public for events or functions that occur on an irregular basis or for a limited duration and:

(i) A premium fare is charged that is greater than the usual or customary fixed route fare; or

(ii) The service is paid for in whole or in part by a third party.

(d) “*Charter service hours*” means total hours operated by buses or vans while in charter service including:

(1) Hours operated while carrying passengers for hire, plus

(2) Associated deadhead hours.

(e) “*Chief Counsel*” means the Chief Counsel of FTA and his or her designated employees.

(f) “*Days*” means calendar days. The last day of a time period is included in the computation of time unless the last day is a Saturday, Sunday, or legal holiday, in which case, the time period runs until the end of the next day that is not a Saturday, Sunday, or legal holiday.

(g) “*Demand response*” means any non-fixed route system of transporting individuals that requires advanced scheduling by the customer, including services provided by public entities, nonprofits, and private providers.

(h) “*Exclusive*” means service that a reasonable person would conclude is intended to exclude members of the public.

(i) “*FTA*” means the Federal Transit Administration.

(j) “*Geographic service area*” means the entire area in which a recipient is authorized to provide public transportation service under appropriate local, state, and Federal law.

(k) “*Government official*” means an individual elected or appointed at the local, state, or Federal level.

(l) “*Interested party*” means an individual, partnership, corporation, association, or other organization that has

Federal Transit Admin., DOT

§ 604.6

a financial interest that is affected by the actions of a recipient providing charter service under the Federal Transit Laws. This term includes states, counties, cities, and their subdivisions, and tribal nations.

(m) “*Pattern of violations*” means more than one finding of unauthorized charter service under this part by FTA beginning with the most recent finding of unauthorized charter service and looking back over a period not to exceed 72 months.

(n) “*Presiding Official*” means an official or agency representative who conducts a hearing at the request of the Chief Counsel and who has had no previous contact with the parties concerning the issue in the proceeding.

(o) “*Program purposes*” means transportation that serves the needs of either human service agencies or targeted populations (elderly, individuals with disabilities, and or low income individuals); this does not include exclusive service for other groups formed for purposes unrelated to the special needs of the targeted populations identified herein.

(p) “*Public transportation*” has the meaning set forth in 49 U.S.C. 5302(a)(10).

(q) “*Qualified human service organization*” means an organization that serves persons who qualify for human service or transportation-related programs or services due to disability, income, or advanced age. This term is used consistent with the President’s Executive Order on Human Service Transportation Coordination (February 24, 2004).

(r) “*Recipient*” means an agency or entity that receives Federal financial assistance, either directly or indirectly, including subrecipients, under the Federal Transit Laws. This term does not include third-party contractors who use non-FTA funded vehicles.

(s) “*Registered charter provider*” means a private charter operator that wants to receive notice of charter service requests directed to recipients and has registered on FTA’s charter registration Web site.

(t) “*Registration list*” means the current list of registered charter providers and qualified human service organiza-

tions maintained on FTA’s charter registration Web site.

(u) “*Special transportation*” means demand response or paratransit service that is regular and continuous and is a type of “public transportation.”

(v) “*Violation*” means a finding by FTA of a failure to comply with one of the requirements of this Part.

§ 604.4 Charter service agreement.

(a) A recipient seeking Federal assistance under the Federal Transit Laws to acquire or operate any public transportation equipment or facilities shall enter into a “Charter Service Agreement” as set out in paragraph (b) of this section.

(b) A recipient shall enter into a Charter Service Agreement if it receives Federal funds for equipment or facilities under the Federal Transit Laws. The terms of the Charter Service Agreement are as follows: “The recipient agrees that it, and each of its subrecipients, and third party contractors at any level who use FTA-funded vehicles, may provide charter service using equipment or facilities acquired with Federal assistance authorized under the Federal Transit Laws only in compliance with the regulations set out in 49 CFR 604, the terms and conditions of which are incorporated herein by reference.”

(c) The Charter Service Agreement is contained in the Certifications and Assurances published annually by FTA for applicants for Federal financial assistance. Once a recipient receives Federal funds, the Certifications and Assurances become part of its Grant Agreement or Cooperative Agreement for Federal financial assistance.

Subpart B—Exceptions

§ 604.5 Purpose.

The purpose of this subpart is to identify the limited exceptions under which recipients may provide community-based charter services.

§ 604.6 Government officials on official government business.

(a) A recipient may provide charter service to government officials (Federal, State, and local) for official government business, which can include



DATE: January 22, 2016
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
**SUBJECT: TECH BUSES AND THE SCOTTS VALLEY BART CAVALLARO
TRANSIT CENTER PARKING CHALLENGES**

I. RECOMMENDED ACTION

That the Board of Directors authorize the CEO to meet with representatives from the City of Scotts Valley, Caltrans District 5 and the various tech companies currently using the Bart Cavallaro Transit Center and return to the Board with recommendations that will ensure future parking capacity for METRO's customers using the Highway 17 commuter service and other METRO routes servicing the Bart Cavallaro Transit Center.

II. SUMMARY

- While visiting the Bart Cavallaro Transit Center recently, the CEO observed that the parking was nearly at capacity.
- The CEO also observed a long line of people boarding a tech bus that pulled up to the transit center curb on Kings Village Road.
- Soon thereafter, METRO's contracted security firm was tasked with documenting the number of people who park at the transit center and board tech buses. The survey was accomplished from October 5 – 9, 2015.
- The security firm documented 383 people boarding tech buses at the Bart Cavallaro Transit Center over those five days, an average of 77 riders/day.
- In early January 2016 METRO staff monitored the tech bus riders' usage of the facility; and, the usage on Wednesday, January 13, 2016, had grown to 80 tech bus riders.
- A review of archived Board reports from the mid-90s reflects the transit center property being purchased to support the growing Highway 17 commuter service.
- Given that the parking facility is well on its way to reaching capacity, it appears that the unauthorized tech bus parking will be encroaching on METRO's ability to meet the park-and-ride needs of its Highway 17 commuters.
- Once the facility reaches capacity, the lack of dependable available parking spaces at the Bart Cavallaro Transit Center will result in a loss of current commuters, and will likely inhibit METRO's ability to attract new commuters and discretionary Highway 17 riders to the METRO bus system.

- The CEO wishes to engage the City of Scotts Valley, Caltrans District 5 and various tech companies in a discussion about the current and future authorized use of the Bart Cavallaro Transit Center for parking.
- The CEO requests Board concurrence on the CEO's expressed concern for the need to protect park-and-ride spaces for METRO customers, and that the CEO be directed to return to the Board at a future date with recommendations that will ensure current and future METRO customers have access to METRO park-and-ride spaces at the Bart Cavallaro Transit Center.

III. DISCUSSION/BACKGROUND

While visiting the Bart Cavallaro Transit Center recently, the CEO observed that the parking was nearly at capacity. On that same date, the CEO also observed a long line of people boarding a tech bus that had pulled up to the transit center curb on Kings Village Road. Soon thereafter, METRO's contracted security firm was tasked with documenting the number of people who park at the transit center and board tech buses. The survey was accomplished from October 5 – 9, 2015.

Over the course of five consecutive weekdays, the security firm documented 383 people boarding tech buses at the Bart Cavallaro Transit Center between approximately 5:00AM and 9:00AM. This equates to an average of 77 morning boardings per day. There are 220 parking spaces at the transit center. For that particular week, tech bus riders equated to 35% of the total spaces available. The security firm documented tech buses from Apple, Yahoo and Netflix. They also observed three UCSC vanpool trips during the week. Each appeared to pick up two people. Additionally, the contractor for the Facebook tech bus has recently contacted METRO to request access to the facility.

METRO staff updated the transit center parking information in January 2016. Of the three days in which staff observed parking activities at the Bart Cavallaro Transit Center, Wednesday, January 13, appeared to be the highest with 80 tech bus riders using the facility to park and board tech buses. Seven tech buses were observed servicing the facility between 5:30AM – 9:30AM. On this date, two vanpools, boarding 4 riders, used the facility along with six people using carpools. Highway 17 customers were observed boarding during this same time period. During the time period observed that day, there were 12 Highway 17 buses, boarding a total of 69 METRO customers. At 9:30AM that day, there were approximately 61 spaces available.

The METRO customer parking challenges at the Bart Cavallaro Transit Center may be further exacerbated by vanpools and carpools who are being directed to the Bart Cavallaro Transit Center by the Caltrans District 5 webpage, which reflects the Scotts Valley Transit Center as having 219 spaces available for park-and-ride (see Attachment A). The Bart Cavallaro Transit Center is not a Caltrans

park-and-ride lot and Caltrans has not been sharing in the costs to maintain the facility. However, METRO represented that the facility would be available for carpools and vanpools in its state construction grant applications in the mid-90s. Also, a December 2, 1994, METRO Board report noted that “The District and City shall, upon request of Caltrans, authorize State-funded bus service to use the Transit Center without any charge to Caltrans or its contractors...” METRO is unaware of any State-funded bus service using the facility. In the next phase of investigation and discussion, METRO might want to ask Caltrans to remove the reference to the Scotts Valley Transit Center from its park-and-ride list until such time as additional capacity is added. In recommending this, the CEO does not intend to discourage current or future carpool and vanpool usage. Instead, just to eliminate the active marketing of the transit center for carpool and vanpool usage on the Caltrans website.

Given that the parking facility is well on its way to reaching capacity, it appears that the unauthorized tech bus parking will be encroaching on METRO’s ability to meet the park-and-ride needs of its Highway 17 commuters. Once the facility reaches capacity, the lack of dependable available parking spaces at the Bart Cavallaro Transit Center will result in a loss of current commuters, and will likely inhibit METRO’s ability to attract new commuters and discretionary Highway 17 riders to the METRO bus system.

The CEO recently had a discussion with representatives from the Bay Area Council of Governments about their experience in northern California with tech buses. The Bay Area Council has agreed to help facilitate communication between the tech companies and METRO.

It is important to acknowledge that year-over-year Highway 17 ridership is down between 8 – 14%. Anecdotally, we assume this is attributable to several factors such as the fare increase last year, continuing low gasoline prices, changing patterns of UCSC discretionary riders (holiday and weekend patterns), and higher congestion on Highway 17 which has resulted in the degradation of our on-time performance. This is likely the reason why we have about 60 spaces available today. However, we fully expect the ridership to return as we work to attract new customers and to adjust schedules to reflect increased highway congestion.

The CEO wishes to engage the City of Scotts Valley, Caltrans District 5 and various tech companies in a discussion about the current and future authorized use of the Bart Cavallaro Transit Center for parking. The CEO also wishes to investigate potential funding sources that might be available in the future to plan, design and construct expanded parking at the Bart Cavallaro Transit Center. The CEO requests Board concurrence on the CEO’s expressed concern for the need to protect park-and-ride spaces for METRO customers and that the CEO be directed to return to the Board at a future date with recommendations that will

ensure current and future METRO customers have access to METRO park-and-ride spaces at the Bart Cavallaro Transit Center.

Facts about the purchase of lands and construction of a transit facility in Scotts Valley:

A review of archived Board reports from the 1990s reflects the transit center property being purchased to support the growing Highway 17 commuter service. At the time, approximately 160 parking spaces were being used at Sky Park for the Highway 17 commuter service, which needed to be relocated. A 1996 Board report stated, "The Park-and-Ride facility is primarily in support of the Highway 17 Express passengers."

The transit center site, totaling a little over three acres, was assembled through a combination of land purchase and permanent easement. This land assemblage was less than what was envisioned in the earlier Board reports, which targeted acreage sufficient to provide 500 parking spaces. The facility as constructed has about 220 spaces. The total project was funded with a combination of State, Federal, local, City Redevelopment funds and City waived fees. The total cost of the facility was approximately \$4 million. Title is held jointly with the City of Scotts Valley Redevelopment Agency.

A Memorandum of Understanding (MOU) was developed with the City of Scotts Valley Redevelopment Agency (February 7, 1996) in which the City Redevelopment Agency would receive a proportionate share of ownership based on the City's contribution to the project. Following a reconciliation of all expenses associated with the project, it was later determined that the City ownership interest was approximately 13.87%. The City's ownership interest was intended to, "... provide overflow parking potential for any future commercial development in the area, especially on weekends when the Highway 17 bus service does not operate" (January 19, 1996). Under the agreement with the City of Scotts Valley, METRO assumed all responsibility for the maintenance of the transit center and the park-and-ride lot.

While not completely researched at this time, it does appear that the Ow Family Trust granted a permanent easement on 0.68 acres of their property as part of an "Integrated Project," for use by the patrons and invitees of the Kings Village Shopping Center. In the next phase, more research will be necessary in order to determine the impacts of the Ow Family Trust interests on METRO's ability to control parking uses and to better understand how many of the 220 spaces were intended to be available to patrons and invitees of the Kings Village Shopping Center.

Finally, in 1996, METRO purchased approximately 2.767 acres from the Church of Jesus Christ of Latter Day Saints. The Church appears to have retained rights to use some transit center parking (short term parking) for a future church that

could be constructed on the remainder of the church-owned property. The Church also agreed to allow transit customers to use 50% of the spaces available when they build the church. It appears the property that was meant for a future church has since been sold and condominiums constructed. Had the church been build, METRO would have had access to additional overflow parking spaces.

IV. FINANCIAL IMPACT

There is no financial impact for the requested process of investigating how to ensure that current and future METRO customers have adequate access to park-and-ride spaces.

V. ALTERNATIVES CONSIDERED

- Do nothing. The CEO does not recommend this course of action as the Bart Cavallaro Transit Center is nearing capacity and parking spaces are needed for current and future Highway 17 commuters.
- Provide the CEO alternate direction in resolving the parking challenges at the Bart Cavallaro Transit Center.

VI. ATTACHMENTS

Attachment A: Caltrans District 5 Park-and-Ride Locations

Prepared By: Alex Clifford, CEO/General Manager

VII. APPROVALS:

Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

DISTRICT 05 CALTRANS PARK AND RIDE LOT LISTING

	No. of Spaces	City	Location
SANTA CRUZ COUNTY			
Summit (Informal Lot)	12	Santa Cruz	Summit Rd and Hwy 17
Scott's Valley Transit Center	219	Scotts Valley	At Kings Village Rd off Mt Hermon Rd
Pasatiempo	63	Santa Cruz	At Pasatiempo exit on Hwy 17 on west side of interchange
Quaker Meeting House Church	12	Santa Cruz	225 Rooney St; take Morrissey exit on Hwy 1
Soquel Dr	57	Santa Cruz	Hwy 1 and Soquel Drive on Paul Sweet Rd
Resurrection Church	78	Aptos	Hwy 1 and Seacliff /State Park Drive exit
MONTEREY COUNTY			
Prunedale	33	Prunedale	101/156 Interchange South at Prunedale
Laureles Grade Rd	19	Near Monterey	Laureles Grade Rd and Hwy 68
Crossroads Shopping Center	33	Carmel	At Crossroads Shopping Center and Hwy 1
SAN BENITO COUNTY			
Veterans Memorial Park	18	Hollister	Hillcrest Rd at Memorial Rd in Hollister
Searle Rd	20	Nr San Juan Bautista	On Searle Rd at 101/156 Interchange North
SAN LUIS OBISPO COUNTY			
Multi-modal Transit Center in Paso	40	Paso Robles	At Amtrak Station in Paso Robles
Woodland Plaza/Niblick Rd	28	Paso Robles	At Woodland Plaza II at Walmart
Las Tablas Rd	42	Templeton	At Las Tablas Rd and Rte 101
Route 41 East	38	Atascadero	Near Health Center Building on Rte 41
St Williams Church	48	Atascadero	6401 Santa Lucia Rd
Curbaril Rd	34	Atascadero	At Curbaril Rd and Rte 101
Santa Rosa	15	Atascadero	At Santa Rosa Rd and Rte 101
Santa Barbara Rd	12	Atascadero	At Santa Barbara Rd and Rte 101
Santa Margarita	16	Santa Margarita	At 101/58 Interchange
Nazarene Church	12	Los Osos	Nazarene Church at Santa Ysabel/So Bay Blvd
Bob Jones Bike Trail Parking	27	Near Avila Beach	Avila Bay Drive exit off 101, right on Ontario Rd.
Pismo Outlets Mall	20	Pismo Beach	At Five Cities Drive exit and Rte 101
Halcyon Rd	49	Arroyo Grande	At Halcyon Rd exit and Rte 101
Walmart in A.G.	26	Arroyo Grande	At Walmart parking lot
Vons Market (Informal Lot)	15	Los Osos	Behind Von's Market
SANTA BARBARA COUNTY			
Clark Ave NE	19	Orcutt	At Clark Ave and Rte 135 Northeast quadrant
Clark Ave NW	24	Orcutt	At Clark Ave and Rte 135 Northwest quadrant
Clark Ave/101	34	Orcutt	At Clark Ave and Rte 101 east side
Lompoc	15	Lompoc	At bowling alley at 7th and Ocean (Hwy 1)
Santa Inez	20	Santa Inez	At 154/246 Intersection
Buellton	33	Buellton	On Ave of Flags (south)

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DATE: January 22, 2016
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
SUBJECT: SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION (SCCRTC) TRANSPORTATION SALES TAX MEASURE

I. RECOMMENDED ACTION

That the Board of Directors:

- 1. Approve the CEO to work with the Executive Director of the SCCRTC on that portion of the upcoming Santa Cruz County Transportation Sales Tax Measure ballot language that will provide 15% of total new revenues to METRO, to ensure the maximum flexibility that will achieve the METRO Board's goals for the use of the new revenues; and,**
- 2. Express its intent to dedicate all new 2016 transportation sales tax measure revenues to Paratransit services.**

II. SUMMARY

- The Santa Cruz County Regional Transportation Commission (SCCRTC) has been exploring the potential of a ½ cent transportation ballot measure for November 2016.
- At the December 3, 2015 SCCRTC Board meeting, the Board voted to adopt the draft expenditure plan, with modifications, and to place the ballot measure on the November 8, 2016 ballot.
- The transportation sales tax measure is estimated to produce \$450 million over the 30-year measure (straight-line methodology – no assumption for inflation).
- Approving the measure will require a 2/3 vote.
- An independent entity has polled Santa Cruz County voters and found the potential of a super majority support for a transportation sales tax measure containing projects as reflected in the SCCRTC Expenditure Plan (Attachment A).
- The five project categories in the Expenditure Plan are: Neighborhood Projects, Highway Corridors, Mobility Access, Coastal Rail Trail and Rail Corridor.
- The SCCRTC Board action, which modified the SCCRTC staff recommendation, provides for Santa Cruz Metro to receive 15% under the Mobility Access project category.

- By SCCRTC's estimate, this could result in \$68 million going to Santa Cruz Metropolitan Transit District (METRO) over 30 years (\$2.27M/Year).
- METRO is working to resolve a structural deficit in excess of \$11 million.
- In resolving the structural deficit, METRO will need to approve actions that will impact the mobility of the disabled community in Santa Cruz County.
- As fixed-route service is reduced or altered, so too is the paratransit (ParaCruz) service since it mirrors the fixed-route service.
- Minimizing the impacts of fixed-route service reductions and service changes will help minimize paratransit service reductions and service changes.
- The CEO recommends the METRO Board seek the maximum flexibility possible in the transportation sales tax measure ballot language in an effort to help ensure that if the voters approve the transportation sales tax measure, the METRO Board will be able to program the new revenues to help minimize the impacts of the structural deficit on the disabled community in Santa Cruz County.
- Further, that the Board express its intent to dedicate all new 2016 transportation sales tax measure revenues to paratransit services.

III. DISCUSSION/BACKGROUND

The SCCRTC has been exploring the potential of placing a ½ cent transportation sales tax ballot measure on the November 2016 ballot. At the December 3, 2015 SCCRTC Board meeting, the Board voted to adopt the draft expenditure plan, with modifications, and to place the ballot measure on the November 8, 2016 ballot.

The transportation sales tax measure is estimated by the SCCRTC to produce \$450 million over the 30-year measure (straight-line methodology – no assumption for inflation). By State Law, a 2/3 (supermajority) vote will be required to pass the transportation sales tax measure. Recently, an independent entity polled Santa Cruz County citizens and found there to be potential supermajority support for a transportation sales tax measure containing projects reflected in the SCCRTC Expenditure Plan (Attachment A). The SCCRTC Transportation Expenditure Plan contains five project categories. The project categories are as follows:

- Neighborhood Projects
- Highway Corridors
- Mobility Access

- Coastal Rail Trail
- Rail Corridor

On December 3, 2015 the SCCRTC Board action approved the proposed November 2016 Transportation Ballot Measure - Expenditure Plan, with one modification. The Mobility Access category was increased to provide 15% of total revenues to METRO. The SCCRTC estimates 15% of total revenues to be \$68 million. If the voters approve the transportation sales tax measure, METRO will receive an estimated \$68 million of the 30-year program, or roughly \$2.27M/year. It is important to note that this is a straight-line estimate which does not include any year-over-year growth or reduction assumptions. In other words, if the economy continues to grow, and sales tax revenues with it, METRO could receive more revenue over the 30-year program. Conversely, a recession could result in the opposite effect. Another way to look at this is to use METRO's FY15 actual sales tax revenues for analysis. That analysis suggests that based on METRO's FY15 sales tax revenues, a 15% share of total annual sales tax revenues could be approximately \$2.8 million.

METRO is working to resolve a structural deficit in excess of \$11 million. The most immediate portion of the \$11 million structural deficit that needs to be addressed soon is the estimated \$5.4 million in Reserves METRO will need in FY17 to balance the budget. Since about 2010, METRO has been reliant on its Reserves to balance the budget. The Reserves are soon to run out.

In resolving the structural deficit, METRO will need to approve actions that will impact the mobility of the disabled community in Santa Cruz County. That is, as the fixed-route service is reduced or altered, so too is the paratransit (ParaCruz) service since the paratransit service mirrors the fixed-route service. The Americans with Disability Act (ADA) requires that transit properties provide complimentary paratransit service that minimally mirrors the fixed-route service. Minimizing the impacts of fixed-route service reductions and service changes will help minimize paratransit service reductions and service changes.

The CEO recommends the METRO Board seek the maximum flexibility possible in the transportation sales tax measure ballot language. Doing so will help ensure that if the voters approve the transportation sales tax measure, the METRO Board will be able to program the new revenues to help minimize the impacts of the structural deficit on the disabled community in Santa Cruz County.

IV. FINANCIAL CONSIDERATIONS/IMPACT

There is no fiscal impact with the information contained in this report. As noted in the report, a voter approved ½ cent transportation sales tax measure could result

in METRO receiving between \$2.2 – \$2.8 million in additional revenue per year for 30 years.

V. ALTERNATIVES CONSIDERED

- Do not authorize the CEO to work with the SCCRTC and allow the SCCRTC to determine the appropriate use for the new revenues. The CEO does not recommend this alternative since it would be in METRO's best interest to ensure that the representations made to the public regarding the ½ cent transportation sales tax measure, related to the 15% METRO is to receive under the Mobility Access project category, can be delivered by METRO.
- Provide the CEO alternate goals for the new funding source, subject to voter approval.

VI. ATTACHMENTS

Attachment A: November 2016 Transportation Ballot Measure – Expenditure Plan (source: SCCRTC website)

Prepared By: Alex Clifford, CEO/General Manager

VII. APPROVALS:

Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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Attachment A

From the Santa Cruz County Regional Transportation Commission website

November 2016 Transportation Ballot Measure – Expenditure Plan

December 4, 2015

After public input and thoughtful discussion, the Regional Transportation Commission yesterday approved an Expenditure Plan with five transportation investment categories. This action follows approval of a Long Range Transportation Plan that identified a severe funding shortfall and the benefit of becoming a “self help” county to be more competitive for state and federal funding. Commissioners emphasized that this package of projects is fair and balanced, represents the diverse transportation needs in our community, and provides an opportunity to invest in our infrastructure, our environment, our economy and our future. The 30 year, ½ cent sales tax funded Transportation Funding Measure to be placed on the November 2016 presidential ballot would include:

- Neighborhood Projects 30% – Funding to cities and county for their high priority eligible projects such as repair and maintenance of local streets and roads; school traffic safety and safe routes to school; bicycle and pedestrian facilities; and other safety improvement projects. Also included are Highway 9 projects in the San Lorenzo Valley; and the Highway 17 Wildlife Undercrossing to improve safety for wildlife and motorists.
- Highway Corridors 25% – Funding for the three auxiliary lane projects on Highway 1 including 41st Ave to Soquel Dr, Bay/Porter to Park Ave, and Park Ave to State Park; two bicycle/pedestrian highway crossings; transportation systems management programs to inform travelers of real-time traffic conditions and encourage carpool/vanpooling; and Safe on 17 programs and Freeway Service Patrol to help reduce congestion and collisions.
- Mobility Access 16% – Funding primarily for specialized transportation services to meet the needs of the area’s aging and disabled populations including Santa Cruz METRO’s paratransit and Community Bridges transportation service.
- Coastal Rail Trail 15%– Funding to construct, operate and maintain sections of the Monterey Bay Sanctuary Scenic Trail.
- Rail Corridor 14% – Funding to maintain the track and bridge infrastructure; environmental analysis of passenger rail transit options; Watsonville/Pajaro Valley Train Station connection with the Capital Corridor and Coast Daylight train services; improvement, upgrade and installation of signals at railroad crossings; and underground conduit and/or pipes to facilitate utilities including Internet service.

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*Santa Cruz Metropolitan
Transit District*



DATE: January 22, 2016
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
SUBJECT: COMMUNICATIONS AND MARKETING SERVICES

I. RECOMMENDED ACTION

That the Board of Directors approve the solicitation and award of a two-year professional services contract, with additional option years, up to \$100,000 for marketing and communications professional services.

II. SUMMARY

- Santa Cruz Metropolitan Transit District (METRO) is working to resolve a structural deficit of over \$11 million.
- The structural deficit is a result of recurring operating expenses exceeding recurring revenues.
- Solving the first \$5.4 million part of the structural deficit in FY17 will result in service reductions, thereby reducing operating expenses.
- In addition to service reductions, METRO needs to increase ridership, which in turn will increase fare revenues.
- METRO needs to increase advertising revenue.
- Between now and November 2016 METRO needs to educate the residents countywide about the services METRO provides and the economic, positive air quality and mobility benefits of the service.
- METRO needs a focused campaign to grow ridership.
- METRO does not have an employee dedicated to marketing, communications, increasing ridership or soliciting advertising opportunities.
- The approach of this project needs to be bilingual.
- Should the Santa Cruz County Regional Transportation Commission (SCCRTC) or a third party entity, hire a communications firm to assist in the ballot measure, METRO's professional services contractor will need to collaborate with that firm.

III. DISCUSSION/BACKGROUND

METRO is working to resolve a structural deficit of over \$11 million. The structural deficit is a result of recurring operating expenses exceeding recurring revenues. \$5.4 million of the structural deficit represents the use of Reserves to balance the budget in FY17. The Reserves will soon run out. Eliminating the need to use Reserves in balancing the budget will require a

decrease in operating expenses and an increase in revenues. Operating expense reductions will be proposed later this year in the way of service reductions and other cost saving measures.

In addition to service reductions, METRO needs to increase revenues. Since there does not appear to be help coming anytime in the near future from the State or the Federal governments, METRO will need to focus on those revenue sources it can control, such as increasing ridership and advertising revenues. An increase in ridership will result in an increase in fare revenue. METRO needs a focused campaign to grow ridership. Building ridership is not a one-year task, but instead, a multi-year and ongoing commitment to developing and implementing strategies to attract and retain customers. Therefore, a professional services contract may be best focused on a shortlist of short-term marketing strategies, such as one or more target routes or target service areas.

METRO needs to increase advertising revenue. METRO does not currently have the personnel resources available to solicit advertising opportunities. Today, we wait for someone to call METRO asking to advertise on our buses. The CEO hopes that the professional services vendor can assist in this function also, but this task will be further developed through the scoping and bidding process.

The SCCRTC is proposing a ½ cent transportation sales tax ballot measure for November 2016. Between now and November 2016 METRO also needs to educate the community on the services provided and the economic, positive air quality and mobility benefits of METRO's services. Should the SCCRTC or a third party entity, hire a communications firm to assist in the ballot measure, METRO's professional services contractor will need to collaborate with that firm.

Over the years, METRO has been able to piece together various spot marketing campaigns. However, METRO does not have an employee dedicated to marketing, communications, or customer attraction and retention. The CEO states that the time and effort required for a successful marketing and education campaign in 2016 far and away exceeds the available personnel resources available within the agency today.

A brief research on the topic of public and private sector marketing and communications budgets resulted in a range of 1 – 20% of the entity's total operating budget. Small businesses usually allocate 2 – 3% of revenue to marketing and advertising (smallbusiness.chron.com). The range of budget is significant because a number of factors contribute to determining a marketing budget, including gross sales; industry type; product - services - retail; for profit versus non-profit; etc. A 2009 BusinessWeek article suggested that a services business might want to bump the advertising-to-sales ratio up to 5% (Businessweek.com/smallbiz). For METRO, using the advertising-to-sales ratio method, instead of percentage of operating budget, at 5% applied to all fares programmed in FY16, would result in a marketing and advertising budget of \$466,500 (\$9.3 million x 5%). An article titled, "How Much Should a Non-Profit Spend on Marketing" suggested a budget of at least 5% (royalladv.com). In 2011, The Guardian suggested non-profits should start at a budget level of 2 - 3% (theguardian.com). A

2011 article title, “Non-Profit Marketer” suggested 3% of the operating budget as a target (johnsuart.blogspot.com).

In FY16, METRO budgeted \$30,000 for marketing and advertising (0.06% of operating budget or 0.32% of all fares).

Example: Marketing Budget Analysis

Operating Budget - \$49.6M	Mkt.& Comm. Budget
1%	\$496K
2%	\$992K
3%	\$1.488M
4%	\$1.984M
5%	\$2.480M

This example is not presented to suggest that METRO should invest a million or more dollars in marketing and communications, but instead to highlight that our current \$30K annual investment is well below suggested levels of commitment, even at a 1% of operating budget level. Another thought to ponder is that METRO’s relatively flat ridership over the last several years is likely an indicator or a lack of marketing.

The CEO had included a Marketing Manager position in the draft FY16 budget, but he eliminated the funding for the position in the final draft budget due to competing financial challenges.

The CEO proposes that the Board authorize a solicitation and award of communications and marketing professional services contract that will provide services to assist METRO in growing ridership, revenues and increasing community awareness.

NOTE: The word “campaign” is used throughout this report. The term is used solely in the context of identifying the task or work effort that is intended to produce a particular result, such as increasing ridership or increasing countywide awareness of METRO. The use of the word should not be confused with a campaign in which someone or some entity might encourage voters to support a particular ballot measure. Public funds can be used to educate, not advocate for a ballot measure.

IV. FINANCIAL CONSIDERATIONS/IMPACT

The marketing and communications professional services contract is proposed to be paid for by repurposing \$50,000 of the \$100,000 the CEO budgeted for labor relations in Department 1100, Account 503031 in FY16. As a result of both UTU and SEIU successfully proposing a

contract extension to 2018, these funds will not be required in FY16 for this purpose. The CEO will budget the remaining \$50,000 in the FY17 budget.

The alternative, as discussed below, of hiring a full-time Marketing, Communications and Customer Service Manager, would require an estimated annual investment of \$105,789 per year for base salary, plus an estimated \$42,315 for benefits, totaling a recurring annual expense of \$148,104.

V. ALTERNATIVES CONSIDERED

- Do nothing. The CEO does not recommend this alternative since 2016 is an important year in which METRO needs to increase revenues and elevate public awareness of METRO and the value METRO brings to the community.
- Instead of procuring a communications and marketing professional services contract, make a long-term recurring commitment and hire a Marketing, Communications and Customer Service Manager. The CEO strongly supports this alternative for consideration since it would provide a renewed commitment to multiple METRO business tasks that are currently underserved or un-served. Additionally, attracting and retaining customers is not a one-year task, but instead, a multi-year and ongoing commitment to developing and implementing new strategies. The cost of hiring a Marketing, Communications and Customer Service Manager would be offset by 1 - 2 positions currently being held unfilled and that may become unbudgeted in FY17 in order to balance the budget.

However, METRO's short-term needs, as discussed in this report, are urgent and time-sensitive. Hiring a Manager might take 3 - 6 months, or more. If the Board is inclined to support this alternative, the CEO recommends that a professional services contract still be authorized. Such professional services will focus on the programs suggested in this report through June 30, 2016. The CEO would then budget the Marketing, Communications and Customer Services Manager in the FY17 budget and start the recruitment in April 2016, targeting July 1, 2016 for the new Manager to come aboard.

VI. ATTACHMENTS

Attachment A: Proposed Scope of Work

Prepared By: Alex Clifford, CEO/General Manager

VII. APPROVALS:

Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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Attachment A

Scope of Work: Communications and Marketing Professional Services

Purpose

The purpose of the professional services contract is to contract for services to assist Santa Cruz Metropolitan Transit District (METRO) in developing a program(s) to increase ridership and to create and launch an educational campaign promoting the benefits of METRO service to Santa Cruz County residents. The contract may further include assisting METRO in marketing bus advertising space.

Contract Term

Up to one (1) year

Professional Services Request

Increasing Ridership: METRO needs to increase revenues. An increase in ridership will result in an increase in fare revenue. Working in collaboration with key METRO staff, the contractor will develop a focused short-term campaign to grow ridership. The contractor will also develop measurement tools that will assist in measuring increases in ridership that directly result from the campaign and that will measure Return on Investment (ROI).

Increasing community awareness of METRO: The Santa Cruz County Regional Transportation Commission (SCCRTC) is proposing a ½ cent transportation sales tax ballot measure for November 2016. Between now and November 2016 METRO needs to educate the community on the services METRO provides and the economic, positive air quality and mobility benefits of our service. Working in collaboration with key METRO staff, the contractor will develop and implement a countywide awareness campaign, focusing on educating the residents of Santa Cruz County about the economic, positive air quality and mobility benefits METRO's services provide. The contractor will also develop measurement tools that will assist in developing educational pre-campaign baseline awareness data and post-campaign countywide METRO awareness data.

Increasing Advertising Revenues: METRO needs to increase advertising revenues. The contractor will provide an option for METRO to consider exercising in which the contractor would assist METRO in proactively marketing bus exterior and interior advertising space. The contractor will also develop measurement tools that will assist in identifying advertising revenues that directly result from the contractor's program and that will measure Return on Investment (ROI).

Other Possible Tasks:

- Coordinate with SCCRTC or third party ballot measure communications firm(s) to ensure METRO's messages do not work at cross-purpose with other communications.
- Assist METRO in updating various communications tools to help ensure quality and effective communications to the public.
- Augment services provided with interns

NOTE: All three tasks will require the professional services contractor to be sensitive to the need for a bilingual approach.

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- VERBAL PRESENTATION ONLY -

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DATE: January 22, 2016
TO: Board of Directors
FROM: Dene Bustichi, Board Chair
SUBJECT: DISTRICT COUNSEL EMPLOYMENT AGREEMENT

I. RECOMMENDED ACTION

That the Board of Directors authorize the Chair to execute an Agreement to provide for a second term for District Counsel employment.

II. SUMMARY

- The Board entered into an Employment Agreement with Leslyn K. Syren, Esq. as District Counsel for a three year term from December 17, 2012 to December 31, 2015, with one extension until January 31, 2016.
- The Board has been in negotiations with Ms. Syren, to provide for a second term contract under new terms.
- The Board is asked to approve the Agreement attached hereto, to provide a second term employment agreement with Leslyn K. Syren.

III. DISCUSSION/BACKGROUND

Santa Cruz Metropolitan Transit District (METRO) has been fortunate to have the services of Leslyn Syren as District Counsel for the last three years. The Board has been meeting with Ms. Syren to come to terms on a new Employment Agreement. An agreement was reached last month with the Board and the terms of this Employment Agreement are presented as Attachment A to this report.

Public Utilities Code section 98149 provides the Board an option to appoint an attorney to serve at the pleasure of the Board of Directors. District Counsel reports directly to the Board and is responsible for the legal affairs of the District.

The new contract term will commence on February 1, 2016 and expire on June 30, 2018. The Board desires to have this Contract terminate at the end of the fiscal year.

As a part of negotiations, District Counsel sought realignment of the District Counsel's salary grade to establish a 7.5% difference below that of the CEO/General Manager. The current difference between these two classifications is approximately 25%. Based on Ms. Syren's current salary, she will be placed at Step 3 of the new salary grade contained in her Contract. Annual step increases are provided upon approval of the Board of Directors.

Under this Agreement, Ms. Syren will forgo any and all Cost of Living Increases provided to Management during the term of this agreement. Otherwise, the remaining terms and conditions are similar to that provided in her prior Contract.

IV. FINANCIAL CONSIDERATIONS/IMPACT

Salary and benefits for the District Counsel are currently provided by the existing Legal operating budget. This action will impact the FY16 and FY17 operating budget by approximately \$2,100 and \$5,700 respectively.

V. ALTERNATIVES CONSIDERED

Allow the contract to expire at the end of the month. This alternative is not recommended as it would require that Ms. Syren be terminated as an employee of the District, an alternative which is not desired.

VI. ATTACHMENTS

- Attachment A:** District Counsel Employment Agreement
- Exhibit A:** District Counsel Position Description
- Exhibit B:** Management Compensation Plan
(August 14, 2015 – June 30, 2018)

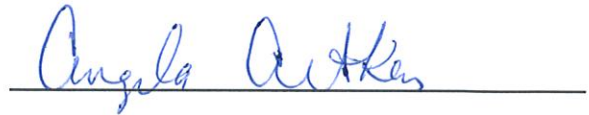
Prepared By: Dene Bustichi, Board Chair

VII. APPROVALS:

Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

EMPLOYMENT AGREEMENT

This is an employment agreement made and entered into on January 22, 2016 by and between the Santa Cruz Metropolitan Transit District (hereinafter referred to as "SC METRO") and Leslyn Syren (hereinafter referred to as "Employee").

WHEREAS, the Board of Directors of the SC METRO is authorized pursuant to the Santa Cruz Metropolitan Transit District Act of 1967, Sections 98114 and 98115 of the California Public Utilities Code to enter into contracts on behalf of the SC METRO and to appoint and fix the salary of the District Counsel, also referred to as General Counsel; and

WHEREAS, the Board of Directors of the SC METRO desires to employ the services of Leslyn Syren in the position of District Counsel; and

WHEREAS, Leslyn K. Syren will serve as an at will employee in the position of District Counsel/General Counsel; and

WHEREAS, Leslyn K. Syren desires to enter into an agreement to serve in the position of District Counsel/General Counsel, for the period commencing February 1, 2016, through June 30, 2018, as more fully set forth below.

THEREFORE, in consideration of the terms and conditions of the Agreement the parties agree as follows:

SECTION 1 – DUTIES AND RESPONSIBILITIES

- A. SC METRO agrees to the employment of Employee as District Counsel and the Employee accepts such employment under the terms and conditions set forth in this Agreement.
- B. Employee shall have and agrees to perform in good faith the duties and responsibilities of District Counsel. As such, Employee shall have the responsibility for the proper administration of the legal affairs of SC METRO in accordance with State Law and such ordinance, resolutions and policies, as have been or may be established by the Board of Directors. Employee shall have the general supervision and management of the legal affairs of the SC METRO under the direction of the Board of Directors, and shall perform such duties as outlined in the position description, a true copy of which is attached hereto as Exhibit A, the terms of which are incorporated by reference herein as though fully set forth, and shall perform such other duties and responsibilities as may be assigned from time to time by the Board of Directors. Employee's duties shall also include, but not be limited to those set forth in Public Utilities Code Section 98000 et seq (as amended) and the SC METRO Bylaws (as amended).

Attachment A

SECTION 2 – CONDITIONS OF EMPLOYMENT

A. Employee shall devote all of her professional energies, interests, and abilities to the performance of the duties and responsibilities of District Counsel, and shall not engage in any additional professional activities without the permission of the Board of Directors.

SECTION 3 – TERM OF EMPLOYMENT

A. Subject to the provisions for termination set forth below in Section 7 of this Agreement, the Employee's term of employment shall be for the period of February 1, 2016 through June 30, 2018.

SECTION 4 – COMPENSATION

A. As compensation for the services rendered to the SC METRO during the term of this Agreement, the Employee shall be compensated at the rates identified below:

Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
78.64 (hourly)	82.57	86.70	91.03	95.58	100.37
13,631 (monthly)	14,312	15,028	15,779	16,567	17,398

Employee shall be placed at Step 3 of the above salary range at the commencement of the Contract period, February 1, 2016. Employee shall advance no less than one step annually upon approval by the Board of Directors upon satisfactory performance. Compensation provided under this section shall be payable in accordance with the SC METRO's regular payroll procedures.

B. Employee will not receive any COLA during the term of this contract, and will only be entitled to pay as provided in section A above.

SECTION 5 – VACATION

A. Commencing upon execution of this Agreement, the Employee shall accrue vacation at a rate equivalent to three (3) weeks per year. Accrual shall be in accordance with the SC METRO's regular payroll procedures and the District's Management Compensation Plan.

b. Employee shall be entitled to Administrative Leave and Floating Holidays as provided in the Management Compensation Plan identified in Exhibit B of this Agreement.

SECTION 6 – SICK LEAVE

A. The Employee shall be provided sick leave benefits in accordance with the District's Management Compensation Plan identified in Exhibit B of this Agreement.

Attachment A

SECTION 7 – TERMINATION/SUSPENSION

A. This Agreement may be terminated:

i. By mutual agreement and upon such terms and conditions as agreed to in writing by the Employee and the SC METRO;

ii. By adoption of a resolution approved by the affirmative vote of a majority of the Board of Directors for the removal, with or without cause, of the Employee as District Counsel. The Employee shall be provided notification of the meeting where the resolution is to be considered at least ten (10) working days prior to the meeting;

iii. By the death or resignation of the Employee.

B. The SC METRO may suspend the Employee with or without full pay and benefits by the adoption of a resolution, setting forth the reasons for the suspension approved by the affirmative vote of a majority of the Board of Directors for the suspension of the Employee as District Counsel. The Employee shall be provided notification of the meeting where the resolution is to be considered at least ten (10) working days prior to the meeting.

C. This Agreement shall not limit the rights of the parties to pursue remedies under either Federal or California State Law should a breach of contract occur which is not able to be mutually resolved by the parties.

SECTION 8 – COMPENSATION AFTER TERMINATION

A. If this Agreement is terminated under Section 7(A) (ii) by the adoption of a resolution and the grounds for the Employee termination are malfeasance, dishonesty, or moral turpitude on the part of the Employee, which shall result in a conviction, the SC METRO shall have no additional financial obligation to the Employee. If the grounds of the Employee's termination under Section 7(A)(ii) are other than those set forth in the preceding sentence, the SC METRO shall compensate the Employee, at the level of salary and benefits in effect at the time of termination, for the remaining period of this Agreement or for a maximum period of eighteen (18) months, whichever is the lesser, and shall compensate the Employee for all unused leave accruals provided in the District's Management Compensation Plan identified in Exhibit B to this Agreement.

B. If this Agreement is terminated under section 7(A)(iii) by the Employee's death the SC METRO shall compensate the Employee's beneficiary, identified in the life insurance policy provided by the SC METRO, for all unused leave accruals provided in the District's Management Compensation Plan identified in Exhibit B to this Agreement.

SECTION 9 – OTHER CONDITIONS OF EMPLOYMENT

A. Employee shall be entitled to and receive the benefits and conditions of employment, which are available generally to other non-bargaining unit employees of the SC METRO, except as expressly modified by this Agreement. The District Management

Attachment A

Compensation Plan is outlined in Exhibit B and incorporated into this Agreement by reference. Any modifications in the District's Management Compensation Plan adopted by the Board of Directors during the term of this Agreement shall be incorporated into this Agreement at the time of adoption.

SECTION 10 – EVALUATIONS

A. The Board of Directors shall evaluate the performance of the Employee at least annually. More frequent evaluations may be conducted if the Board of Directors deems it necessary.

SECTION 11 – EXPENSES

A. The SC METRO shall provide the Employee reasonable and necessary business equipment and supplies in order to carry out the performance of her duties and responsibilities as set forth in this Agreement, in accordance with the SC METRO's normal practice. Any unanticipated reasonable and necessary business expenses which the Employee incurs shall be reimbursed by SC METRO, upon satisfactory proof of detailed expenses and invoiced for which reimbursement is claimed.

SECTION 12 – INDEMNIFICATION

A. To the extent permitted under California State Law, the SC METRO shall indemnify and hold harmless the Employee from any claim or legal action arising out of the Employee's actions in carrying out the duties of the District Counsel, as long as the Employee is acting within the course and scope of her employment as defined herein.

SECTION 13 – OTHER TERMS AND CONDITIONS

A. Any notice to the District under this Agreement shall be furnished in writing by the Employee, to the Chair of the Board, Santa Cruz Metropolitan Transit District, 110 Vernon Street, Santa Cruz, CA. 95060. Any notice to the Employee shall be furnished in writing by the SC METRO to her most recent home address, as identified in her Employee Personnel file. All such notices must be sent by first class mail or delivered in person by messenger.

B. This written instrument represents the entire Agreement between the parties and supersedes any prior agreements or understandings whether oral, or written, with the exception of those referenced in this Agreement.

C. This Agreement cannot be changed or terminated orally, and may be modified only by a written agreement executed by both parties.

D. This Agreement is personal to the Employee and cannot be assigned to any other person by the Employee.

E. This agreement shall be binding on the heirs, personal representatives, successors, and assignees of the employee.

F. This Agreement shall be interpreted, construed, and applied according to the laws of the State of California.

G. The invalidity or unenforceability of any one or more provisions of this Agreement will in no way affect any other provisions.

H. The captions or headings of the paragraphs hereof are for convenience only, and shall not control or affect the meaning or construction of any of the terms or provisions of this Agreement.

I. Time is of the essence.

J. No provision hereof shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.

IN WITNESS WHEREOF, the undersigned have executed this Agreement on January 22, 2016

Employee:

Santa Cruz Metropolitan Transit District



Leslyn K. Syren

Dene Bustichi
Chair, Board of Directors

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Exhibit A



DISTRICT COUNSEL

DEFINITION

Under policy direction serves at the pleasure of the Board of Directors (CA PUC 98149); provides professional legal services to the District; represents the District in civil litigation and other legal forums; conducts legal research and provides legal opinions and interpretations; prepares and approves as to form contracts, resolutions, ordinances, and other legal documents; performs other duties as assigned.

EXAMPLES OF DUTIES

Prepares and reviews legal documents including contracts, resolutions, and ordinances.

Initiates and defends legal actions on behalf of the District.

Researches and writes legal opinions and issues papers for District management and staff.

Attends Board and committee meetings and provides legal advice to the Board of Directors and management regarding legal matters and issues involving the District.

Reviews, analyzes, and prepares legal opinions and makes recommendations on pending local, state, and Federal legislation affecting transit services.

Acts as trial advocate in civil litigation, and represents the District before other governmental agencies.

Provides legal advice to management staff on issues involving contracts, labor law, risk management, and public transportation.

EMPLOYMENT STANDARDS

Knowledge of:

- Legal theories of civil, tort, contract constitutional, administrative, and employment law.
- Court procedures and rules of evidence.
- Precedents and legal decisions impacting the general operations of a public transportation agency.

Exhibit A

- Statutes and codes applicable to civil proceedings and claims.
- Policies, operations, procedures, and functions of a public transportation agency.

Ability to:

- Research, analyze, and apply legal principles, facts, evidence and precedents to complex legal problems.
- Analyze a variety of legal documents and instruments.
- Draft legal documents such as resolutions and contracts.
- Present statements of fact, law and argument clearly and effectively in oral and written form.
- Prepare and present effective legal arguments and appeals in trial and hearings.
- Establish and maintain effective working relationships with others.

Training and Experience

Any combination of training and experience equivalent to:

Graduation from an accredited law school and five years experience as a practicing attorney, preferably including experience in public agency law.

Special Requirements

Active membership in the California State Bar.

Exhibit B



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

MANAGEMENT COMPENSATION PLAN

August 14, 2015 – JUNE 30, 2018

22A.Exhibit B.1

Exhibit B



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I. MANAGEMENT POSITIONS

An employee in a regular budgeted management position identified in Exhibit A is engaged in developing, implementing or recommending policy and in affecting employer-employee relations, and shall receive **wages** and benefits as provided in this plan. **Non-exempt employees will be paid in accordance with the Fair Labor Standards Act (FLSA)**

II. PROBATIONARY STATUS

An employee shall serve a probationary period for twelve (12) months following the date of appointment or promotion to a regular budgeted management position.

III. SALARY PLAN

A. Management salary schedules are listed in Exhibit A.

B. Longevity

Santa Cruz METRO shall compensate an employee with longevity increments as follows:

- 5.0% of the base salary after ten years continuous service.
- An additional 5.0% of the base salary after fifteen years continuous service.

C. Supplemental Cash Payment

In the payroll period of June 21, 2012, employees covered by the Management Compensation plan will receive a \$1,750 supplemental cash taxable payment.

IV. HEALTH & WELFARE BENEFITS

A. Medical Insurance

Santa Cruz METRO shall provide medical insurance coverage for an employee, retiree and eligible dependents under the provisions of CalPERS. Santa Cruz METRO shall pay premiums at a level sufficient to cover the cost of the basic monthly medical insurance premiums for HMO plans offered in Santa Cruz County by the CalPERS medical program. Santa Cruz METRO will continue to offer the H-Care Plan (IRC Section 125 pre-tax medical reimbursement plan) as allowed by the County of Santa Cruz. The amount Santa Cruz METRO pays towards medical premiums for retirees will be consistent with the premium participation amount specified in the Management Compensation Plan in effect at the time of the individual's retirement or the amount stated in Santa Cruz METRO's contract with CalPERS, whichever is greater. Qualifying individuals who retired prior to July 1 2005 shall continue to receive supplemental premium payments in accordance with Santa Cruz METRO's Retiree supplemental Premium Participation Plan adopted August 25, 2006.

An employee who declines participation in Santa Cruz METRO's medical insurance program and produces satisfactory evidence of other medical insurance coverage shall be paid \$300 for each full three calendar month quarter beginning January 1 of each year while in active service and in which Santa Cruz METRO paid coverage would have been provided had Santa Cruz METRO's medical program been elected.

B. Dental Insurance

Santa Cruz METRO shall provide paid dental insurance coverage for an employee and eligible dependents.



C. Vision Insurance

Santa Cruz METRO shall provide paid vision insurance coverage for an employee and eligible dependents.

D. Life and AD&D Insurance

An employee shall be entitled to a \$50,000 term life and AD&D insurance policy paid by Santa Cruz METRO plus \$150,000 in optional supplementary life and AD&D insurance paid by the employee.

E. Survivor's Benefits

Upon the death of a covered employee, who is on Santa Cruz METRO's payroll and has dependents covered under Santa Cruz METRO's medical, vision and dental plans, Santa Cruz METRO's share of coverage of the eligible dependents shall continue for twenty-six (26) consecutive pay periods.

F. Retirement Benefits

An employee shall be enrolled in the Public Employees Retirement System (PERS) including the third level 1959 Survivors benefit as allowed by PERS. The Employee shall pay the "employee share" of PERS up to a maximum of eight percent.

Dental, vision, and life insurance plan coverage shall be provided by Santa Cruz METRO for an employee retired under the provisions of PERS and the employee's dependents until the retired employee reaches age 65. To qualify for this benefit, the retired employee shall have been an employee of Santa Cruz METRO for the equivalent of ten (10) full-time years immediately prior to the date of retirement and reached the age of 50 years.

G. State Disability Insurance

Santa Cruz METRO shall provide paid coverage for an employee for State Disability Insurance.

H. Long Term Disability Insurance

Santa Cruz METRO shall provide for a long term disability insurance plan (LTD). The plan shall provide for monthly payments to an eligible employee of up to \$10,000 per month. The plan shall start LTD one year and one month after month of hire.

I. Deferred Compensation Plan

Santa Cruz METRO shall provide a deferred compensation plan to an employee.

J. Industrial Injury

An employee shall be entitled to workers compensation insurance to be provided by Santa Cruz METRO.

K. Continuation of Insurance during an Unpaid Leave of Absence

An employee who is on an unpaid leave of absence exceeding one hundred eighty (180) calendar days must pay the total monthly premiums in advance to continue medical, dental and vision insurance coverage. Failure of an employee to make advance payments for insurance coverage shall result in the employee and any dependent(s) being dropped from the plans.

L. Principal Domestic Partner Coverages

Santa Cruz METRO medical, dental and vision insurance coverages may be extended to an employee's principal domestic partner (PDP) while the employee's own coverages are being paid by Santa Cruz METRO. In the absence of the PERS Medical Program allowing for PDP coverage, reimbursement of monthly premiums may be made to an individual medical plan to a maximum of \$185.



V. HOLIDAYS

An employee shall be entitled to the following holidays with pay:

- Thanksgiving Day
- Christmas Day
- New Year's Day

Effective July 1, 2012 an employee shall also be entitled to the following holidays with pay:

- Labor Day
- Independence Day
- Memorial Day

Effective July 1, 2013 an employee shall also be entitled to the following holidays with pay:

- Martin Luther King Jr. Day
- Employee's Birthday

For an employee's birthday falling on February twenty-ninth (29th), the twenty-eighth (28th) day of February will be observed as the employee's birthday in years other than leap years. If an employee's birthday falls on the same day as a paid holiday the employee will be allowed to take the day off and receive the regular hourly rate for the holiday and the equivalent number of hours at the regular hourly rate for their birthday holiday, or, have the equivalent number of hours at the regular hourly rate for their birthday holiday added to his/her annual leave accrual.

In addition to the above-specified days, an employee may choose any (11) eleven additional days as floating holidays or when working a partial year, a prorated number of days as determined by the **CEO/General Manager**. An employee shall be compensated for any unused floating holiday time at the end of the fiscal year at the employee's regular rate of pay, not to exceed the total of eighty-eight (88) **hours**, when combined with Administrative Leave.

An employee shall be entitled to receive any special non-recurring holiday designated as an official State holiday by the Governor of the State of California or as an official national holiday by the President of the United States, subject to the approval of the Board of Directors.

Upon departure from Santa Cruz METRO for any reason, an employee shall be compensated for any unused holiday time at the employee's hourly rate.

VI. PAID LEAVES

A. Annual Leave (effective August 27, 2015)

An employee shall accrue annual leave at the following rates:

- a. for the first five years of employment.....**eleven (11) days/year**
- b. between five and nine years of employment.....**nineteen days (19) days/year**
- c. after nine years of employment.....**twenty-four (24) days/year**

Exhibit B



Upon approval of the **CEO/General Manager**, an employee shall be permitted to take a minimum of two weeks annual leave each calendar year.

An employee shall accrue the pro-rata portion of annual leave for which he/she is entitled for each pay period or major fraction thereof, for which he/she is in paid status.

An employee may not carryover into the next fiscal year more than (3) three times the annual allotted time. Annual leave accumulated beyond two hundred (200) hours shall upon two (2) weeks advance written request of the employee, be paid to the employee based on the employee's current base hourly rate. Payment shall be made in the subsequent pay period.

Upon departure from Santa Cruz METRO for any reason, an employee shall be compensated for any unused annual leave at the employee's regular rate.

B. Sick Leave

An employee shall be entitled to sick leave with pay at the rate of one day for each month of employment. Sick leave shall mean personal illness or physical incapacity caused by factors over which the employee has no reasonable immediate control, or the illness of a member of the immediate family of such employee which illness requires his/her personal care and attention. Immediate family shall include the parent, spouse, and children, brother, or sister of the employee.

An employee who has accumulated sick leave above 120 days (960 hours) may elect to receive a cash payment of 25% of the accrued sick leave above 120 days in lieu of retaining excess sick leave credits. Any sick leave accrued beyond a balance of 96 hours may, at the option of the employee, be converted to annual leave. All unused sick leave accrued shall be paid to an employee who retires immediately upon leaving Santa Cruz METRO under the provisions of PERS.

C. Administrative Leave

An **exempt** employee shall be entitled to eighty (80) hours of administrative leave each year in lieu of overtime or when working a partial year, a prorated amount as determined by the **CEO/General Manager**. Upon approval of the **CEO/General Manager**, time worked in excess of eighty (**80**) hours in a pay period may be saved and taken as time off in another pay period when the extra hours are earned through participation in unusual, lengthy activities, which require the presence of the employee in meetings, hearings, or negotiations.

Administrative leave not taken during the fiscal year is lost. Upon the approval of the **CEO/ General Manager**, an employee may elect to convert up to eighty (80) hours of Administrative Leave to a bonus payout. In no case, will the Administrative Leave and the Floating Holiday amount paid to the employee total more than eighty-eight (88) hours.

D. Personal Leave

An employee shall be entitled to use **forty** (40) hours per year of personal leave, chargeable to accumulated sick leave.

E. Bereavement Leave

An employee shall be granted a leave with pay in the event of the death of any member of the employee's family. The leave shall be for a period of three (3) working days, five (5) working days if travel is required in excess of 350 miles. The family member is defined as spouse, parent, grandparent, sister, brother, child, grandchild, foster parent, stepparent, foster child, stepchild, father-in-law, mother-in-law, brother-in-law, sister-in-law, nieces, nephews, aunt, uncle, or any person living in the immediate household of the employee.



F. Hospice and Critical Care Leave

An employee shall be granted necessary leaves up to four (4) months for the care of a critically ill family member with appropriate verification. An employee shall be paid for these absences from his/her sick leave or annual leave accruals.

G. Paid Birth/Adoptive Leave

An employee is entitled to forty **(40)** hours leave with pay at or about the time of the birth of the employee's child or at the time of adopting a child. The paid leave shall be within two months of the birth or adoption or at the employee's option at the expiration of State Disability Insurance payments.

H. Jury Duty

An employee required to report for jury duty (except for Grand jury) or to answer a subpoena, as a witness shall be granted leave with full pay until released by the court. An employee shall have court-paid per diems deducted from his/her daily pay during jury duty assignment.

I. Paid Military Leave

An employee in permanent status who is required to attend summer military training exercises as part of his/her military reserve obligation, shall be granted paid military leave not to exceed thirty (30) working days annually.

VII. UNPAID LEAVES OF ABSENCE

A. Maternity/Childcare Leave

Maternity/childcare leave shall be granted for a maximum period of twelve (12) months. If an employee does not have a sufficient paid leave balance to cover the period of absence, an unpaid leave of absence shall be granted.

B. FMLA / CFRA

Santa Cruz METRO will comply with the Family Medical Leave Act and the California Family Rights Act, as amended. These Acts provide for up to twelve **(12) weeks (480 hours)** leave for a serious health condition of the employee or an eligible family member and the employee has worked 1,250 hours in the twelve month period preceding the leave. Accrued sick leave must be used before any unpaid leave. This FMLA/CFRA leave will run concurrently with any other absence due to an employee's serious health condition.

VIII. EXEMPT MANAGEMENT PROVISION

An employee who has exhausted all leave accruals shall not have his/her salary reduced by being absent from work on an authorized absence of less than one full day.



IX. OTHER BENEFITS

A. Training

An employee shall be authorized to attend transit seminars and workshops, and to visit other properties as part of his/her ongoing job duties, and shall be compensated for receipted expenses incurred in so doing.

An employee may request release time and reimbursement of expenses for course work relevant to the employee's current duties and area of responsibility.

Reimbursable expenses include tuition, fees, meals and books. For courses **requiring overnight travel** employees shall refer to **Santa Cruz METRO's Travel Policy**.

Reimbursement will be made for academic or professional credentials, certifications, and/or degrees for courses directly related to the employee's current position, specific job tasks and areas of responsibility.

Approval of release time and reimbursement of expenses is at the discretion of the **CEO/General Manager** and subject to the demonstrated cost-benefit ratio of the training and the current workload of the employee.

B. Mileage reimbursement

If Santa Cruz METRO requires an employee to use the employee's private insured automobile to conduct Santa Cruz METRO business, the employee shall be reimbursed for automobile expenses at the rate established annually by the IRS.

C. On Call duty

If an employee is required to be on call, they shall be offered access to a Santa Cruz METRO vehicle in order to provide for home to work transportation. "On call" shall be defined as the requirement for the employee to report to work after or before normal duty hours to perform the functions, which cannot otherwise be performed during regular duty hours. When an employee is assigned such duties on a regular basis, he/she may be assigned a car for home to work transportation on a regular basis. If such work is assigned on a periodic or occasional basis, the assignment of a car for home to work transportation shall be on an as-needed basis only, as approved by the **CEO/General Manager**. The staff car assigned on an on-call basis to an employee shall be used to provide transportation only between the home and the work place. It shall not be used to make intermediate stops or for any other personal use. During normal duty hours, staff cars are similarly restricted for use only for official business of Santa Cruz METRO, or for transportation between the facilities of Santa Cruz METRO.

Non-exempt employees will be paid in accordance with FLSA regulations.

D. Communication Allowance

When approved by the **CEO/General Manager**, an employee may receive a communication allowance of \$75 each two-week pay period. An employee on approved Santa Cruz METRO travel with the **CEO/General Manager's** approval may be reimbursed for eligible roaming and long distance charges.



X. LAYOFF

A. Insurance

An employee separated from Santa Cruz METRO service as a result of layoff shall have his/her insurance benefits paid by Santa Cruz METRO at the same level while employed for a period of ninety (90) days from the date of separation.

B. Severance Pay

An employee laid off shall be given a severance payment equal to eight (8) hours at the base hourly rate for each 2,080 hours of active service, up to a maximum of eighty (80) hours severance pay.

XI. RELOCATION EXPENSES FOR THE RECRUITMENT OF MANAGEMENT POSITIONS

The **CEO**/General Manager is authorized to negotiate the compensation packages of all Management Employees at the time of hire, including, the authority to provide relocation packages for those management positions when in the discretion and determination of the **CEO**/General Manager they are necessary to recruit the most qualified applicant for a vacant Management position. In no case shall the **CEO**/General Manager's authority exceed: 1) a cash payment not to exceed \$15,000 for moving expenses; and (b) two roundtrip airfare reimbursements for use by the candidate of choice only; and (c) a cash payment not to exceed \$5,000 for temporary housing.

Whenever the **CEO**/General Manager exercises the authority granted under this section, he/she shall report the expenditure to the Board of Directors at the first available Board meeting following the finalization of a successful recruitment.

Exhibit B

EXHIBIT A

MANAGEMENT HOURLY RATES SCHEDULE

Effective 08/27/2015
Revised as of 01/22/2016 for District Counsel

Title	Step 1	Step 1 LL	Step 2	Step 2 LL	Step 3	Step 3 L	Step 3 LL	Step 4	Step 4 LL	Step 5	Step 5 L	Step 5 LL	Step 6	Step 6 L	Step 6 LL
CEO/General Manager	84.54	88.77	93.00	97.64	93.20	97.86	102.52	97.86	102.75	102.75	107.89	113.03	107.90	113.30	118.70
District Counsel	78.84	82.57	86.50	90.83	86.70	91.04	95.38	91.03	95.58	95.58	100.36	105.14	100.37	105.39	110.41
Chief Operations Officer	56.33	59.15	61.97	65.07	62.11	65.22	68.33	65.22	68.48	68.48	71.90	75.32	71.91	75.51	79.11
Operations Manager	51.21	53.77	56.33	59.15	56.47	59.29	62.11	59.29	62.25	62.26	65.37	68.48	65.37	68.64	71.91
Maintenance Manager	51.21	53.77	56.33	59.15	56.47	59.29	62.11	59.29	62.25	62.26	65.37	68.48	65.37	68.64	71.91
Finance Manager	51.21	53.77	56.33	59.15	56.47	59.29	62.11	59.29	62.25	62.26	65.37	68.48	65.37	68.64	71.91
Planning and Development Manager	51.21	53.77	56.33	59.15	56.47	59.29	62.11	59.29	62.25	62.26	65.37	68.48	65.37	68.64	71.91
Human Resources Manager	46.13	48.44	50.75	53.27	50.86	53.40	55.94	53.41	56.08	56.07	58.87	61.67	58.87	61.81	64.75
Information Technology Manager	46.13	48.44	50.75	53.27	50.86	53.40	55.94	53.41	56.08	56.07	58.87	61.67	58.87	61.81	64.75
Marketing, Communications and Customer Service Manager	46.13	48.44	50.75	53.27	50.86	53.40	55.94	53.41	56.08	56.07	58.87	61.67	58.87	61.81	64.75
Purchasing Manager	46.13	48.44	50.75	53.27	50.86	53.40	55.94	53.41	56.08	56.07	58.87	61.67	58.87	61.81	64.75
Senior Database Administrator	41.24	43.30	45.36	47.65	45.47	47.74	50.01	47.75	50.14	50.12	52.63	55.14	52.63	55.26	57.89
Asst. Manager of Information Technology	41.24	43.30	45.36	47.65	45.47	47.74	50.01	47.75	50.14	50.12	52.63	55.14	52.63	55.26	57.89
Assistant Finance Manager	38.54	40.47	42.40	44.50	42.48	44.60	46.72	44.60	46.83	46.84	49.18	51.52	49.18	51.64	54.10
Assistant HR Manager	38.54	40.47	42.40	44.50	42.48	44.60	46.72	44.60	46.83	46.84	49.18	51.52	49.18	51.64	54.10
Fixed Route Superintendent	38.54	40.47	42.40	44.50	42.48	44.60	46.72	44.60	46.83	46.84	49.18	51.52	49.18	51.64	54.10
Paratransit Superintendent	38.54	40.47	42.40	44.50	42.48	44.60	46.72	44.60	46.83	46.84	49.18	51.52	49.18	51.64	54.10
Project Manager	38.54	40.47	42.40	44.50	42.48	44.60	46.72	44.60	46.83	46.84	49.18	51.52	49.18	51.64	54.10
Facilities Maintenance Manager	37.45	39.32	41.19	43.27	41.29	43.35	45.41	43.35	45.52	45.53	47.81	50.09	47.80	50.19	52.58
Database Administrator	35.62	37.40	39.18	41.15	39.28	41.24	43.20	41.24	43.30	43.31	45.48	47.65	45.47	47.74	50.01
Safety, Security and Risk Manager	35.62	37.40	39.18	41.15	39.28	41.24	43.20	41.24	43.30	43.31	45.48	47.65	45.47	47.74	50.01
Assistant Superintendent	32.20	33.81	35.42	37.19	35.50	37.28	39.06	37.28	39.14	39.14	41.10	43.06	41.10	43.16	45.22
Executive Assistant	30.17	31.68	33.19	34.84	33.26	34.92	36.58	34.92	36.67	36.68	38.51	40.34	38.52	40.45	42.38

.....
L = 10 Years Longevity (5%); LL = 15 Years Longevity (5%+5%)

Exhibit B

MANAGEMENT HOURLY RATES SCHEDULE

EXHIBIT A

Effective 06/16/2016
Revised as of 01/22/2016 for District Counsel

Title	Step 1 LL	Step 1 L	Step 2 LL	Step 2 L	Step 3 LL	Step 3 L	Step 4 LL	Step 4 L	Step 5 LL	Step 5 L	Step 6 LL	Step 6 L		
CEO/General Manager	84.54	88.77	93.00	88.76	93.20	97.64	97.86	97.86	102.75	107.89	113.03	107.90	113.30	118.70
District Counsel	78.84	82.57	86.50	82.57	86.70	90.83	91.03	91.03	95.58	100.36	105.14	100.37	105.39	110.41
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Operations Manager	51.21	53.77	56.33	53.77	56.47	59.15	59.29	59.29	62.26	65.37	68.48	65.37	68.64	71.91
Maintenance Manager	51.21	53.77	56.33	53.77	56.47	59.15	59.29	59.29	62.26	65.37	68.48	65.37	68.64	71.91
Finance Manager	51.21	53.77	56.33	53.77	56.47	59.15	59.29	59.29	62.26	65.37	68.48	65.37	68.64	71.91
Planning and Development Manager	51.21	53.77	56.33	53.77	56.47	59.15	59.29	59.29	62.26	65.37	68.48	65.37	68.64	71.91
Human Resources Manager	46.13	48.44	50.75	48.43	50.86	53.27	53.41	53.41	56.07	58.87	61.67	58.87	61.81	64.75
Information Technology Manager	46.13	48.44	50.75	48.43	50.86	53.27	53.41	53.41	56.07	58.87	61.67	58.87	61.81	64.75
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Fixed Route Superintendent	38.54	40.47	42.40	40.46	42.48	44.50	44.60	44.60	46.84	49.18	51.52	49.18	51.64	54.10
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Project Manager	38.54	40.47	42.40	40.46	42.48	44.50	44.60	44.60	46.84	49.18	51.52	49.18	51.64	54.10
Facilities Maintenance Manager	37.45	39.32	41.19	39.33	41.29	43.35	43.35	43.35	45.53	47.81	50.09	47.80	50.19	52.58
Database Administrator	35.62	37.40	39.18	37.41	39.28	41.15	41.24	41.24	43.31	45.48	47.65	45.47	47.74	50.01
Safety, Security and Risk Manager	35.62	37.40	39.18	37.41	39.28	41.15	41.24	41.24	43.31	45.48	47.65	45.47	47.74	50.01
Assistant Superintendent	32.20	33.81	35.42	33.81	35.50	37.19	37.28	37.28	39.14	41.10	43.06	41.10	43.16	45.22
Executive Assistant	30.17	31.68	33.19	31.68	33.26	34.84	34.92	34.92	36.67	38.42	40.34	38.52	40.45	42.38

.....
L = 10 Years Longevity (5%); LL = 15 Years Longevity (5%+5%)

Exhibit B

MANAGEMENT HOURLY RATES SCHEDULE

EXHIBIT A

Effective 06/15/17
Revised as of 01/22/2016 for District Counsel

Title	Step 1	Step 1 LL	Step 2	Step 2 LL	Step 3	Step 3 LL	Step 4	Step 4 LL	Step 5	Step 5 LL	Step 6	Step 6 LL
CEO/General Manager	86.23	90.54	94.85	99.60	95.06	99.81	104.56	99.82	104.81	109.80	110.06	121.06
District Counsel*	78.64	82.57	86.50	90.83	86.70	91.04	95.38	91.03	95.58	100.13	100.37	110.41
Chief Operations Officer	57.46	60.33	63.20	66.37	63.35	66.52	69.69	66.52	69.85	73.18	73.35	80.69
Operations Manager	52.23	54.84	57.45	60.33	57.60	60.48	63.36	60.48	63.51	66.69	66.68	73.34
Maintenance Manager	52.23	54.84	57.45	60.33	57.60	60.48	63.36	60.48	63.51	66.69	66.68	73.34
Finance Manager	52.23	54.84	57.45	60.33	57.60	60.48	63.36	60.48	63.51	66.69	66.68	73.34
Planning and Development Manager	52.23	54.84	57.45	60.33	57.60	60.48	63.36	60.48	63.51	66.69	66.68	73.34
Human Resources Manager	47.05	49.40	51.75	54.34	51.88	54.47	57.06	54.48	57.19	60.05	60.05	66.05
Information Technology Manager	47.05	49.40	51.75	54.34	51.88	54.47	57.06	54.48	57.19	60.05	60.05	66.05
Marketing, Communications and Customer Service Manager	47.05	49.40	51.75	54.34	51.88	54.47	57.06	54.48	57.19	60.05	60.05	66.05
Purchasing Manager	47.05	49.40	51.75	54.34	51.88	54.47	57.06	54.48	57.19	60.05	60.05	66.05
Senior Database Administrator	42.06	44.16	46.26	48.60	46.38	48.70	51.02	48.71	51.15	53.59	53.68	59.04
Asst. Manager of Information Technology	42.06	44.16	46.26	48.60	46.38	48.70	51.02	48.71	51.15	53.59	53.68	59.04
Assistant Finance Manager	39.31	41.28	43.25	45.39	43.33	45.50	47.67	45.49	47.76	50.03	50.16	55.18
Assistant HR Manager	39.31	41.28	43.25	45.39	43.33	45.50	47.67	45.49	47.76	50.03	50.16	55.18
Fixed Route Superintendent	39.31	41.28	43.25	45.39	43.33	45.50	47.67	45.49	47.76	50.03	50.16	55.18
Paratransit Superintendent	39.31	41.28	43.25	45.39	43.33	45.50	47.67	45.49	47.76	50.03	50.16	55.18
Project Manager	39.31	41.28	43.25	45.39	43.33	45.50	47.67	45.49	47.76	50.03	50.16	55.18
Facilities Maintenance Manager	38.20	40.11	42.02	44.14	42.12	44.23	46.34	44.22	46.43	48.64	48.76	53.64
Database Administrator	36.33	38.15	39.97	41.98	40.07	42.07	44.07	42.06	44.16	46.26	46.38	51.02
Safety, Security and Risk Manager	36.33	38.15	39.97	41.98	40.07	42.07	44.07	42.06	44.16	46.26	46.38	51.02
Assistant Superintendent	32.84	34.48	36.12	37.93	36.21	38.02	39.83	38.03	39.92	41.83	41.92	46.12
Executive Assistant	30.77	32.31	33.85	35.55	33.93	35.63	37.33	35.62	37.40	39.18	39.29	43.21

L = 10 Years Longevity (5%); LL = 15 Years Longevity (5%+5%)

* See Contract



DATE: January 22, 2016

TO: Board of Directors

FROM: Dene Bustichi, Chair

SUBJECT: CONSIDERATION OF NOMINATING DIRECTORS TO SERVE AS BOARD OFFICERS, NOMINATING REPRESENTATIVES AND ALTERNATES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION (SCCRTC) AND NOMINATING A DIRECTOR TO THE SANTA CRUZ CIVIC IMPROVEMENT CORPORATION (SCCIC) BOARD

I. RECOMMENDED ACTION

That the Board of Directors Nominate Directors to the following positions:

- 1) Santa Cruz Metropolitan Transit District (METRO) Board Chair and Vice Chair;**
- 2) Representatives and Alternates for the Santa Cruz County Regional Transportation Commission (SCCRTC); and,**
- 3) Fill Vacant Director Position on the Santa Cruz Civic Improvement Corporation (SCCIC) Board**

II. SUMMARY

- Article 6 of the Santa Cruz Metropolitan Transit District (METRO) Bylaws provides that the Board of Directors shall annually nominate individuals to the positions of Chair and Vice Chair.
- In order to maintain representation on the Santa Cruz County Regional Transportation Commission (SCCRTC) it is necessary that the Board of Directors elect individuals to the three positions and three alternate positions that are designated for METRO Board Members.
- Article III, Section 3.03 of the Santa Cruz Civic Improvement Corporation (SCCIC) Bylaws provides that the Board of Directors shall appoint METRO Directors to the SCCIC Board.
- Elections for the positions referenced in this Staff Report are scheduled to be held at the beginning of the February 26, 2016 Board of Directors meeting.

III. DISCUSSION/BACKGROUND

The terms of the officers and appointees of the Board of Directors in the positions of Chair, Vice Chair and SCCRTC appointees expire in January 2016. The METRO Bylaws provide that the Board of Directors shall identify nominees to be considered for election to the positions herein referenced.

Staff recommends that the Board of Directors:

- 1) Elect members to the positions of Chair and Vice Chair;
- 2) Provide a slate of nominees to the SCCRTC; and,
- 3) Fill one vacant position on the SCCIC

In accordance with the METRO bylaws, nominations remain open until the positions are filled through election. The election for the referenced positions is scheduled to be held on February 26, 2016.

SCCIC is a non-profit public benefit corporation organized under the non-profit benefit corporation law in the State of California to provide financial assistance to METRO by acquiring, constructing and financing various public facilities, land and equipment and the leasing of facilities, land and equipment for use, benefit and enjoyment of the public served by METRO.

Article III, Section 3.03 of the SCCIC Bylaws provides that METRO's Board of Directors shall appoint METRO Directors to the SCCIC Board. Each will hold the office for a term of two (2) years.

Staff recommends that the METRO Board of Directors appoint METRO Directors to serve on the SCCIC Board. At this time, one (1) appointee is needed for one (1) vacant position.

IV. FINANCIAL CONSIDERATIONS/IMPACT

Funding support for the positions identified in this Staff Report is contained in the adopted FY16 and FY17 Admin Operating Budget.

Funding support for the SCCIC is contained in the adopted FY16 and FY17 Admin Operating Budget.

V. ALTERNATIVES CONSIDERED

None.

VI. ATTACHMENTS

- Attachment A:** Current METRO Board Officers and Appointees
Attachment B: Current SCCRTC Representatives and Alternates
Attachment C: Current SCCIC Board Roster

Prepared by: Gina Pye, Executive Assistant

VII. APPROVALS:

Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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**BOARD OFFICERS
AND APPOINTMENTS**



2015

Chair

DENE BUSTICHI

Vice Chair

MIKE ROTKIN

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Attachment B
SCCRTC Representatives
AND ALTERNATES



2015

SCCRTC Representatives

KARINA CERVANTEZ

CYNTHIA CHASE

ED BOTTORFF

SCCRTC Alternates (in order)*

MIKE ROTKIN

DONALD "NORM" HAGEN

DENE BUSTICHI

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Attachment C
**SANTA CRUZ CIVIC IMPROVEMENT CORPORATION
(SCCIC)**

**BOARD OF DIRECTORS
2015- 2017**

	YEAR TERM BEGAN	YEAR TERM ENDS
Zach Friend, President	2015	2017
Don Lane, Vice President	2015	2017
Mike Rotkin, Secretary	2015	2017
Ed Bottorff, Treasurer	2015	2017
Vacant, Director	2015	2017

Alex Clifford, Chief Executive Officer

Each Director holds office for a term of two (2) years from the date of appointment. The Board of Directors holds an annual meeting for the purpose of organization, selection of Directors and officers, and the transaction of other business. Annual meetings of the Board are held on the fourth Friday of February. The meetings are held in the same venue as the Santa Cruz METRO Board of Directors meeting.

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- ADDITIONAL MATERIALS DISTRIBUTED
AT BOARD MEETING -



DISPLAYED ON SCREEN AT 1/22/16 METRO BOARD MEETING

Why is Santa Cruz METRO undergoing a Comprehensive Operational Analysis (COA) and proposing a Service Reduction

- ❖ Santa Cruz METRO has a structural deficit and insufficient Reserves to balance the budget in FY17:
 - What is a structural deficit? A fiscal imbalance in which recurring expenses exceed recurring revenues.
 - For several years now, annual balanced budgets have been achieved by using non-recurring revenues (Reserves) and non-traditional capital eligible State Transit Assistance (STA) and Federal Small Transit Intensive Cities (STIC) funds.
 - In FY17 this will amount to \$5.4 million in Reserves and \$5 million in STIC and STA.
 - METRO estimates a need of \$200 million for capital investments over the next ten years.
 - All capital eligible funds need to be redirected back to the capital program.
 - The Capital Program includes mission critical capital investments in bus and paratransit vehicle replacement, mid-life overhauls, facilities, non-revenue vehicles, Information Technology (IT) upgrades, customer facing capital investments, security projects and bus stop improvements.

- ❖ Major Contributing Factors to the Structural Deficit:
 - Too many consecutive years in which METRO has experienced an increase in the recurring costs of personnel, goods and services and in which the growth in recurring revenues have not kept pace.
 - Annual year-over-year operating expense growth significantly exceeding the annual Consumer Price Index (CPI) for the region: FY12 – FY15
 - Increasing costs associated with health benefits and retirement exceeding the year-over-year growth in revenues
 - Relatively flat ridership
 - Estimated Sales Tax Loss (FY08 – FY14) - \$26M
 - Relatively flat sales tax growth
 - If sales tax growth year-over-year had instead continued to grow at a modest 3% in the years following the 2008 economic downturn, METRO would have received \$26 million more revenue over the period FY08 – FY14.
 - As a result of the economic downturn, METRO had to subsidize its Operating Fund with \$21.8 million in non-recurring revenue (Reserves) and capital eligible state and federal funds over this same period of time.
 - Uncontrollable outside forces contributing to the structural deficit
 - 2008 Economic downturn - Prolonged Recession
 - Sluggish economic recovery since 2011
 - Continued high rate of local unemployment
 - Sales Tax Decline (FY08 – FY10)
 - Marginal Sales Tax Growth since 2011
 - State and federal transportation funds not keeping pace with the increasing cost of goods and services



Why is Santa Cruz METRO undergoing a Comprehensive Operational Analysis (COA) and proposing a Service Reduction

- Unwillingness on the part of State and Federal elected officials to increase the gasoline and diesel fuel tax
 - Federal gas tax has been unchanged since 1993 at 18.4 cents/gallon
 - Federal diesel fuel tax has been unchanged since 1993 at 20.1 cents/gallon
 - These federal gas and diesel taxes provide revenues to the federal Highway Trust Fund (HTF). 2.86 cents of each of these two fuel taxes go to the Mass Transit Account
 - The State provides State Transit Assistance (STA) funds to METRO, which is derived from the sales tax on diesel fuel
 - STA revenues are beginning to decline because diesel fuel prices and consumption are not increasing as projected
 - Increasing STA will require that the State increase the rate of State sales tax on diesel fuel and dedicating the new revenues to the STA program

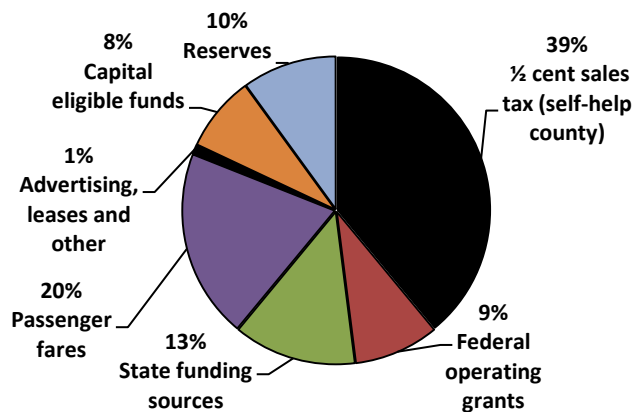
- ❖ What has Santa Cruz METRO done recently to mitigate the Structural Deficit?
 - Increase revenues and decrease operating costs by:
 - Realigning the paratransit service to mirror the fixed-route
 - Restructuring paratransit fares and Highway 17 commuter express fares
 - Identifying operating and overhead efficiencies
 - Delaying filling vacant positions, and in some cases unfunded vacant positions

- ❖ Service Snapshot
 - Service area population – 250,000
 - Fixed-Route Service hours – 225,000
 - Annual passenger trips – 5.7 million
 - Fixed-Route Revenue Miles – 3.3 million
 - 110 buses (27 diesel and 83 CNG)
 - 41 paratransit vehicles (ParaCruz)
 - Fixed-Route Directional route miles – 479
 - Fixed-Route Number of bus stops – 935
 - Fixed-Route Number of routes - 35

- ❖ Service Distribution Measures
 - Service distribution by Revenue Service Hours
 - Geographic – 17%
 - Productivity – 89%
 - Source of ridership
 - Geographic – 7%
 - Productivity – 93%

Why is Santa Cruz METRO undergoing a Comprehensive Operational Analysis (COA) and proposing a Service Reduction

❖ Operations Funding Snapshot



Key Performance Indicators (KPIs)

- Fixed-Route passengers per Revenue Service Hour – 24.7
 - Cost per Revenue Service Hour (RSH)
 - FY15 - \$175.41
 - FY14 - \$178.05
 - FY13 – \$166.18
 - FY12 – \$161.34
 - FY11 – \$146.72
 - FY10 – \$139.07
 - Fixed-Route Farebox Recovery Ratio
 - 23.04% - Indicates how much of the fixed-route operating costs are covered by passenger fares
 - Also, indicates amount of non-passenger revenue (subsidy) needed to cover operating costs = 76.96%
 - Paratransit Cost per Trip - \$56.93/trip
 - *NOTE: Paratransit efficiency measure is Cost per Trip, unlike fixed-route, which is measured as cost per Revenue Service Hour (RSH)*
 - Paratransit Farebox Recover Ratio
 - 3.34% - Indicates how much of the paratransit operating costs are covered by passenger fares
-
- ❖ State-of-Good-Repair (SOGR)
 - In a basic sense, a system is in a SOGR when all maintenance is performed at scheduled intervals, all facilities are properly maintained (there is no deferred maintenance) and all vehicles receive mid-life overhauls on-time and are later replaced as scheduled.

Why is Santa Cruz METRO undergoing a Comprehensive Operational Analysis (COA) and proposing a Service Reduction

- Santa Cruz METRO is not in a SOGR; METRO has identified a need for \$200 million in capital investments over the next ten years, and the backlog is growing due to the shortage of capital resources.

- ❖ METRO is overdue to replace much of its fixed-route bus fleet
 - METRO's average age of the fixed-route bus fleet is 12 years
 - The target average age of the fleet should be 6.5 years
 - Buses reach the end of their life between 12 – 15 years, or, 500,000 miles

- ❖ Why not plan to continue to help offset the \$11 million total operating structural deficit by continuing to use STIC and STA (non-traditional capital eligible funds) as operating revenue indefinitely?
 - STIC and STA should be used for capital programs
 - METRO is rapidly falling further and further behind in capital investments
 - METRO needs about \$20 million/year over the next ten years to address its capital needs
 - Capital revenue sources are increasingly more difficult to come by these days
 - In the past, METRO benefitted by generous federal "earmarks"
 - Federal "earmarks" are a funding source of the past, and likely never to return
 - METRO was the recipient of significant state capital revenues which resulted from the 2006 California Proposition 1B, which funded many capital projects
 - Proposition 1B revenues have been exhausted and a new state capital bond measure is nowhere in sight
 - The new state Cap and Trade program will provide limited funding relief to METRO's Capital Program due to the strict limitations placed on the dollars by the State
 - Redirecting STIC and STA back to the Capital Program will provide about \$5 million/year for capital investments and help to begin reducing the \$200 million unfunded capital backlog

- ❖ Financial Stabilization Plan - How do we resolve the structural deficit, replenish our reserves, address the unfunded capital needs and establish a stable financial foundation?
 - Reduce operating expenses - Continue to identify operating and overhead efficiencies
 - Strive to bring the fixed-route cost per Revenue Service Hour and the paratransit Cost per Trip in better alignment with our peer transit properties
 - Implement a Fixed-Route service restructuring that will provide a level of bus service that matches the level of available operating revenues
 - Work with Cabrillo College to see if the students will support a student pass
 - Work with UCSC to see if the students will support an increase in transit and parking fees to support the level of service provided to UCSC and to help better address morning peak-hour demand
 - Possible voter approval of a 2016 Santa Cruz County sales tax initiative that will provide much needed investments in local streets and roads, highway improvements, rail/trail and bus transit

Why is Santa Cruz METRO undergoing a Comprehensive Operational Analysis (COA) and proposing a Service Reduction

- Increase marketing efforts to attract more riders to the system
- Increase advertising and lease revenues
- Continue to strongly advocate at a state and federal level for increased operating and capital grants

- ❖ Adding Value/New Initiatives
 - Migrate cash and magnetic-stripe fare media customers to the Cruz Card to help expedite fare payment and facilitate better on-time performance
 - Seek funding for a Highway 1 feasibility study to look at the feasibility of adding “bus on shoulder” to Highway 1
 - Seek grants to add electric buses to the METRO fleet
 - Investigate adding electric over-the-road coaches to the Highway 17 commuter service
 - Identify funding for an automatic vehicle location (AVL) system that will provide stop-level on-time performance data and a customer facing smart phone application for customers to use to determine when their next bus will arrive.

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BOARD OFFICERS AND APPOINTMENTS



Board Nominated Slate(s)

Current
Board Chair, Dene Bustichi
Vice Chair, Mike Rotkin

Board Chair

Nominated by

Nominated by

Board Vice Chair

Nominated by

Nominated by

Current
SCCRTC Representatives
Karina Cervantez
Cynthia Chase
Ed Bottorff

Nominated by

Nominated by

Current
SCCRTC Alternates
Mike Rotkin
Norm Hagen
Dene Bustichi

Nominated by

Nominated by

Current
SCCIC Director
Vacant

Nominated by

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2015 Year in Review Categorization of Post-Its / Accomplishments
 "No accomplishment is too small"

On Tuesday, January 5th a group of 30+ team members came together for about 2 ½ hours to document some of the many accomplishments of the organization over CY2015. In addition, the teams discussed possible CY2016 goals. The team members included the senior leadership team, managers and employee representatives from departments throughout METRO. It was represented that following the exercise, the various team members would receive a copy of the outcomes and they would be tasked with sharing the details of the many accomplishments with their colleagues.

?	Unknown
?	Passed contract extension
BOD	Board of Directors
CS	Customer Service
CS	Improved customer service response to information and customer needs
CS	Customer Service and ParaCruz Reservations merger Continued successful transition of Reservationists to Customer Service 4 reservationists trained as CSR / 2 CSR trained as reservationists Trained 2 Customer Service employees how to do ParaCruz reservations
CS	Reservationists did a massive amount of talking to clients regarding ParaCruz changes
EMP	Employee
EMP	Christmas toy drive – coordinated by Legal
EMP	Improved communication in our department
EMP	Helped newer techs get up to speed
EMP	Discussed issues that have needed clarification for years
EMP	New manager success
EMP	Longevity for 35 employees
EMP	19 retirees
EMP	METRO participation of Leadership Santa Cruz Graduated from Leadership Santa Cruz Class 30
EMP	Fought fires – every day
EMP	Working relationship with managers
EMP	Got through restructuring routes/fares
EMP	Fostered Union participation through positive means
EMP	Attendance at APTA
EMP	Attendance in FTA
FAC	Facilities
FAC	Manage staffing changes in facilities
FAC	Restructured custodial schedules, adding more sites
FAC	Metrobase: <ul style="list-style-type: none"> • Furniture layout • Parking layout • Successful installation of radio tower

FIN	Finance
FIN	Closed 2013 Triennial findings
FIN	Clean audit
FIN	Adopted Reserve Policy
FIN	County payroll report by benefit status
FIN	Employees paid on time and accurately
FIN	Vendors paid on time and accurately
FIN	Created unfunded capital list
FIN	PEPRA resolution via payroll
FIN	GASB 68 implementation
FIN	COLA and Un-COLA COLA rescinded (316)
FIN	Produced balanced 2 year budget
FIN	Created 5 year budget
FIN	130 step increases
HR	Human Resources
HR	Hired, hired and hired some more 24 new hires: <ul style="list-style-type: none"> • Safety Specialist • Planning & Development Department Manager installed • New Legal staff member • New Database Administrator • Filled Lead Mechanic position • New Admin Specialist for Maintenance • New Admin Specialist (legal?) • New Maintenance Manager • New Parts Clerk • Planning/grants intern • Planner • Safety & training coordinator • Payroll specialist • Personnel generalist • Successful new hire – promoted in one year
HR	Processed 625 applications
HR	Time to fill position time decreased
HR	Interview process improved
HR	Promotions: 18
HR	Successfully accomplished several reasonable accommodations
HR	Worked with vendors and researched new ergonomic devices
HR	PEPRA notification to employees
HR	Better improved KPIs
HR	Created internal forms to better process HR actions
HR	Created exit interview form and process
HR	Began notifying managers of performance reviews
HR	On time posting of OSHA 300 report
HR	Training completed for workers comp with supervisors
HR	Successfully completed PPE policy
HR	Keeping track of: sick calls, revenue, FMLA, annual leave, kinicare, all supervisor jobs, bids and more.

HR	Completed open enrollment successfully 1200 enrolled in benefits
HR	Using new testing facilities for applicants at no cost
HR	Prepared EEO report Completed EEO for the year
HR	Cross training of HR employees
HR	Awarded contract for LTD
HR	Awarded contract for Life / AD&D
HR	Went live with HRIS system
HR	Completed several wage surveys
IT	Information Technology
IT	Migrated mail server to new system
IT	New software system implementation
IT	Cut over to new HRIS system (HCM)
IT	Migrated users to new server environment
IT	Mainstar training conducted Great Mainstar training
IT	Improved ratio of resolved IT tickets
IT	ADA training for website
IT	Resolved GFI PEM issues
IT	Upgraded internet connection to fiber!
IT	Completed fiber install for City of Watsonville Police access
IT	Install 2 video projection systems for conference rooms
IT	Improved website performance and formatting
IT	Worked to update website and Headways for PC changes
IT	Programmed Trapeze for fares, hour and days changes
IT	Survived the most serious encryption hack of the year
IT	MDC project completed (monitors /large screen traffic)
IT	Developed IT KPIs
IT	Replaced aging copiers/printers
IT	Upgraded the security of credit card readers on ticket vending machines
IT	Purchased new IP phones for future phone system
LEGAL	Legal
LEGAL	Collected over \$200K in Subro claims
LEGAL	FMLA/CFRA training
LEGAL	Good litigation audit
LEGAL	VTT training / common carrier
LEGAL	FTA waiver of Buy America
LEGAL	DOL/PEPRA presentations to the Board
LEGAL	Resolved 2 litigated claims
LEGAL	Reviewed all Board reports
LEGAL	Lots of confidential stuff
LEGAL	Negotiated contract renewal
LEGAL	Improved license and indemnity agreements
LEGAL	Developing better policies in department
LEGAL	RFP for leased space
LEGAL	Admin Code revisions
LEGAL	Finally got rid of FireMaster invoices for non-existence bill (Thanks Leslyn!)

MAINT /Fleet	Maintenance
MAINT	Auctioned 5 buses
MAINT	Made adjustment to improve on-time performance on Highway 1 NB morning commute
MAINT	Researched bus alternative propulsion systems
MAINT	Initiated mid-life bus overhaul program
MAINT	Fire and gas systems on buses complete service
MAINT	Forklift training
MAINT	Improved core return program
MAINT	Tracking coach down "waiting for parts"
MAINT	Worked with vendor to get 2x per week tire deliveries
MAINT	Brought bus "dead list" down below 19
MAINT	Reduced amount of time to complete services and still provide safe buses
MAINT	More repairs and maintenance in house Improvements in in-house repairs Brought major engine work in-house, saving \$\$\$
MAINT	Started development of major repair and mid-life overhaul section
MAINT	Received 2 out of 4 new vehicles
MAINT	Reduction in unavailable equipment
MAINT	Improved spare ratio
MAINT	Completion of TVM upgrades for ADA improvements Continued progress to implementation of TVM in San Lorenzo Valley area
MKTG	Marketing
MKTG	MC'd parades 4 th of July Parade 4 th of July Parade – Scotts Valley Holiday Parade
MKTG	Had fun at the Holiday Parade decorating the bus
MKTG	Participated in senior luncheon / senior dinner with UTU
MKTG	Improved outreach and METRO branding recognition
MKTG	Participated in Santa Cruz County Fair
MKTG	Participation in Follies event
OPS	Operations
OPS	Maintain service on the street Kept service running Delivered service with less Operators Participation in late night service
OPS	Able to make pull-out with short staff
OPS	CHP terminal inspection success
OPS	Successful daily coordination of service delivery
OPS	Operators wanting to be on the No Sick Calls List Change in thinking re sick calls vs vacation
OPS	Aligned bid cycle with fixed route
OPS	Retired several Operators
OPS	Successful appointment of payroll specialist
OPS	Worked with UCSC on service/ invoicing
OPS	Invoiced JPA partners for Highway 17
OPS	Provided NTD & APTA with ridership data

OPS	Modified PMI program
OPS	Successful FTA/DOT audit
OPS	Participation in UCSC commencement exercises
ORG	Organization
ORG	Better customer service to other departments
ORG	Provided 93505 rides (5.69% decrease from 2014)
ORG	Less OT generated for supervisors
ORG	Supervisors learning new task(s)
ORG	Discussion with Cabrillo to increase tuition to cover transportation and improve revenue
PC	ParaCruz
PC	ParaCruz fare increase without too many problems
PC	New vans for ParaCruz
PC	Aligned paratransit with Fixed Route Implemented changes to ParaCruz service
PC	New scheduler trained
PC	ParaCruz newsletter
PC	Effort to reduce taxi service
PC	Visited facilities to address ParaCruz changes
PC	Attended committees and board meetings regarding Paratransit changes
PC	Mailed out 2 letters to client base and stakeholders
PC	2 detailed employee training with all ParaCruz employees regarding changes
PC	Had 4 folks retire / hired 2 new folks (PC)
PC	Updated and re-published ParaCruz Customer Guide
PC	Updated no show policy for ParaCruz
PC	Made brochures and did seat drops for ParaCruz changes
PC	Successful transition of service adjustments
PLNG/ Grants	Planning/Grants
PLNG/ Grants	Engine room: DBE Reports, Invoices, Meetings COA Project Kick-Off / Began COA Coordinated pop-ups
PLNG/ Grants	Closed Pacific Station conceptual design Submitted 10+ grants
PLNG/ Grants	All driver and office training for September 10 th ParaCruz changes Bus stop guide produced
PLNG/ Grants	First electric bus application
PURCH /Parts	Purchasing/Parts
PURCH	Lowered parts inventory dollar value
PURCH	Smarter purchasing of parts: using alternative vendors, fewer \$ spent
PURCH	Tracking warranty parts
PURCH	Tracking wrong parts supplied by vendors
PURCH	Succession planning in parts worked when 30+ year employee retired
PURCH	Reduced inventory value by \$200K
PURCH	Improved morale and teamwork in parts department
PURCH	Successful new position created in Parts

PURCH	Almost 1500 purchase orders issued
PURCH	Extended contracts to 2018 Extended all contracts 25 formal contracts let
SAFE	Safety, Security and Risk
SAFE	Learned the Claims Process / Settled Claims Collected monies from damages incurred to buses by collisions Reduced number of claims filed
SAFE	Draft new Emergency Action Plan
SAFE	Created implementation plan to improve safety / Draft new IIPP (Injury and Illness Prevention Program) / conducted regular health, safety and occupational violence and IIPP meetings
SAFE	Posted new evacuation maps in facilities
SAFE	Established safety boards in each area in accordance with OSHA compliance
SAFE	Provided VTT training on security awareness
SAFE	Completed OSHA training
SAFE	Conducted safety walk-through of facilities
SAFE	New security contract with reduced budget and kept 24 hour coverage
SAFE	Conducted earthquake drill / Provided plan to Bus Operators on what to do during earthquake while on route
SAFE	Provided agency with Active Shooter training
SAFE	Obtained restraining orders to protect drivers/passengers
SAFE	Brought focus to radio system
SAFE	Successful audit of the risk department by CalTIP
SAFE	Conducted training on buses with law enforcement
SAFE	MSDS on-line program
SAFE	Metrobase security improvements
SAFE	Accident review team
SAFE	OSHA required training / database
SAFE	Created 6 new documents/forms for IIPP
	Legend
BOD	Board of Directors
CS	Customer Service
EMP	Employee
FAC	Facilities
FIN	Finance
HR	Human Resources
IT	Information Technology/Software/Hardware
LEGAL	Legal
MAINT /Fleet	Maintenance
MKTG	Marketing/Public Relations
OPS	Operations
ORG	Organization
PC	ParaCruz
Plng/ Grants	Planning/Grants
SAFE	Safety, Security and Risk



2015 Year in Review – 2016 Goals

# of Dots	CY2015 Goals
82	<p>Employees</p> <ul style="list-style-type: none"> • No Layoffs • Improve communication from management to all employees • Direct communication / not email • Morale/Employee Retention • Employee incentive program (of month, quarter, year) • Improve morale by 5 points • Recognition of excellent performance
59	<p>Organization</p> <ul style="list-style-type: none"> • Maximize efficiency of bus network, providing service to the most residences possible • Department Compatibility • More inter-departmental collaboration • Dedicated bus lanes (BOS) • Beach shuttle • Legislative involvement • Lease impactful service reduction • Upgrade technology to improve operations & maintenance • Political/\$ Partnership (PP Partnership) • Complete radio system integration • Creative approach to preserving service • More defined Mission Statement • Focusing on Mission Statement • Educating the public on transit funding • Actively look for marketing income opportunities • Do not limit the distribution of funds to critical areas
54	<p>Finance</p> <ul style="list-style-type: none"> • Resolve structural deficit • Successful sales tax initiative • Balance budget with recurring funds • Balanced budget (truly) • Increase overall funding • Fiscal responsibility • Maximize Rides / \$ • Successfully complete FTA Triennial Review • Have DBE goal accepted by FTA
52	<p>Facilities</p> <ul style="list-style-type: none"> • New Homes/Upgrade ParaCruz, Pacific Station, Watsonville • New, less expensive home for ParaCruz • Upgrade transit centers/bus stops • Update conference rooms • Signage for Ops/Vernon/Fleet



2015 Year in Review – 2016 Goals

49	Information Technology (IT) <ul style="list-style-type: none"> • (Purchase) AVL/APC • New and/or upgrade phone system • Mobile application • Create singular data warehouse center – ERP (see Isaac) • Integration of software systems throughout agency • Upgrade IT back-up strategy • Quicker IT system back up; i.e., something sooner than once a night • WiFi on all buses
39	Human Resources (HR) <ul style="list-style-type: none"> • (Improve) Succession Planning • Cross training • Create cross training opportunities • Create KPIs • Complete HRIS integration • Improve HR processes (performance evaluations, hiring, absences, returning to work) • Update job description • Improve mobility training program • Comprehensive classification system
39	Operations <ul style="list-style-type: none"> • Electrify the fleet and Upgrade the fleet • (Increase) On time performance • New \$ for buses • Close Out MetroBase • Move into new Souza Ops Building • Maintain route connectivity after service cuts
30	Board of Directors <ul style="list-style-type: none"> • Ride-A-Longs • For the Board to be front and center, visible, involved publicly during this difficult year
20	Marketing <ul style="list-style-type: none"> • Improve public's perception of us • Decent marketing program / rebrand • 100% Smart Card fares • Community outreach
4	Safety, Security and Risk <ul style="list-style-type: none"> • Improve safety
1	Maintenance <ul style="list-style-type: none"> • Beautification/Sanitation



2015 Year in Review – 2016 Goals

0	Customer Service <ul style="list-style-type: none">• Reduce customer complaints• Integrate customer service & Paratransit reservationist function(s)
0	Legal <ul style="list-style-type: none">• None
0	Purchasing <ul style="list-style-type: none">• None

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*Santa Cruz Metropolitan
Transit District*



January 19, 2016

Hand Delivered and U.S. Mail

Cynthia Aguado and Eva Avalos
1040 Nueva Vista Avenue
Watsonville, CA 95076

Re: Taqueria El Dandy

Dear Ms Aguado and Ms. Avalos:

Santa Cruz METRO (METRO) received your correspondence on January 6, 2016, directed to the Board of Directors, requesting a full reimbursement of your deposit (\$1,600), and the return of monies for losses incurred during the temporary close of your business from February 27, 2014 to March 4, 2014.

Please be advised that there is a process that is conducted before METRO can issue a return of your deposit. First, an inspection of the property will need to take place, and any damages will need to be assessed. Second, our accounting department will need to evaluate if there are any utility costs incurred during the final month of your tenancy. If there are no charges then your deposit will be returned in full, but the check will not be available on the day of the walk through. California law provides a landlord with 30 days to return any deposit monies, however; METRO will have your deposit check issued within a week or two after you vacate the premises.

Your letter also requests reimbursement for expenses incurred during the closure of your business for 5 days in 2014. METRO received your request for losses of \$3,324 during the closure on May 16, 2014, and requested further documentation to support your claim. METRO requested your annual Profit and Loss Statement to determine your "average daily sales", or your most recent tax return, as well a payroll accounting for the wages you were claiming. No documentation to support your claim was received in a timely manner by Taqueria El Dandy. As a consequence, METRO was unable to make any payment on the claim, despite an additional effort by staff in November of 2014 to obtain this information.

Please do not hesitate to contact me should you have any additional concerns or questions. Thank you in advance for your anticipated cooperation in this matter.

Very truly yours,

Jessica Yanez
Transit Properties Coordinator

Jny/ Encls.
(each correspondence referenced)

cc: Debbie Kinslow, Asst. Finance Manager
Board of Directors of Santa Cruz METRO

*Santa Cruz Metropolitan
Transit District*



January 19, 2016

Hand Delivered and U.S. Mail

Cynthia Aguado and Eva Avalos
1040 Nueva Vista Avenue
Watsonville, CA 95076

Queridas Srta. Aguado y Srta. Avalos:

Santa Cruz METRO (METRO) recibió su correspondencia el 6 de enero del 2016, que fue dirigida a la Junta Directiva, pidiendo un reembolso completo de su depósito (\$1,600), y que le regresaran dinero perdido durante el cierre temporal de su negocio del 27 de febrero del 2014 al 4 de marzo del 2014.

Por favor tenga en cuenta que hay un proceso que se lleva a cabo antes de que METRO pueda regresarle su depósito. En primer lugar, una inspección de la propiedad tendrá que tomar lugar, y tendrán que ser evaluado los daños y perjuicios. En segundo lugar, nuestro departamento de contabilidad tendrá que evaluar si hay costos de utilidades incurridos durante el último mes de su contrato de arrendamiento. Si no hay cargos, su depósito será devuelto en su totalidad, pero el cheque no estará disponible el día de la inspección. La ley de California ofrece un arrendador con 30 días para devolver cualquier dinero del depósito, sin embargo; METRO tendrá su cheque del depósito emitido dentro de una semana o dos después de que desaloje el local.

En su carta también pide el reembolso de los gastos incurridos durante el cierre de su negocio durante 5 días en el 2014. METRO recibió su solicitud el 16 de mayo del 2014 de pérdidas de \$3,324 durante el cierre y pedimos más documentación para apoyar su reclamo. METRO pidió su declaración anual de pérdidas y ganancias para determinar el "promedio de ventas diarias", o su declaración de impuestos más reciente, así como un cálculo de la nomina de los salarios que estaba reclamando. No hay documentación que hubiéramos recibido a tiempo para respaldar el reclamo de Taquería El Dandy. Como consecuencia, METRO fue incapaz de hacer ningún pago en el reclamo, a pesar de un esfuerzo adicional por parte del personal en noviembre del 2014 para obtener esta información.

Por favor, no dude en ponerse en contacto conmigo si tiene alguna duda o pregunta adicional. Gracias de antemano por su cooperación prevista en este asunto.

Sinceramente,

Jessica Yanez
Transit Properties Coordinator

Jny/ Encls.
(each correspondence referenced)

cc: Debbie Kinslow, Asst. Finance Manager
Board of Directors of Santa Cruz METRO

*Santa Cruz Metropolitan
Transit District*



February 27, 2014

Cynthia Aguado and Eva Avalos
1040 Nueva Vista Avenue
Watsonville, CA 95076

Re: Taqueria El Dandy

Dear Ms Aguado and Ms. Avalos:

This letter serves as notification that Taqueria El Dandy must close its business temporarily, effective today at 5:00 pm. We are extremely sorry for the inconvenience this action may impose on you and your business.

It has just been determined by Santa Cruz METRO that the Taqueria's wash sink is draining into the storm drain, instead of the sewer. This is a violation of **Chapter 7.79 Runoff and Pollution Control Ordinance of the County of Santa Cruz**. I have enclosed a copy of **Ordinance No. 5117** that is pertinent to this issue for your review.

Santa Cruz METRO is prohibited from allowing any business to continue that is violating this Ordinance and must take immediate steps to fix the drain. Santa Cruz METRO is going to be setting up the work to alleviate the drain problem and connect the Taqueria's sink to the sewer as soon as possible. Santa Cruz METRO staff is anticipating that the work can begin in the next few days, but will likely require the Taqueria to be closed at least one week, depending on how quickly the work can be accomplished. We will keep you notified as the work progresses.

Santa Cruz METRO will work with Taqueria El Dandy and provide credit for any loss of earnings or profit as a result of your business being shut down during this time.

Thank you for your attention to this matter.

Very truly yours,

Leslyn K. Syren
District Counsel

LS/rjd
Encls.

cc: Angela Aitken, Finance Manager
Robert Cotter, Maintenance Manager

110 Vernon Street, Santa Cruz, CA 95060 (831) 426-6080, FAX (831) 426-6117
Santa Cruz METRO OnLine at <http://www.scmtd.com>

To: Rebeca Daniel

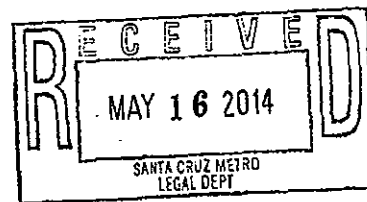
This is what we are asking with respect to the project that took effect at Taqueria el Dandy located at 920 Pacific Ave., Santa Cruz, CA on the dates of 02/27/2014, 02/28/2014, 03/01/2014 and 03/03/2014.

Food \$600

Loss from sales \$1650 (3 days)

Salaries and Wages for three employees \$1074

Total \$ 3,324



*Santa Cruz Metropolitan
Transit District*



May 23, 2014

Cynthia Aguado and Eva Avalos
1040 Nueva Vista Avenue
Watsonville, CA 95076

Re: Taqueria El Dandy

Dear Ms Aguado and Ms. Avalos:

Santa Cruz METRO is in receipt of a note requesting METRO pay Taqueria El Dandy \$3,324.00 for the loss of goods, sales, and employee wages due to the mandatory close of your business at 5:00 pm on February 27, 2014 until the reopen of your business in the morning on March 4, 2014.

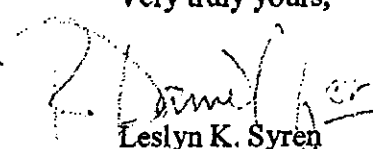
In order to process this claim, Santa Cruz METRO will need documentation from you regarding these expenses. Please provide the most recent annual Profit and Loss Statement for Taqueria El Dandy, so that there is documentation of "average daily sales" for the business. You may also provide your most recent tax return to document your business' profits.

Also, if you have regular employees on your payroll, please provide this information so that the wages can be substantiated. Santa Cruz METRO needs documentation of "loss of sales and wages" in order to reimburse for actual losses. For instance, if you were required to pay an employee for the days your business was closed, then METRO would need substantiation of these paid wages.

Santa Cruz METRO will work with Taqueria El Dandy and provide credit for any loss of earnings or profit as a result of your business being shut down during this time, if it is provided with the appropriate documentation.

Thank you for your attention to this matter.

Very truly yours,


Leslyn K. Syren
District Counsel

LS/rjd
Encls.

cc: Angela Aitken, Finance Manager
Robert Cotter, Maintenance Manager

110 Vernon Street, Santa Cruz, CA 95060 (831) 426-6080, FAX (831) 426-6117
Santa Cruz METRO OnLine at <http://www.scmtd.com>

Santa Cruz Metropolitan
Transit District

November 14, 2014



Cynthia Aguado and Eva Avalos
1040 Nueva Vista Avenue
Watsonville, CA 95076

Re: Taqueria El Dandy

Dear Ms Aguado and Ms. Avalos:

Santa Cruz METRO last wrote to you on May 23, 2014 regarding a claim you filed in regards to the mandatory close of your business on February 27, 2014 until the reopen of your business on March 4, 2014, a period of five days.

Santa Cruz METRO requested documentation regarding the expenses you claimed as a result of the mandatory close of the business, in the sum of \$3,324.00 for the loss of goods, sales, and employee wages. I have enclosed a copy of the letter, for your reference. To date, Santa Cruz METRO has not received any documentation and therefore, is not able to provide you reimbursement for these claimed losses.

However, due to the close of your business that was not caused by any action or fault of Taqueria El Dandy, Santa Cruz METRO wishes to issue you a rent credit for the 5 days you were unable to open for business. Your current monthly rent is **\$547.59**. Based on a 30-day month, your daily rent is \$18.25. Santa Cruz METRO is issuing you a rent credit of **\$91.25** for the mandatory close of Taqueria El Dandy for five business days that occurred from February 27 until March 4, 2014. ($18.25 \times 5 = \$91.25$)

Accordingly, Santa Cruz METRO is issuing you a rent credit in the sum of **\$91.25** which will be credited against your December 2014 rent amount. Your rent for December will be **\$456.24**, due on December 1, 2014. ($\$547.49 - \$91.25 = \$456.24$)

Thank you for your attention to this matter.

Very truly yours,


Rebecca J. Daniel

~~Paralegal - Transit Properties Coordinator~~

rjd

Encls.

cc: Angela Aitken, Finance Manager
Debbie Kinslow, Asst. Finance Manager

110 Vernon Street, Santa Cruz, CA 95060 (831) 426-6080, FAX (831) 426-6117
Santa Cruz METRO OnLine at <http://www.scmtd.com>

*Santa Cruz Metropolitan
Transit District*



January 20, 2016

Cynthia Aguado and Eva Avalos
Dba Taqueria El Dandy
920 Pacific Avenue, Suite 4
Santa Cruz, CA 95060

Re: Taqueria El Dandy

Queridas Srta. Aguado y Srta. Avalos:

Santa Cruz METRO (METRO) recibió su correspondencia con fecha del 15 de enero del 2016, dirigida a la Junta Directiva, de solicitar un traductor en la inspección el 29 de enero del 2016. Sí, un traductor estará presente, junto con nuestro Supervisor de Mantenimiento y yo misma.

Además, METRO si recibió su carta el 6 de enero del 2016, así como la carta de respuesta redactada por mi misma, que también tenía copias de la correspondencia del pasado referente a su reclamación por pérdidas.

Por favor, no dude en ponerse en contacto conmigo si tiene alguna duda o pregunta adicional. Gracias.

Sinceramente,



Jessica Yanez
Transit Properties Coordinator

cc: Board of Directors of Santa Cruz METRO

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*Santa Cruz Metropolitan
Transit District*



January 20, 2016

Cynthia Aguado and Eva Avalos
Dba Taqueria El Dandy
920 Pacific Avenue, Suite 4
Santa Cruz, CA 95060

Re: Taqueria El Dandy

Dear Ms Aguado and Ms. Avalos:

Santa Cruz METRO (METRO) received your correspondence dated January 15, 2016, directed to the Board of Directors, requesting a translator at your walk through on January 29, 2016. Yes, a translator will be present, along with our Maintenance Supervisor, and myself.

Furthermore, your letter was received on January 6, 2016, as well as the response letter drafted by myself that also had copies of past correspondence pertaining to your claim for losses.

Please do not hesitate to contact me should you have any additional concerns or questions. Thank you.

Very truly yours,

Jessica Yanez
Transit Properties Coordinator

cc: Board of Directors of Santa Cruz METRO

Enero, 15, 2016
Esta carta va dirigida
a la mesa directiva de
Santa Cruz Metropolitan
Transit District.

En esta carta solamente
nos gustaria pedir de favor
que el dia 29 de Enero, 2016
el cual se les entregara el
espacio, ustedes pudieran
llevar a la persona que
ustedes tienen para traducir
de Ingles a Español o viceversa.

Se les agradecera mucho,
para que tanto ustedes como
nosotros dejar claro cualquier
duda o pregunta.

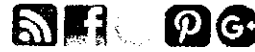
Una ultima pregunta en esta carta,
solamente nos gustaria saber
si ustedes recibieron una carta
mandada por nosotros, taqueria el
Dandy en Santa Cruz. Esta carta
pue mandada cerca de 2 semanas.
Muchas gracias por su atencion
Atte: Cynthia Aguado

NEWS CLIPS

December 18, 2015 – January 22, 2016

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Your Comments

gasstationwithoutpumps on Free transit parking for tech bus workers?

xiousgeonz on Chip on our shoulders?

ark on Free transit parking for tech bus workers?

edward@hasbrouck.org on Box Bike Collective cargo bike launch

Lynn on Missouri: 15 foot fluorescent flag for cyclists

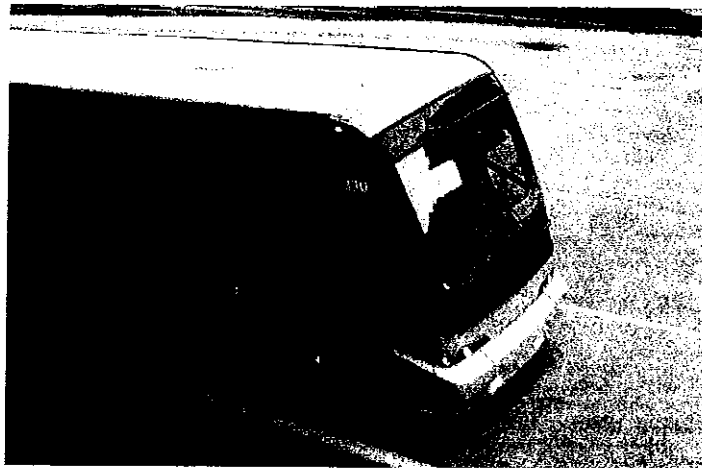


Free transit parking for tech bus workers?

Posted on January 21, 2016 by Richard Masoner.

G+1 0 Tweet Like Share < 0

The Santa Cruz Transit District ("Santa Cruz Metro") Board of Directors will discuss the issue of "tech" employee buses using Santa Cruz County transit facilities at their monthly meeting on Friday.

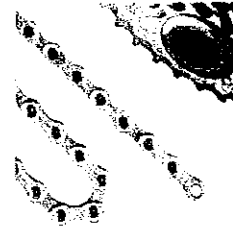
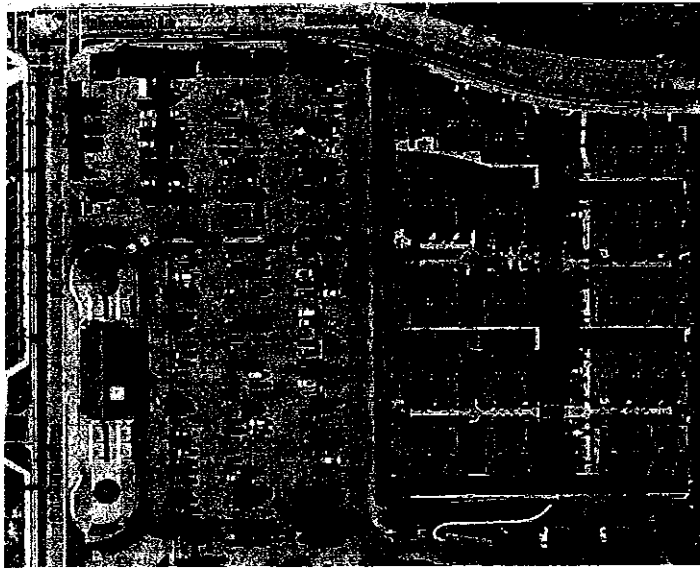


The new-ish CEO for Santa Cruz Metro visited his agency's transit center in suburban Scotts Valley, California last October to get the lay of the land and was surprised to discover the lack of parking in the transit center's parking lot and a conga line of tech workers waiting to board the large commuter buses provided for employees of Apple, Google, Netflix and Yahoo. Santa Cruz Metro counted these tech bus workers and discovered they use more than 35% of the Scotts Valley transit center parking lot, which can store 220 cars



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Components
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JansonUSA

SEEK SHIPPING
ON ALL OVERSEAS



With Facebook's recent introduction of employee bus service from Santa Cruz County, Clifford is concerned that these private shuttle users will push away Santa Cruz Metro customers. The CEO would like the Board to consider a motion to begin a discussion with the city of Scotts Valley, Caltrans, and the various tech companies regarding use of Santa Cruz Metro's facilities. CEO Clifford would also like to identify sources of funding to expand parking at the Scotts Valley transit center.

I ride a bike or walk to the bus stop, so I have no use for the parking lot, but there are interesting public policy issues to consider.

- All parking in Scotts Valley is free. Is this a reasonable policy? Will pay parking solve some of the issues with private transit and other issues listed below?
- Santa Cruz Metro paid most of the cost to acquire and build the Scotts Valley Transit Center and its parking lot, and is responsible for its maintenance and security. The parking lot is frequently used as overflow parking in the evenings and weekends for the adjacent shopping center, weekend farmers' market, and nearby park. Should these public funds dedicated to a transit district be used to benefit all members of the public, including those who ride private employee buses instead of the public transit system buses?
- Because housing far outstrips jobs in Santa Cruz County, Santa Cruz is largely a bedroom community for employment centers in Santa Clara, San Mateo, and San Francisco Counties. The CEO signaled his desire to expand parking at this Scotts Valley transit center. People drive from all over Santa Cruz County to park in Scotts Valley and catch a commuter express bus "over the hill" to destinations in Santa Clara County. Should a transit district encourage "park and ride" style transit with expanded parking? Should Scotts Valley residents support efforts to increase traffic in their bedroom community?
- Until fairly recently, the standard 72-hour parking limit applied at the Scotts Valley Transit Center. People could park in Scotts Valley and ride a bus or bike for a weekend trip. After completion of a transit-oriented residential development immediately adjacent to the transit center, condo residents began using the transit center parking to store their vehicles. The transit district quickly prohibited all overnight parking. Can overnight and weekend parking be reinstated, perhaps with a mechanism to discourage condo resident parking?

The Santa Cruz Metro Board will consider this topic on Friday, January 22, 2016 at 8:30 AM. The meeting takes place in the City of Santa Cruz council chambers at 809 Center Street, Santa Cruz, CA. Read the full board agenda here [534 page PDF]

Santa Cruz Sentinel (<http://www.santacruzsentinel.com>)

Jimmy Panetta, Casey Lucius woo Santa Cruz voters

Congressional hopefuls discuss highway congestion, jobs, housing

By Jondi Gumz, Santa Cruz Sentinel

Wednesday, January 20, 2016



SANTA CRUZ >> Congressional hopefuls Jimmy Panetta and Casey Lucius offered different approaches to highway traffic congestion, speaking to 150 people Wednesday at the Santa Cruz Chamber of Commerce membership luncheon at the Coconut Grove.

Panetta, 46, deputy district attorney in Monterey County and a Democrat, told of being stuck in traffic for two hours driving to Santa Cruz Wednesday morning to meet with local business people.

The problem, he said, is divestment in infrastructure due to dysfunction in Washington, D.C.

He advised backing a half-cent local sales tax in November to pay for Highway 1 auxiliary lanes and local road maintenance and leveraging federal money, \$305 billion coming for the next five years.

“You can raise the gas tax but with fuel efficiency, is that going to work? Maybe bring back earmarks,” he said, referring to federal funds earmarked for local projects until being banned in 2010 to trim spending.

Lucius, 39, who serves on the Pacific Grove City Council, is a Republican and who resigned her Naval War College professorship for this bid, said tourists sitting in traffic for two hours could make the difference between a successful weekend or disappointment for a local restaurant or hotel.

She said Santa Cruz County got only \$3 million for new transportation projects last year. The problem, she said, is 60 federal agencies and 30 congressional committees are involved in developing transportation policies.

“Streamlining the approval process frees up money to spend on projects we really need like ‘bus on the shoulder,’” she said, referring to a rapid bus service strategy used in Illinois and the Twin Cities.

She supports transportation bills extending 10 to 15 years and protecting the highway trust fund, which gets revenue from the gas tax.

“We have to get the right policies or we’ll continue to throw money at these problems,” she said.

On a workforce question, Panetta said he supports “a legal path to citizenship” and H2-A visa reform for farmworkers.

“My first priority is immigration reform,” he said. “Hopefully in 2017 the Republican leadership will be ready to bring it forward.”

Lucius suggested restoring job training for veterans, including 35,000 in the congressional district and 2 million nationwide, and targeting local needs. She recommended reforming the H-2A visa process involving five federal agencies, putting the program under the Department of Labor.

Noting she waited tables in college, she said small business owners need regulatory relief to free up money to hire employees.

On housing, Panetta noted median household income in Santa Cruz County is \$75,000 and the median home price is \$650,000. “Many of us would qualify” for federal Section 8 housing, he said, suggesting building up at transit hubs and ensuring federal tax credits for developers.

Lucius said her family lived paycheck to paycheck and moved when rent was raised. She and her husband bought a home in Pacific Grove after the housing bubble burst. Mother of a young son, she joined the traffic safety commission to deal with a dangerous intersection, which led her to run for City Council. She favors housing trust funds and waiving developer fees for homes bought by “underserved populations.”

On education, Panetta said, “Tuition needs to be lowered,” noting student loans total \$1.2 trillion and 8 million students are in default.

Lucius said the newly passed Every Student Succeeds Act won’t be funded until 2017.

“Who you elect will determine how it’s funded,” she said.

URI: <http://www.santacruzsentinel.com/government-and-politics/20160120/jimmy-panetta-casey-lucius-woo-santa-cruz-voters>

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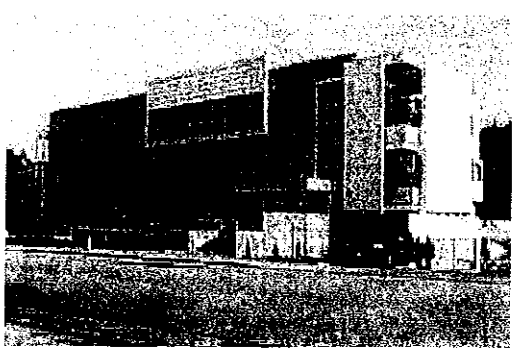
Santa Cruz Sentinel (<http://www.santacruzsentinel.com>)

Delayed Metro Operations Facility nears completion after 'Buy America' oversight

'Buy America' mistake contributes to \$26M project coming in behind schedule, over budget

By Nicholas Ibarra, Santa Cruz Sentinel

Saturday, January 16, 2016



SANTA CRUZ >> More than a year behind schedule and millions over budget, the \$26 million Metro Operations Facility is on track to cross the finish line in mid-February.

But before the capstone to Metro's longtime effort to centralize its bus and employee facilities is complete, contractors need to replace the German linoleum flooring they installed with an American-made substitute. The foreign linoleum violates the 'Buy America' rules that transportation projects with any federal funding must abide by — the third

such issue since Metro broke ground in 2012.

Originally scheduled for completion in November 2014, the Buy America violations, complications with concrete pours and weather tacked on more than a year to the time line. The added time coupled with increased security measures brought the cost up about another million dollars.

"It's been a challenging building to say the least," said Alex Clifford, Metro's general manager.

The 2.73-acre property at 1200 River St. will house Metro's 110-bus fleet and serve as a home base for drivers, supervisors and the Metro dispatch center and is adjacent to the fueling and service stations.

Currently, the fleet is parked overnight at a leased lot on Dubois Street.

The linoleum is being replaced with a comparable American made flooring. Clifford estimated the cost of the mistake to be less than \$30,000, which he said will be absorbed by the contractor due to its responsibility for sourcing building materials.

A representative of Harry L. Murphy, the San Jose-based subcontractor responsible for flooring at the facility, declined to comment, and a message left with Selma-based primary contractor Lewis C. Nelson and Sons was not immediately returned.

The effort to build a new Metro facility dates back to the 1989 Loma Prieta earthquake, which destroyed what at the time was a state-of-the-art operations facility in Watsonville. The next decade Metro scattered its resources across seven facilities, but parking in leased lots and not having a central fueling site drove up costs, according to Metro documents.

So began a decade-long process to design and fund the “MetroBase,” a plan to consolidate everything in one geographic area to streamline natural gas fueling and eliminate leasing costs.

The first phase of the project — the fueling, service, administration and maintenance facilities — was completed in 2010.

The second phase is the soon-to-be-completed Judy K. Souza Operations Facility, named after the first female bus operator and Metro supervisor who came aboard the transportation agency in 1976.

“It’s exciting for all of metro and its employees, and particularly for our bus operators and supervisors who have for a long time worked out of inferior facilities,” Clifford said. “This will be a well-deserved reward.”

METRO OPERATIONS FACILITY

Phase two of “MetroBase” will house fleet of 110 buses and provide base of operations for Metro drivers, supervisors and dispatch.

Cost: \$26 million.

Location: 1200 River St.

Size: 2.73 acre lot. 54,132-square-foot building, including two levels of parking.

Source: Santa Cruz Metro

URL: <http://www.santacruzsentinel.com/general-news/20160116/delayed-metro-operations-facility-nears-completion-after-buy-america-oversight>

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Officials vet emergency shelter plans

Lack of federal funding impels community aid

By Ryan Masters, Santa Cruz Sentinel

Saturday, January 2, 2016



WATSONVILLE >> As federal funding for emergency shelter programs dries up, Santa Cruz County looks to address potential gaps in services for Watsonville's unsheltered population during what could be a cold, wet winter.

According to Santa Cruz County Communications Manager Jason Hoppin, the county has historically relied on Emergency Solution Grants through the U.S. Department of Housing and Urban Development to fund emergency overnight shelters or warming centers.

"The ESG grants have been cut because the federal government wants to fund permanent, not temporary solutions," Hoppin said. "It's the same issue that has been affecting the Santa Cruz Homeless Services Center."

Subsequently, the county has explored alternative plans such as a partnership with the nonprofit Community Action Board, which could serve as a fiscal and operational lead for a South County warming center.

"The Community Action Board would act as a vehicle to establish the program," Hoppin said. "We're actively working with them to get something in place."

Watsonville city officials discussed establishing a warming center at the Rev. Tino Cordoba's First Christian Church, but the idea was shelved when Watsonville Fire Department officials found that the building, which was constructed in 1928, would require renovations to bring it up to code.

"This is an ongoing conversation with the community because funds will continue to be hard to come by in the long term," said Hoppin. "We're going to have to rely on nonprofits, churches and other community partners to find solutions."

Fortunately, Watsonville's two permanent shelters have maintained availability through the recent cold spell, which has seen below freezing temperatures throughout the county at night.

At present, Pajaro Rescue Mission, which can shelter 35 men, and Grace Harbor, which can shelter 40 men and 28 women, are operating at 70 percent capacity, according to Teen Challenge Monterey Bay

Executive Director Mike Borden, whose organization runs the two shelters.

“It’s unusual. Last year at this time we were completely full. Right now we have anywhere from 20 to 60 beds available,” Borden said.

The county could also utilize the Santa Cruz Fairgrounds in Watsonville by proclaiming a local emergency.

If this occurred, staffing Human Services Department would provide staffing; the American Red Cross would provide blankets and cots; the Santa Cruz County Sheriff’s Office Correctional facility kitchen could prepare and deliver bag-lunch meals for up to 200 people at a cost of \$3 a meal; and transportation would be provided by Santa Cruz Metro.

URL: <http://www.santacruzsentinel.com/social-affairs/20160102/officials-vet-emergency-shelter-plans>

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Santa Cruz Metro eyes tech companies' quiet use of Cavallaro Transit Center

Facebook joins growing list of companies appearing to piggyback on agency's infrastructure

By Nicholas Ibarra, Santa Cruz Sentinel

Friday, December 18, 2015



SCOTT'S VALLEY >> As Santa Cruz Metro eyes tech companies' unannounced use of its infrastructure, Facebook on Dec. 7 reportedly joined a growing list of Silicon Valley companies that offer shuttle services to transport employees from the Cavallaro Transit Center to offices over the hill.

"The tech buses are using up spaces that we need for our Highway 17 commuters," said Alex Clifford, Santa Cruz Metro CEO, adding that private shuttles' unauthorized use of the Metro-owned facility could pose liability issues.

After arriving at the Scotts Valley Cavallaro Transit Center early one morning to find the lot's 220 spaces filled, Clifford said he asked his security team to monitor the shuttles' use of the Metro facility.

An average of 76 daily commuters boarded outbound private buses at the transit center during the Oct. 5-9 workweek, Metro found. Apple, Netflix and Yahoo shuttles were identified, Clifford said.

An Apple representative confirmed that its shuttles stop at the transit center, while Netflix and Yahoo did not return repeated requests for comment.

None of the companies have approached Metro about using its facilities, Clifford said.

Alpa Patel, a Scotts Valley resident since 1995, said her husband has worked at Facebook for nearly a decade and planned start taking advantage of the shuttle service departing the Scotts Valley transit center starting Dec 7.

"He's excited because it's got Wi-Fi and everything," Patel said.

But Patel later declined further requests for comment, citing personal reasons, and a Facebook representative declined to comment on its shuttle program.

Reports of Facebook's new shuttle program first emerged from real estate consultant and journalist Robert Aldana, of Scotts Valley, on the [My Scotts Valley Facebook group](#) he administers. Aldana said he has confirmed the reports with two Facebook employees.

The secrecy surrounding the shuttle programs follows protests in San Francisco starting in 2013 that saw the private buses at times physically blocked by anti-shuttle activists.

Critics claim the shuttles contribute to rising rents and economic drain and conflict with existing public transportation, while proponents tout what they see as environmental and traffic reduction benefits.

The 23 percent of the workforce that commutes out of the county, about 30,000 people, "is really a basic determinant of the cost of housing," said Bill Tysseling, executive director of the Santa Cruz Chamber of Commerce. But he said it's unclear what role the shuttles play, if any.

Nathan York, of Scotts Valley, worked as a software engineer at Google from 2005 until he retired in October and frequently rode Google's shuttles to and from Scotts Valley. Google's shuttles do not stop at the Cavallaro Transit Center, according to York.

He said neither himself nor any other riders he talked to had moved to the area to take advantage of the shuttle service, and that most looked at the shuttles as an environmentally conscientious alternative to driving by themselves.

"I think people are right to be concerned about costs of living here — it's crazy," he said. "But I think it's not right to blame the tech workers."

After a report was released in October on San Francisco's ongoing voluntary pilot program in which companies, including Apple, paid for permits to use the city's infrastructure and shared data, the San Francisco Municipal Transportation Agency in November approved a list of regulations for the shuttles to go into effect Feb. 1.

In coming weeks, Clifford said he intends to start a dialogue with the tech companies about sharing the infrastructure burden, and floated the idea of building a joint parking structure in Scotts Valley.

"No one wants to discourage the tech companies from continuing to provide the service," Clifford said. "We just need to figure out a way for public transit and tech companies to live more harmoniously together."

HIGHWAY 17 COMMUTING

Commuters: 21,184 Santa Cruz County residents work in Santa Clara County (2006-10).

Tech shuttles: Companies include Apple, Facebook, Google, Netflix, Yahoo.

Amount of tech shuttle riders: unknown.

Highway 17 Express: 31,507 average monthly riders. \$7 one-way fare.

Highway 17 daily trips: 54,000 (2013).

Sources: Santa Cruz Metro, Santa Cruz County Regional Transportation Commission, Department of Transportation.

Letters, Jan. 21, 2016: The time to invest in public transportation is now

Wednesday, January 20, 2016

The time to invest in public transportation is now

I admit that I'm politically naïve. I'm puzzled by the proposal for a half cent sales tax for Santa Cruz County transportation. With goals to reduce our carbon footprint, public transportation should be in the forefront. Even car-crazy cities like Los Angeles and Houston are investing in transit to relieve congestion by giving people other options.

The train will be great, in 10 years, but we need better Metro service right now. We need more frequent service, starting earlier in the morning, extending later into the evenings. We need the same service on holidays, when Boardwalk employees and chambermaids are the busiest, as we have on weekdays.

Instead, we've been told that the Metro system will cut service 25 percent without additional funding. Yet this tax proposal doesn't offer a cent for regular bus transportation. Why?

— *Cara Lamb, Santa Cruz*

Letters, Jan. 15, 2015: Getting rid of train can make transit dreams come true

Thursday, January 14, 2016

Axing train plan can make transit dreams come true

Please consider a wider Highway 1, rapid bus system and pristine coastal trail. Hear me out. The money saved by eliminating the train can make it all come true. It's a fact. The highway commute will not get better with a train (Regional Transportation Commission feasibility study). The money that would go to build and maintain the train could be spent instead to build a wider Highway 1. Federal/state money would match 50 percent. The money saved from eliminating the train can help fund the new bridges on Highway 1, all the way to Aptos. The money put into an underused train could fund a rapid bus transit system. The relatively small cost of and maintenance of a coastal trail, like the one in Monterey, could be ours. Picture locals and visitors walking, running, bicycling, enjoying nature, quietly savoring the serenity of the forest and coast, while saving tax money and boosting the economy.

— *Rebecca Byron Kleis, Aptos*

Roads in disrepair, and we expect to run rail system?

After requesting public works do some gutter clearing and road maintenance it hit me, if we can't get the attention needed for roads how are we ever going to get attention to a rail system that is in such disrepair some trestles have been deemed unsafe. The DPW is understaffed with no future plans for hiring of staff or a maintenance program for the miles of county roads. This county is unable to maintain what we do have for transportation routes why are they trying to create more overhead and headache by taking on an antiquated system of rail? I see buses all day long running around the county, empty, no passengers except a driver. This needs to be addressed sooner not later and the Board of Supervisors needs to live in the here and now, not in wonderland wondering how they are going pay for this latest folly.

— *Arnold L Versaw, Aptos*

Changes needed in transit to address climate change

In response to two letters on Jan. 12, I'd like to make two points. Firstly the EIR on the rail system is flawed including conflicting and incorrect statements, and it fails to address greenhouse gas emissions adequately. The most important point is that at the recent international climate change conference it was agreed that to limit warming to 2 degrees C, we need to have zero emissions by 2050. Many scientists say we need to do it even more rapidly. Transportation is about 70 percent of county emissions and only major rethinking can reduce that. We need an expanded and improved Metro bus system and the rail line and some major innovations (Buses on shoulders? Free bus passes?). The proposed Highway 1 widening is more "business as usual," which will be disastrous for the whole world. We need to make big changes. If not now, when?

— *Pauline Seales, Santa Cruz*