

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

BOARD OF DIRECTORS REGULAR MEETING AGENDA  
APRIL 23, 2010 (Fourth Friday of Each Month)  
\*SANTA CRUZ CITY COUNCIL CHAMBERS\*  
\*809 CENTER STREET\*  
SANTA CRUZ, CALIFORNIA  
9:00 a.m. – 12:00 noon

**THE BOARD AGENDA PACKET CAN BE FOUND ONLINE AT [WWW.SCMTD.COM](http://WWW.SCMTD.COM) OR  
AT METRO'S ADMINISTRATIVE OFFICES LOCATED AT 110 VERNON STREET,  
SANTA CRUZ, CA**

**NOTE: THE BOARD CHAIR MAY TAKE ITEMS OUT OF ORDER**

## **SECTION I: OPEN SESSION - 9:00 a.m.**

1. ROLL CALL
2. ORAL AND WRITTEN COMMUNICATION TO THE BOARD OF DIRECTORS
  - a. Louise Barnes Re: Proposed Service Reductions
  - b. H. Clowser Re: Fixed Route Service
3. LABOR ORGANIZATION COMMUNICATIONS
4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

## **CONSENT AGENDA**

- 5-1. APPROVE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF FEBRUARY 2010
- 5-2. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR FEBRUARY 2010
- 5-3. CONSIDERATION OF TORT CLAIMS:  
DENY THE CLAIM OF DEBRA HANNIBAL, CLAIM #10-0004;  
DENY THE CLAIM OF KEENAN & ASSOCIATES, CLAIM #10-0005;  
DENY THE CLAIM OF JUANA RAYA, CLAIM #10-0006  
DENY THE CLAIM OF KATHLEEN REED, CLAIM #10-0007
- 5-4. ACCEPT AND FILE MAC AGENDA FOR APRIL 21, 2010 (NO MINUTES – MARCH MTG CANCELLED)
- 5-5. ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR THE MONTH OF FEBRUARY 2010
- 5-6. ACCEPT AND FILE RIDERSHIP AND PERFORMANCE REPORT FOR FEBRUARY 2010

- 5-7. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR FEBRUARY 2010
- 5-8. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ MONTHLY SERVICE REPORT FOR FEBRUARY 2010
- 5-9. CONSIDERATION OF METROBASE STATUS REPORT
- 5-10. ACCEPT AND FILE MINUTES REFLECTING VOTING RESULTS FROM APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR THE FEBRUARY 2010 MEETING(S)
- 5-11. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXTEND THE PURCHASE ORDER/ CONTRACT FOR EMPLOYMENT OF TEMPORARY HELP THROUGH ROBERT HALF INTERNATIONAL FOR TEMPORARY EMPLOYMENT STAFFING FOR GRANTS ANALYST WORK THROUGH JUNE 30, 2010 FOR A TOTAL AMOUNT NOT TO EXCEED \$128,000
- 5-12. ACCEPT AND FILE DRAFT REPORT ON FY10 FTA TRIENNIAL REVIEW
- 5-13. ACCEPT AND FILE REVISED PAGES FOUR (4) AND FIVE (5) OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDING JUNE 30, 2009
- 5-14. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH PROVIDER ELAVON TO SET UP A SEPARATE CHANNEL SUITABLE FOR WEBSITE CREDIT CARD TRANSACTIONS
- 5-15. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH SCHINDLER ELEVATOR CORPORATION FOR REPAIRS TO THE ELEVATOR LOCATED AT 138 GOLF CLUB DRIVE, SANTA CRUZ FOR AN AMOUNT NOT TO EXCEED \$8,400
- 5-16. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT EXTENSION WITH DMC CONSTRUCTION, INC. FOR CONSTRUCTION REMODEL OF THE BUILDING LOCATED AT 110 VERNON STREET THROUGH AUGUST 11, 2010 TO CLOSEOUT THE PROJECT

#### **REGULAR AGENDA**

- 6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS: NONE
- 7. **PUBLIC HEARING** TO RECEIVE PUBLIC COMMENTS IN CONSIDERATION OF ADOPTING A BUS RAPID TRANSIT STUDY  
Presented By: Angela Aitken, Finance Manager & Acting Assistant General Manager  
**PUBLIC HEARING WILL TAKE PLACE AT 9:00 A.M.**

8. CONSIDERATION OF GASB 43 AND 45, OTHER POST-EMPLOYMENT BENEFITS (OPEB) OPTIONS; CONTINUE TO FUND RETIREE BENEFITS USING "PAY-AS-YOU-GO" METHOD AND APPLY FUNDING TOWARDS UNFUNDED LIABILITY AS REVENUE STREAMS IMPROVE, ESTABLISH AN IRREVOCABLE TRUST, AND ESTABLISH A GASB 45 FUNDING POLICY  
Presented By: Angela Aitken, Finance Manager & Acting Assistant General Manager
9. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH VISION COMMUNICATIONS CO., INC. FOR RADIO MAINTENANCE AND REPAIR SERVICES FOR AN AMOUNT NOT TO EXCEED \$60,000 OVER A THREE-YEAR CONTRACT PERIOD  
Presented By: Robert Cotter, Maintenance Manager
10. CONSIDERATION OF ADOPTING A RESOLUTION AUTHORIZING FY10 BUDGET RECONCILIATION ACTIONS  
Presented By: Angela Aitken, Finance Manager & Acting Assistant General Manager
11. CONSIDERATION OF SCHEDULING AND HOLDING PUBLIC HEARINGS REGARDING PROPOSED METRO FIXED ROUTE SERVICE REDUCTIONS FOR FALL 2010  
Presented By: Ciro Aguirre, Operations Manager
12. CONSIDERATION OF EXTENDING ROUTE #79 TO THE SANTA CRUZ COUNTY FAIRGROUNDS DURING THE 2010 FAIR AT A COST OF \$4,000.00 TO PROVIDE BOTH FIXED ROUTE AND PARACRUZ SERVICE  
Presented By: Leslie R. White, General Manager
13. CONSIDERATION OF AUTHORIZING THE CHAIR OF THE BOARD TO SUBMIT A LETTER TO THE SANTA CRUZ REGIONAL TRANSPORTATION COMMISSION SUPPORTING THE ACQUISITION OF THE SANTA CRUZ BRANCH LINE FROM THE UNION PACIFIC COMPANY  
Presented By: Leslie R. White, General Manager
14. **ORAL ANNOUNCEMENT:** THE NEXT REGULARLY SCHEDULED BOARD MEETING WILL BE HELD FRIDAY, MAY 14, 2010 AT 9:00 A.M. AT THE SANTA CRUZ METRO ADMINISTRATIVE OFFICES, 110 VERNON ST, SANTA CRUZ  
Presented By: Chair Pirie
15. REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION: District Counsel
16. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

**SECTION II: CLOSED SESSION**

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION  
(Pursuant to Government Code Section 54956.9)
  - a. Name of Case: United Transportation Union, Local 23 vs.  
Santa Cruz METRO

**SECTION III: RECONVENE TO OPEN SESSION**

17. REPORT OF CLOSED SESSION

**ADJOURN**

**NOTICE TO PUBLIC**

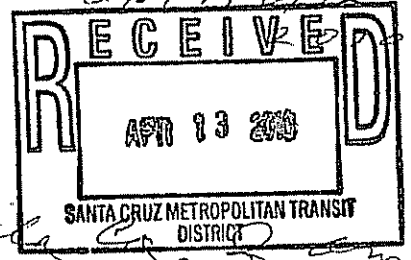
Members of the public may address the Board of Directors on a topic not on the agenda but within the jurisdiction of the Board of Directors or on the consent agenda by approaching the Board during consideration of Agenda Item #2 "Oral and Written Communications", under Section I. Presentations will be limited in time in accordance with District Resolution 69-2-1.

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.

Members of the public may address the Board of Directors on a topic on the agenda by approaching the Board immediately after presentation of the staff report but before the Board of Directors' deliberation on the topic to be addressed. Presentations will be limited in time in accordance with District Resolution 69-2-1.

The Santa Cruz Metropolitan Transit District does not discriminate on the basis of disability. The City Council Chambers is located in an accessible facility. Any person who requires an accommodation or an auxiliary aid or service to participate in the meeting, please contact Cindi Thomas 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 METRO regarding special requirements to participate in the Board meeting. A Spanish Language Interpreter will be available during "Oral Communications" and for any other agenda item for which these services are needed. This meeting will be broadcast live by Community Television of Santa Cruz on Channel 26.

03/11/2012



Board of Directors of Metro -  
To whom it may concern;

I am Louise Barnes of Capitola, CA

Increases in rates on the  
Transit? Why?

a reg. and consistent rider (are you careful without) This is a Letter of Protest, and I speak from Experience. This is your First Draft of Charges and its all wrong, Most of it. Your starting these charges at the Bottom and working up, instead of the Top and working down! So "Trash it and start over!"

You never Hear of the Drivers saying anything against Company policy, but in sure they think it. We riders do speak up and vent the.

I hope you will make this a secure job for your drivers and Be a Legal Employer. They deserve it. They put in Long hours (more so than most jobs for same pay) and do that for us passengers. They put up with difficult, Complaining and nasty Talking passengers, and mean people and deserve better, for sure. Their hours are horrid. Here are some of my Complaints and Protests! The item in the paper "Metro Cuts" over

2-a.1

Expect Longer waits / routes } to - We can't  
manage Em now - you don't tell us anything  
we tell you - we keep you in Business, <sup>remember!</sup>  
flouting service } to if it means drivers are  
at risk of losing the job -

proposed route cuts } some can be with no problem  
10% - 15% of service cut } to This a job loss.

Balance their own Budget! <sup>?</sup> so we the public  
has to do without } to -

You find the Balancing act and Budget  
cuts some place else! Etc -

If you don't think of us passengers and the  
drivers first - we will quit you. This is un-  
acceptable!

Far flung areas for service cuts } yes  
50 min. long wait? } to

Compensate with tax to find reasonable  
cuts some place else - to be fair to us and  
the drivers

Let night runs or Extra runs (out) = ok

You being the only Bus service here in SC - has  
a responsibility to all of us -

"Listen to us!" Have meetings for Public response!

2 of Em ea. times - one during the day and one  
at Evening - to cover the city - you present  
schedules may work on that - Well see - as you'd hear  
from us again (and again) Service cuts only where not needed  
as jobs lost! Louise Barnes - Esposito -

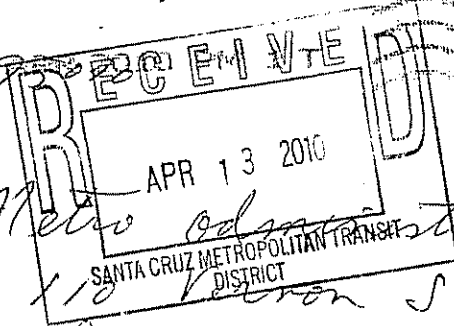
2-a.2

Barnes

Capitol, Ca.

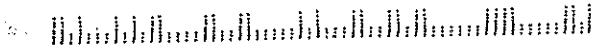
Letter of  
Protest

Metro Administration

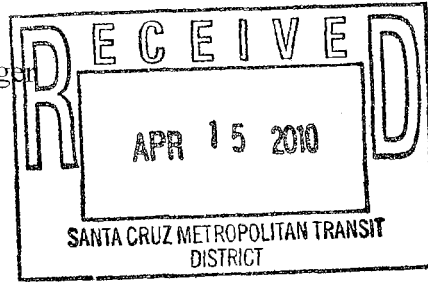


110 Victoria St.  
Santa Cruz - Ca. 95060

attn:  
Metro Board  
of Directors



Board of Directors  
Santa Cruz Metro  
Les White, General Manager  
110 Vernon Street  
Santa Cruz, Ca 95060



Dear Board,

I have been a Metro rider for over 30 years, and currently live off Big Basin Way (Hwy 236). The service to that "neck of the woods" is and has never been very user friendly. Often times I find myself stranded in Santa Cruz for hours waiting for a connection to get home...and I can't tell you how many times I see buses on Hwy 9, 17, Mt Hermon that say "out of service"...To me, a logical solution is to combine routes in BC so one leaving the Mt Store could also service the Hwy 236 (Country Club) route. I know I would be taking the bus if there were more options available. I also understand the La Selva Beach area is underserved. Couldn't some Watsonville buses that take the freeway, service the La Selva Beach area, rather than passing them by? I know you are considering cutting some services, but like I said, wouldn't it be better to alter the routes to accommodate more riders??? Just a thought !!!!!

Sincerely,

H. Clowser

2-b.1



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

DATE: 02/01/10 THRU 02/28/10

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
34101	02/03/10	-306.60	001230	CAPITOL CLUTCH & BRAKE, INC.		29761	REV VEH PARTS	-306.60	**VOID
34276	02/03/10	-3.24	001936	MCI		30052	SEPT PHONES	-3.24	**VOID
34961	02/01/10	43.50	001193	AA GLASS SHOP	7	31642	RPRS & MAINT/FAC	43.50	
34962	02/01/10	2,520.00	001141	AMERICAN BUSINESS SYSTEMS, INC		31643	ANNUAL MAINT	2,520.00	
34963	02/01/10	24,438.18	001264	ANDREWS INTERNATIONAL INC		31534	11/30-12/27/09 SEC	24,438.18	
34964	02/01/10	699.00	294	ANDY'S AUTO SUPPLY	0	31677	REV VEH PARTS/FLT	284.57	
						31678	REV VEH PARTS/FLT	333.52	
						31679	REV VEH PARTS/FLT	80.91	
34965	02/01/10	64.14	001	AT&T		31603	PHONE/OPS	64.14	
34966	02/01/10	4,883.60	001D	AT&T		31505	INSTALL DID LINES	2,169.59	
						31506	INSTALL DID LINES	2,714.01	
34967	02/01/10	47.80	001E	AT&T		31721	PHONE LINE/VERNON	47.80	
34968	02/01/10	57.73	M033	BAILEY, NEIL	0	31606	FEB 10 RET SUPP	57.73	
34969	02/01/10	570.00	001047	BOBBY'S PIT STOP		31662	OUT RPR REV VEH/FLT	156.00	
						31663	OUT RPR REV VEH/FLT	51.75	
						31664	OUT RPR/FLT	51.75	
						31665	OUT RPR/FLT	51.75	
						31666	OUT RPR/FLT	51.75	
						31667	OUT RPR/FLT	51.75	
						31668	OUT RPR REV VEH/FLT	51.75	
						31669	OUT RPR REV VEH/FLT	51.75	
						31670	OUT RPR REV VEH/FLT	51.75	
34970	02/01/10	4,012.50	001365	BORTNICK, ROBERT S. & ASSOC.	7	31509	PROF/TECH FEES	4,012.50	
34971	02/01/10	75.05	M077	BRADFORD, THOMAS	0	31607	FEB 10 RET SUPP	75.05	
34972	02/01/10	57.73	M078	BRIDINGER, DENISE	0	31608	FEB 10 RET SUPP	57.73	
34973	02/01/10	57.73	M079	BROGDON, ROY		31609	FEB 10 RET SUPP	57.73	
34974	02/01/10	550.65	002189	BUS & EQUIPMENT		31508	REV VEH PARTS	550.65	
34975	02/01/10	100.00	B018	BUSTICHI, DENE	7	31592	JAN 10 BOD MTG	100.00	
34976	02/01/10	57.73	M022	CAPELLA, KATHLEEN	0	31625	FEB 10 RET SUPP	57.73	
34977	02/01/10	28.87	M080	CARR, DALE	0	31610	FEB 10 RET SUPP	28.87	
34978	02/01/10	28.87	M073	CENTER, DOUG	0	31632	FEB 10 RET SUPP	28.87	
34979	02/01/10	50.00	B014	CITY OF WATSONVILLE		31602	JAN 10 BOD MTG	50.00	
34980	02/01/10	247.75	001113	CLARKE, SUSAN	7	31538	1/7-1/11/10 BUS AUD	125.00	
						31539	1/14-1/19/10 BUS AUD	122.75	
34981	02/01/10	74,676.12	001124	CLEAN ENERGY		31653	LNG/FLT 1/1/10	11,530.77	
						31654	LNG/FLT 1/5/10	10,422.87	
						31655	LNG/FLT 1/8/10	12,023.17	
						31656	LNG/FLT 12/16/09	9,685.60	
						31657	LNG/FLT 12/13/09	10,395.38	
						31658	LNG/FLT 12/07/09	9,616.62	
						31659	LNG/FLT 12/10/09	11,001.71	
34982	02/01/10	1,595.00	723	COUNCIL ON EDUCATION IN		31553	CONF 2/1-2/3/10	1,595.00	
34983	02/01/10	28.87	M092	CRAWFORD, TERRI	0	31633	FEB 10 RET SUPP	28.87	
34984	02/01/10	28.87	M039	DAVILA, ANA MARIA	0	31611	FEB 10 RET SUPP	28.87	
34985	02/01/10	40,006.10	800	DELTA DENTAL PLAN		31551	FEB 10 DENTAL	40,006.10	
34986	02/01/10	2,124.42	085	DIXON & SON TIRE, INC.		31513	JAN TIRES & TUBES/PC	442.84	
						31514	JAN TIRES/FLT	693.00	
						31515	JAN TIRES/FLT	849.08	
						31516	JAN TIRES/FLT	139.50	
34987	02/01/10	1,070.00	916	DOCTORS ON DUTY		31555	EMPLOY EXAM	30.00	

5-1.1

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
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					31556	EMPLOY EXAM	35.00		
					31557	EMPLOY EXAM	30.00		
					31558	EMPLOY EXAM	30.00		
					31559	EMPLOY EXAM	30.00		
					31560	EMPLOY EXAM	35.00		
					31561	EMPLOY EXAM	30.00		
					31562	EMPLOY EXAM	30.00		
					31563	EMPLOY EXAM	30.00		
					31564	EMPLOY EXAM	30.00		
					31565	EMPLY EXAM	35.00		
					31566	EMPLOY EXAM	30.00		
					31567	EMPLOY EXAM	35.00		
					31568	EMPLOY EXAM	30.00		
					31569	EMPLOY EXAM	35.00		
					31570	EMPLOY EXAM	30.00		
					31571	EMPLOY EXAM	120.00		
					31572	EMPLOY EXAM	30.00		
					31573	EMPLOY EXAM	30.00		
					31574	EMPLOY EXAM	35.00		
					31575	EMPLOY EXAM	30.00		
					31576	EMPLOY EXAM	35.00		
					31577	EMPLOY EXAM	30.00		
					31578	EMPLOY EXAM	30.00		
					31579	EMPLOY EXAM	35.00		
					31580	EMPLOY EXAM	120.00		
					31581	EMPLOY EXAM	35.00		
					31582	EMPLOY EXAM	35.00		
34988	02/01/10	110.00	002388	DOGHERRA'S	7	31517	OUT RPR REV VEH/PC	110.00	
34989	02/01/10	28.87	M096	DRAKE, JUDITH	0	31634	FEB 10 RET SUPP	28.87	
34990	02/01/10	64.05	372	FEDERAL EXPRESS		31727	MAIL/HR	31.73	
						31728	MAIL/FIN	26.75	
						31729	MAIL/FLT	5.57	
34991	02/01/10	165.61	001172	FERGUSON ENTERPRISES INC.		31707	RPR/WTC	82.16	
						31708	RPR/WTC	49.82	
						31709	RPRS & MAINT/FAC	33.63	
34992	02/01/10	57.73	M099	FIKE, LOUIS	0	31635	FEB 10 RET SUPP	57.73	
34993	02/01/10	51.54	M074	GABRIELE, BERNARD	0	31636	FEB 10 RET SUPP	51.54	
34994	02/01/10	28.87	M040	GARBEZ, LINDA	0	31612	FEB 10 RET SUPP	28.87	
34995	02/01/10	57.73	M100	GARCIA, SANTIAGO	0	31613	FEB 10 RET SUPP	57.73	
34996	02/01/10	28.87	M101	GOES, ALAN	0	31637	FEB 10 RET SUPP	28.87	
34997	02/01/10	4,822.70	001029	GOLDEN GATE SYSTEMS	0	31723	HP/3COM SWITCHES	4,822.70	
34998	02/01/10	57.73	M041	GOUVEIA, ROBERT	0	31614	FEB 10 RET SUPP	57.73	
34999	02/01/10	670.33	001323	GOVDELIVERY, INC.		31548	EMAIL MAINT DEC 09	670.33	
35000	02/01/10	50.00	B023	GRAVES, RON		31593	JAN 10 BOD MTG	50.00	
35001	02/01/10	100.00	B021	HAGEN, DONALD N.	7	31594	JAN 10 BOD MTG	100.00	
35002	02/01/10	75.11	M081	HALL, JAMES	0	31615	FEB 10 RET SUPP	75.11	
35003	02/01/10	50.00	B006	HINKLE, MICHELLE	7	31595	JAN 10 BOD MTG	50.00	
35004	02/01/10	75.05	M043	HOLODNICK, JAMES	0	31616	FEB 10 RET SUPP	75.05	
35005	02/01/10	15,868.54	002117	IULIANO	7	31588	FEB 10 RENT 111 DUB	12,397.69	
						31590	FEB 10 RENT 115 DUB	3,470.85	

5-1.2

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
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CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
35006	02/01/10	2,905.16	110	JESSICA GROCERY STORE, INC.		31518	JAN 10 CUST SVCS	2,905.16	
35007	02/01/10	100.00	B026	JOHN LEOPOLD	7	31600	JAN 10 BOD MTG	100.00	
35008	02/01/10	28.87	M104	JUSSEL, PETE	0	31638	FEB 10 RET SUPP	28.87	
35009	02/01/10	291.85	M061	KAMEDA, TERRY	0	31626	FEB 10 RET SUPP	291.85	
35010	02/01/10	2,928.00	878	KELLY SERVICES, INC.		31535	TEMP/OPS W/E 12/27	876.00	
						31536	TEMP/OPS W/E 1/3/10	912.00	
						31537	TEMP/OPS W/E 1/11/10	1,140.00	
35011	02/01/10	1,645.13	001119	MACERICH PARTNERSHIP LP	7	31587	FEB 10 RENT	1,645.13	
35012	02/01/10	811.20	001145	MANAGED HEALTH NETWORK		31520	FEB 10 EAP	811.20	
35013	02/01/10	100.00	B025	MARTINEZ, EMILIO	7	31596	JAN 10 BOD MTG	100.00	
35014	02/01/10	845.96	041	MISSION UNIFORM		31347	UNIF/LAUNDRY/FAC	52.10	
						31521	UNIF & LAUNDRY/PC	26.67	
						31671	UNIFORM/LAUNDRY FLT	69.85	
						31672	UNIFORM/LAUNDRY FLT	185.88	
						31673	UNIFORM/LAUNDRY FLT	69.85	
						31674	UNIFORM/LAUNDRY FLT	185.88	
						31675	UNIFORM/LAUNDRY FLT	185.88	
						31676	UNIFORM/LAUNDRY FLT	69.85	
35015	02/01/10	1,597.57	001176	NORTHSTAR, INC.		31583	RPRS & MAINT/FAC	1,597.57	
35016	02/01/10	28.87	M050	O'MARA, KATHLEEN	0	31617	FEB 10 RET SUPP	28.87	
35017	02/01/10	5,400.00	002863	OFFICESTAR		31644	WORD/EXCEL TRAINING	5,400.00	
35018	02/01/10	7.00	001327	PACIFIC BELL DIRECTORY		31507	YELLOW PAGES	7.00	
35019	02/01/10	196.26	043	PALACE ART & OFFICE SUPPLY		31527	OFFICE SUPPLY/HR	144.24	
						31660	OFFICE SUPPLY/FLT	26.01	
						31661	OFFICE SUPPLY/FLT	26.01	
35020	02/01/10	319.71	M057	PARHAM, WALLACE	0	31627	FEB 10 RET SUPP	319.71	
35021	02/01/10	57.73	M051	PENDRAGON, LINDA	0	31618	FEB 10 RET SUPP	57.73	
35022	02/01/10	28.87	M109	PEREZ, CHERYL		31619	FEB 10 RET SUPP	28.87	
35023	02/01/10	258.43	M064	PETERS, TERRIE	0	31628	FEB 10 RET SUPP	258.43	
35024	02/01/10	28.87	M070	PICARELLA, FRANCIS	0	31629	FEB 10 RET SUPP	28.87	
35025	02/01/10	100.00	B024	PIRIE, ELLEN	7	31597	JAN 10 BOD MTG	100.00	
35026	02/01/10	319.71	M058	POTEETE, BEVERLY	0	31630	FEB 10 RET SUPP	319.71	
35027	02/01/10	207.39	107A	PROBULD		31272	REPAIRS/MAINTENANCE	4.50	
						31346	REPAIRS/MAINTENANCE	41.33	
						31525	EYE WASH/FAC	23.79	
						31526	RPRS & MAINT/FAC	56.28	
						31680	REV VEH PARTS/FLT	42.17	
						31681	REV VEH PARTS/FLT	39.32	
35028	02/01/10	10,458.40	001098	ROBERT HALF MANAGMENT RESOURCE		31529	TEMP/FIN W/E 12/4/09	2,368.80	
						31682	TEMP/ADM W/E 12/4/09	720.00	
						31683	TEMP/FIN W/E 12/11/9	2,632.00	
						31684	TEMP/FIN W/E 12/18/9	2,632.00	
						31685	TEMP/FIN W/E 12/25/9	2,105.60	
35029	02/01/10	100.00	B022	ROBINSON, LYNN MARIE		31598	JAN 10 BOD MTG	100.00	
35030	02/01/10	57.73	M085	ROSSI, DENISE	0	31620	FEB 10 RET SUPP	57.73	
35031	02/01/10	100.00	B015	ROTKIN, MIKE	7	31599	JAN 10 BOD	100.00	
35032	02/01/10	28.87	M030	ROWE, RUBY		31621	FEB 10 RET SUPP	28.87	
35033	02/01/10	17.50	699	SALINAS CASH REGISTER CO INC		31533	RIBBON TIMESTMP MACH	17.50	
35034	02/01/10	258.98	135	SANTA CRUZ AUTO PARTS, INC.		31511	REV VEH PARTS/PC	50.00	
						31512	REV VEH PARTS/PC	186.53	

5-1.3

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

DATE: 02/01/10 THRU 02/28/10

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TRANS. TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
35035	02/01/10	8,783.67	079	SANTA CRUZ MUNICIPAL UTILITIES		31652	REV VEH PARTS/PC	22.45	
						31710	12/11-1/12/10 111 DU	408.94	
						31711	12/11-1/12/10 ENC	149.25	
						31712	12/11-1/12/10 1200A	2,862.67	
						31713	12/11-1/12/10 PACIFI	2,455.97	
						31714	12/11-1/12/10 PACIFI	92.32	
						31715	12/11-1/12/10 VERNON	183.90	
						31716	12/11-1/12/10 ENC	967.34	
						31717	12/11-1/12/10 111 DU	95.03	
						31718	12/11-1/12/10 1200B	1,568.25	
35036	02/01/10	569.18	149	SANTA CRUZ SENTINEL	0	31686	ADS/FIN	184.76	
						31687	ADS/FIN	196.68	
						31688	ADS/FIN	187.74	
35037	02/01/10	302.74	M010	SHORT, SLOAN	0	31631	FEB 10 RET SUPP	302.74	
35038	02/01/10	28.87	M112	SILVA, EDUARDO	0	31639	FEB 10 RET SUPP	28.87	
35039	02/01/10	57.73	M054	SLOAN, FRANCIS	0	31622	FEB 10 RET SUPP	57.73	
35040	02/01/10	12,415.52	001075	SOQUEL III ASSOCIATES	7	31586	FEB 10 RENT	12,415.52	
35041	02/01/10	590.84	001232	SPECIALIZED AUTO AND		31604	OUT RPR REV VEH/PC	590.84	
35042	02/01/10	50.00	B017	STONE, MARK	7	31601	JAN 10 BOD MTG	50.00	
35043	02/01/10	2,016.00	001857	SWRCB FEES		31719	1/1-12/31/10 1200 RI	1,008.00	
						31720	1/1-12/31/10 138 GOL	1,008.00	
35044	02/01/10	524.96	001040	TERRYBERRY CO., LLC		31585	EMPLOY INCENTIVE	524.96	
35045	02/01/10	600.00	001165	THANH N. VU MD	7	31528	PHYS EXAM/PC	150.00	
						31542	PHYS EXAMS/OPS	75.00	
						31543	PHYS EXAM/OPS	75.00	
						31544	PHYS EXAM/OPS	75.00	
						31545	PHYS EXAMS/OPS	75.00	
						31546	PHYS EXAM/OPS	75.00	
						31547	PHYS EXAM/OPS	75.00	
35046	02/01/10	1,603.79	001800	THERMO KING OF SALINAS, INC		31584	REV VEH PARTS/FLT	1,603.79	
35047	02/01/10	28.87	M086	TOLINE, DONALD	0	31623	FEB 10 RET SUPP	28.87	
35048	02/01/10	21.92	946	UNITED SITE SERVICES		31540	FENCE RENT 115 DUB	10.96	
						31541	FENCE RENT 115 DUB	10.96	
35051	02/01/10	9,473.34	002829	VALLEY POWER SYSTEMS, INC.		25207	REV VEH PARTS	607.46	
						25208	REV VEH PARTS	11.31	
						25209	REV VEH PARTS	631.73	
						25210	REV VEH PARTS	3,687.19	
						25218	REV VEH PARTS	2,392.73	
						25417	REV VEH PARTS	68.16	
						25419	CORE CREDIT ENG 140	-10,488.70	
						25537	CORE CREDIT/ ENG 142	-10,488.70	
						25538	CORE CREDIT ENG 141	-10,488.70	
						25650	REV VEH PARTS	24.20	
						25736	REV VEH PARTS	612.07	
						25737	REV VEH PARTS	667.72	
						25738	CREDIT NOTE	-661.68	
						25817	CORE CREDIT/ENG 143	-10,488.70	
						26021	CONV MUFFLER	2,329.42	
						26057	REV VEH PARTS	123.96	
						26095	REV VEH PARTS	819.93	

5-1:4

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
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DATE: 02/01/10 THRU 02/28/10

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
					26096	REV VEH PARTS	422.47	
					26099	REV VEH PARTS	29.44	
					26216	FREIGHT/EN 143	217.00	
					26846	REV VEH PARTS	72.72	
					26847	REV VEH PARTS	657.58	
					26848	REV VEH PARTS	40.91	
					26897	REV VEH PARTS	57.68	
					26898	REV VEH PARTS	214.49	
					26899	REV VEH PARTS	3,512.84	
					26900	REV VEH PARTS	78.62	
					27451	REV VEH PARTS	638.07	
					27452	REV VEH PARTS	674.19	
					27453	REV VEH PARTS	107.59	
					27454	REV VEH PARTS	1,885.12	
					27455	REV VEH PARTS	321.54	
					27456	REV VEH PARTS	63.39	
					27457	REV VEH PARTS	52.56	
					27458	REV VEH PARTS	1,622.14	
					27459	REV VEH PARTS	11.03	
					27460	REV VEH PARTS	70.38	
					27461	REV VEH PARTS	722.88	
					28216	REV VEH PARTS	15.14	
					28217	REV VEH PARTS	83.81	
					28271	REV VEH PARTS	2,832.27	
					28272	REV VEH PARTS	532.49	
					28273	REV VEH PARTS	161.80	
					28449	REV VEH PARTS	3,540.45	
					28450	REV VEH PARTS	578.16	
					28451	REV VEH PARTS	176.82	
					28494	REV VEH PARTS	13.58	
					28495	REV VEH PARTS	43.18	
					28496	REV VEH PARTS	290.83	
					28497	REV VEH PARTS	345.45	
					28903	CREDIT MEMO	-2,891.90	
					28904	REV VEH PARTS	2,566.70	
					28905	REV VEH PARTS	87.29	
					28906	REV VEH PARTS	2,619.77	
					28908	REV VEH PARTS	306.95	
					31645	REV VEH PARTS/FLT	1,105.82	
					31646	REV VEH PARTS/FLT	1,510.34	
					31647	REV VEH PARTS/FLT	425.04	
					31648	REV VEH PARTS/FLT	218.58	
					31689	REV VEH PARTS/FLT	53.17	
					31690	REV VEH PARTS/FLT	218.04	
					31691	REV VEH PARTS/FLT	68.12	
					31692	REV VEH PARTS/FLT	1,158.07	
					31693	REV VEH PARTS/FLT	364.94	
					31694	REV VEH PARTS/FLT	1,400.21	
					31695	REV VEH PARTS/FLT	1,185.56	
					31696	REV VEH PARTS/FLT	72.72	

5-1.5

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
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						31697	REV VEH PARTS/FLT	164.89	
						31698	REV VEH PARTS/FLT	536.35	
						31699	REV VEH PARTS/FLT	18.16	
						31700	REV VEH PARTS/FLT	43.21	
						31701	REV VEH PARTS/FLT	259.64	
						31702	REV VEH PARTS/FLT	6,035.20	
						31703	REV VEH PARTS/FLT	814.10	
						31704	REV VEH PARTS/FLT	735.84	
						31705	REV VEH PARTS/FLT	643.56	
						31706	REV VEH PARTS/FLT	306.95	
35052	02/01/10	54.43	434B	VERIZON CALIFORNIA		31722	MT BIEWLASKI	54.43	
35053	02/01/10	90.02	434	VERIZON WIRELESS	0	31530	PC CARDS/ADMIN	90.02	
35054	02/01/10	10,302.50	001043	VISION SERVICE PLAN		31552	FEB 10 VISION	10,302.50	
35055	02/01/10	291.85	M076	VONWAL, YVETTE	0	31640	FEB 10 RET SUPP	291.85	
35056	02/01/10	766.42	001223	WATSONVILLE CADILLAC, BUICK,		31650	REV VEH PARTS/PC	721.14	
						31651	REV VEH PARTS/PC	45.28	
35057	02/01/10	70.00	682	WEISS, AMY L.	7	31649	BOD MTG 1/22/10	70.00	
35058	02/01/10	215.18	436	WEST PAYMENT CENTER		31531	SUBSCRIPT/LEGAL	215.18	
35059	02/01/10	31.12	M115	WILLIAMS, CHRIS	0	31641	FEB 10 RET SUPP	31.12	
35060	02/01/10	639.01	186	WILSON, GEORGE H., INC.		31532	PARTS FOR HVAC/FAC	639.01	
35061	02/01/10	28.87	M088	YAGI, RANDY	0	31624	FEB 10 RET SUPP	28.87	
35064	02/08/10	200.12	002861	AMERICAN MESSAGING SVCS, LLC		31785	FEB PAGERS	200.12	
35065	02/08/10	1,305.88	001312	ANTHEM BLUE CROSS		31771	PERS CHOICE FAMILY	1,305.88	
35066	02/08/10	17,278.83	941	ASSURANT EMPLOYEE BENEFITS		31760	FEB 10 DIS INS	17,278.83	
35067	02/08/10	60.83	001	AT&T		31765	PHONE/OPS 12/5-1/4	60.83	
35068	02/08/10	7,275.05	001D	AT&T		31766	11/19-12/18 PHONES	7,275.05	
35069	02/08/10	1,426.01	845A	BLUE SHIELD OF CALIFORNIA		31770	95% BASIC HMO FAMILY	1,426.01	
35070	02/08/10	163.45	001112	BRINKS AWARDS & SIGNS	7	31806	EMPLOYEE INCENTIVE	20.00	
						31807	DIRECTOR APPRECIATIO	143.45	
35071	02/08/10	10.00	E090	CALLEJAS, LETICIA		31779	DMV/VTT FEES	10.00	
35072	02/08/10	64.76	002627	CDW GOVERNMENT, INC.		31746	ANTENNA/IT	64.76	
35073	02/08/10	23,901.07	001124	CLEAN ENERGY		31738	LNF/FLT 1/11/10	11,721.57	
						31739	LNG/FLT 1/14/10	12,179.50	
35074	02/08/10	1,340.00	001084	CLUTCH COURIERS		31510	DEC 09 MAIL P/U	1,340.00	
35075	02/08/10	59,753.88	002569	COMERICA BANK		31798	WORK COMP FUND	42,101.27	
						31799	WORK COMP FUND	17,652.61	
35076	02/08/10	155.39	002063	COSTCO		31804	OFFICE SUPPLY/ADM	155.39	
35077	02/08/10	295.95	157	DELL MARKETING L.P.		31748	MEMORY MODULE	167.85	
						31749	RAPID RAIL KIT	128.10	
35078	02/08/10	235.11	001316	DEVCO OIL		31737	UNL FUEL/PC 1/17/10	235.11	
35079	02/08/10	387.53	085	DIXON & SON TIRE, INC.		31735	TIRES & TUBES/PC	387.53	
35080	02/08/10	49.00	E883	ED DAVIDSON		31761	DMV/VTT FEES	49.00	
35081	02/08/10	39.00	E180	FELDER, GEORGE		31780	DMV/VTT FEES	39.00	
35082	02/08/10	469.51	117	GILLIG LLC		31589	REV VEH PARTS/FLT	-61.75	
						31774	REV VEH PARTS/FLT	531.26	
35083	02/08/10	13,315.94	001212	GOVSTOR INC.		31733	HASTUS PROJECT	13,315.94	
35084	02/08/10	79,554.94	001035	HARRIS & ASSOCIATES		31810	MB MAINT	69,930.94	
						31811	MB VERNON	9,624.00	
35085	02/08/10	3,127.89	001745	HARTFORD LIFE AND ACCIDENT INS		31797	FEB LIFE/AD&D	3,127.89	
35086	02/08/10	7,975.00	001262	JABICO ENTERPRISES, LLC	7	31769	WEB DEVELOPMENT	7,975.00	

5-1.6

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
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CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
35087	02/08/10	317.44	R568	JACQUELINE RAYNOR		31808	SETTLEMENT CLAIM	317.44	
35088	02/08/10	75.00	764	MERCURY METALS		31736	OUT RPR REV VEH/PC	75.00	
35089	02/08/10	1,254.04	001052	MID VALLEY SUPPLY		31755	CLEAN SUPPLY/FAC	168.79	
						31791	CLEANING SUPPLY/FAC	1,085.25	
35090	02/08/10	306.17	041	MISSION UNIFORM		31519	UNIF & LAUNDRY/FAC	50.44	
						31741	UNIFORMS/LAUNDRY FLT	69.85	
						31742	UNIFORMS/LAUNDRY FLT	185.88	
35091	02/08/10	42.53	004	NORTH BAY FORD LINC-MERCURY		31523	REV VEH PARTS/PC	14.19	
						31524	REV VEH PARTS/PC	28.34	
35092	02/08/10	715.45	043	PALACE ART & OFFICE SUPPLY		31747	OFFICE SUPPLY/ADM	206.92	
						31801	OFFICE SUPPLY/ADM	432.31	
						31802	OFFICE SUPPLY/ADM	58.94	
35093	02/08/10	595.50	481	PIED PIPER EXTERMINATORS, INC.		31803	OFFICE SUPPLY/ADM	17.28	
						31792	JAN PEST CTRL	241.00	
						31793	JAN PEST CTRL	70.00	
						31794	JAN PEST CTRL	53.00	
						31795	JAN PEST CTRL	183.00	
						31796	JAN PEST CTRL	48.50	
35094	02/08/10	77.20	107A	PROBUILD		31743	OTH MOB SUPP/FLT	36.12	
						31756	RPRS & MAINT/FAC	3.53	
						31757	RPRS & MAINT CREDIT	-3.53	
						31758	RPRS & MAINT/FAC	7.58	
						31759	RPRS & MAINT/FAC	33.50	
35095	02/08/10	3,710.09	R335	RILEY COLLINS AUTO BODY SHOP		31809	SETTLEMENT CLAIM	3,710.09	
35096	02/08/10	9,356.50	001098	ROBERT HALF MANAGMENT RESOURCE		31775	TEMP/FIN W/E 1/8	2,632.00	
						31776	TEMP/FIN W/E 1/15	2,500.40	
						31777	TEMP/FIN W/E 1/22	2,335.90	
						31778	TEMP/RR W/E 1/22	979.20	
						31812	TEMP/ADM W/E 1/15	351.00	
						31813	TEMP/ADM W/E 1/22	558.00	
35097	02/08/10	77.83	848	SANTA CRUZ ELECTRONICS, INC.		31549	OFFICE SUPPLY/IT	30.47	
						31550	OFFICE SUPPLY/IT	47.36	
35098	02/08/10	1,798.92	079	SANTA CRUZ MUNICIPAL UTILITIES		31752	12/11-1/12/10 GOLF	66.56	
						31753	12/11-1/12/10 VERNON	173.40	
						31754	12/11-1/12/10 GOLF	1,153.33	
						31784	11/20-1/20 RES PARK	285.54	
						31805	12/11-1/12 1217 RIV	120.09	
35099	02/08/10	118.61	122	SCMTD PETTY CASH - OPS		31773	PETTY CASH/OPS	118.61	
35100	02/08/10	277.51	001232	SPECIALIZED AUTO AND		31605	OUT RPR REV VEH/PC	277.51	
35101	02/08/10	160.00	001299	TELEPHONICS		31734	RPR FAX LINE	160.00	
35102	02/08/10	75.00	001165	THANH N. VU MD	7	31740	DMV MEDICAL/FLT	75.00	
35103	02/08/10	867.00	001752	THOMPSON PUBLISHING GROUP, INC.		31767	FAIR LABOR STDS HDB	438.50	
						31768	FAM/MED LEAVE HDB	428.50	
35104	02/08/10	10.00	E531	TORRES, HECTOR		31781	DMV/VTT FEES	10.00	
35105	02/08/10	5,256.35	057	U.S. BANK		31724	4246044555645971	1,302.03	
						31725	4246044555645971	714.41	
						31762	4246044555645971	3,239.91	
35106	02/08/10	20.32	007	UNITED PARCEL SERVICE		31772	FREIGHT OUT/FLT	20.32	
35107	02/08/10	320.00	186	WILSON, GEORGE H., INC.		31788	HEATER/MC	320.00	
35108	02/08/10	27.98	147	ZEE MEDICAL SERVICE CO.		31782	SAFETY SUPPLIES	27.98	

5-1:7

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
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CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
35109	02/15/10	115.38	E636	AGUIRRE, CIRO		31883	REIMBURSE-JPA	115.38	
35110	02/15/10	147.56	001	AT&T		31938	FAX-FINAL BILL	147.56	
35111	02/15/10	5,343.61	001D	AT&T		31939	12/19-1/18 PHONES	5,343.61	
35112	02/15/10	7,042.07	664	BAY COUNTIES PITCOCK PETROLEUM		31876	FUEL/LUBE/FLT	7,042.07	
35113	02/15/10	774.00	011	BEWLEYS CLEANING	7	31786	JAN JANT/RES PARK	774.00	
35114	02/15/10	1,553.30	001287	BLUE SHIELD OF CALIFORNIA		31858	JAN-MAR 10 COBRA	1,148.31	
						31859	MARCH 10 COBRA	404.99	
35115	02/15/10	47.69	002189	BUS & EQUIPMENT		31818	REV VEH PARTS/PC	47.69	
35116	02/15/10	5,000.00	001324	CAPITALEdge ADVOCACY, LLC		31850	FEB 10 LEG SVC	5,000.00	
35117	02/15/10	551.31	E312	CHENG, FRANK		31930	SPRINT OCT 09 SVC	61.25	
						31931	SPRINT NOV 09 SVC	61.25	
						31932	PARKING PERMIT	3.00	
						31933	MILEAGE	25.85	
						31934	VERIZON PHONE	154.96	
						31935	NOV 22-NOV 25	103.48	
						31936	NOV 26-DEC 25	65.30	
						31937	DEC 26-JAN 25	76.22	
35118	02/15/10	34.66	001346	CITY OF SANTA CRUZ		31856	JAN LANDFILL	22.37	
						31857	JAN LANDFILL	12.29	
35119	02/15/10	50.30	667	CITY OF SCOTTS VALLEY		31887	11/15-1/15 SVTC	50.30	
35120	02/15/10	35,815.92	001124	CLEAN ENERGY		31909	1/29/10 LNG/FLT	12,125.34	
						31910	1/26/10 LNG/FLT	11,578.78	
						31911	1/23/10 LNG/FLT	12,111.80	
35121	02/15/10	184.00	367	COMMUNITY TELEVISION OF		31884	12/18/09 BOD MTG	184.00	
35122	02/15/10	6.90	418	COUNTY OF SANTA CRUZ		31916	DEC 09 CNG/FLT	6.90	
35123	02/15/10	105.89	001000	DAIMLER BUSES N. AMERICA INC.		31893	REV VEH PARTS/FLT	105.89	
35124	02/15/10	10,829.18	001316	DEVCO OIL		31819	1/19-1/31 UNL/PC	5,563.13	
						31889	JAN FUEL/FLT	5,266.05	
35125	02/15/10	966.92	085	DIXON & SON TIRE, INC.		31815	JAN TIRES & TUBES/PC	15.00	
						31816	JAN TIRES & TUBES/PC	841.65	
						31817	JAN TIRES & TUBES/PC	110.27	
35126	02/15/10	152,752.48	001284	DMC CONSTRUCTION INC.		31923	MB CONSTRUCTION	152,752.48	
35127	02/15/10	2,265.87	001329	DOC AUTO LLC		31834	OUT RPR REV VEH/PC	137.02	
						31835	OUT RPR REV VEH/PC	137.76	
						31836	OUT RPR REV VEH/PC	387.96	
						31837	OUT RPR REV VEH/PC	818.59	
						31838	OUT RPR REV VEH/PC	784.54	
35128	02/15/10	106.20	002388	DOGHERRA'S	7	31822	OUT RPR REV VEH/PC	106.20	
35129	02/15/10	619.00	001492	EVERGREEN OIL INC.		31732	HAZ WASTE DISP	75.00	
						31750	HAZ WASTE DIS	409.00	
						31783	HAZ WASTE DIS	135.00	
35130	02/15/10	16,972.50	001295	FIRST NATIONAL BANK		31924	MB CONSTRUCTION	16,972.50	
35131	02/15/10	200.60	001302	GARDA CL WEST		31901	JAN LIABILITY	0.60	
						31902	FEB ARMORED CAR SVC	200.00	
35132	02/15/10	190.54	282	GRAINGER		31787	RPRS & MAINT/FAC	190.54	
35133	02/15/10	49.00	E378	GRANADOS-BOYCE, MARIA		31928	DMV/VTT FEES	49.00	
35134	02/15/10	548.37	001097	GREENWASTE RECOVERY, INC.		31905	JAN GARB/RES PARK	213.75	
						31906	JAN GARB/MT. HERMON	88.90	
						31907	JAN GARB/GRN VALLEY	17.78	
						31908	JAN GARB/SVTC	227.94	

5-1.8



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
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 ALL CHECKS FOR ACCOUNTS PAYABLE

DATE: 02/01/10 THRU 02/28/10

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35135	02/15/10	85.00	E319	HERNANDEZ, ALICIA		31841	PHYS EXAM/PC	85.00	
35136	02/15/10	629.88	215	IKON OFFICE SOLUTIONS		31920	MAINT 11/18-12/18/09	176.71	
						31921	MAINT 12/18-1/19/10	153.17	
						31922	110 VERNON MOVE	300.00	
35137	02/15/10	98.10	001163	INNERWORKINGS, INC		31918	REV VEH PARTS/FLT	98.10	
35138	02/15/10	172.50	074	KENVILLE LOCKSMITHS	7	31744	RE-KEY CYN/ENC	167.00	
						31745	HR FILE CAB LOCKS	5.50	
35139	02/15/10	196.00	001093	KROLL LABORATORY SPECIALISTS		31800	EMPLOY EXAMS	196.00	
35140	02/15/10	10.00	E193	LIMAS, GILBERTO		31927	DMV/VTT FEE	10.00	
35141	02/15/10	1,194.60	001336	LOWY FIRE PROTECTION, INC.	7	31919	EMERG RPR/VERNON	1,194.60	
35142	02/15/10	49.00	E417	MENDOZA, FELIPE		31929	DMV/VTT FEES	49.00	
35143	02/15/10	3,635.72	764	MERCURY METALS		31820	OUT RPR REV VEH/PC	3,635.72	
35144	02/15/10	601.18	041	MISSION UNIFORM		31751	UNIF/LAUNDRY FAC	52.10	
						31827	JAN UNIF/LAUNDRY/PC	31.02	
						31872	UNIF/LAUNDRY/FLT	185.88	
						31873	UNIF/LAUNDRY/FLT	69.85	
						31874	UNIF/LAUNDRY/FLT	69.85	
						31875	UNIF/LAUNDRY/FLT	192.48	
35145	02/15/10	48.51	288	MUNCIE TRANSIT SUPPLY		31917	REV VEH PARTS/FLT	48.51	
35146	02/15/10	14,842.00	001176	NORTHSTAR, INC.		31522	JAN 10 MAINT	14,842.00	
35147	02/15/10	440.64	001002	ORACLE CORPORATION		31842	3/1/10-2/28/11	440.64	
35148	02/15/10	25.00	188	PACIFIC BUS MUSEUM		31885	MEMBERSHIP RENEWAL	25.00	
35149	02/15/10	13,879.20	009	PACIFIC GAS & ELECTRIC		31863	12/25-1/26/VERNON	3,809.89	
						31865	12/30-1/29 PACIFIC	2,362.86	
						31866	12/25-1/26 1200 RVR	1,507.58	
						31867	12/25-1/26 GOLF CLUB	4,604.56	
						31868	12/25-1/26 ENCINAL	219.26	
						31869	12/25-1/26 115 DUB	9.54	
						31870	12/25-1/27 115 DUB	16.14	
						31879	12/25-1/26 1122 RVR	175.75	
						31880	12/25-1/26 111 DUB	821.92	
						31881	12/25-1/27 115 DUB	118.39	
						31882	12/25-1/26	233.31	
35150	02/15/10	1,427.74	043	PALACE ART & OFFICE SUPPLY		31554	OFFICE SUPPLY/HR	129.19	
						31839	OFFICE SUPPLY/PC	-50.13	
						31845	OFFICE SUPPLY/ADM	432.31	
						31860	OFFICE SUPPLY/VERNON	916.37	
35151	02/15/10	36.28	107A	PROBUILD		31871	RPRS/MAINT/FAC	12.78	
						31888	RPRS/MAINT/FAC	9.04	
						31896	RPRS/MAINT/FAC	14.46	
35152	02/15/10	158.41	001269	RAY'S UPHOLSTERY	7	31821	OUT RPR REV VEH/PC	158.41	
35153	02/15/10	4,409.60	001098	ROBERT HALF MANAGMENT RESOURCE		31846	TEMP/ADM W/E 12/18	720.00	
						31847	TEMP/ADM W/E 12/25	450.00	
						31848	TEMP/ADM W/E 1/1	576.00	
						31849	TEMP/ADM W/E 1/29	558.00	
						31899	TEMP FIN W/E 1/1	2,105.60	
35154	02/15/10	79,720.09	966	S.C. FUELS	0	31877	12/4/09 DIESEL/FLT	16,825.64	
						31912	12/30/09 DIESEL/FLT	12,036.05	
						31913	12/17/09 DIESEL/FLT	16,062.50	
						31914	1/27/10 DIESEL/FLT	17,367.65	

5-1.9

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
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DATE: 02/01/10 THRU 02/28/10

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35155	02/15/10	99.28	135	SANTA CRUZ AUTO PARTS, INC.		31915	11/23/09 DIESEL/FLT	17,428.25	
						31826	REV VEH PARTS/PC	32.65	
						31864	REV VEH PARTS/PC	66.63	
35156	02/15/10	187.74	149	SANTA CRUZ SENTINEL	0	31900	JAN ADS/FIN	187.74	
35157	02/15/10	4,493.93	001232	SPECIALIZED AUTO AND		31828	OUT RPR REV VEH/PC	84.78	
						31829	OUT RPR REV VEH/PC	220.01	
						31830	OUT RPR REV VEH/PC	1,447.21	
						31831	OUT RPR REV VEH/PC	869.04	
						31832	OUT RPR REV VEH/PC	200.39	
						31833	OUT RPR REV VEH/PC	1,672.50	
35158	02/15/10	485.00	001930	STATE BAR OF CALIFORNIA		31840	2010 MEMBERSHIP	485.00	
35159	02/15/10	346.00	001857	SWRCB FEES		31892	1/1-12/31 GOLF FEE	346.00	
35160	02/15/10	117.02	007	UNITED PARCEL SERVICE		31814	JAN FRT OUT/FLT	68.36	
						31878	FREIGHT OUT/FLT	48.66	
35161	02/15/10	1,367.69	001223	WATSONVILLE CADILLAC, BUICK,		31823	REV VEH PARTS/PC	400.71	
						31824	REV VEH PARTS/PC	436.91	
						31825	REV VEH PARTS/PC	530.07	
35162	02/15/10	293.14	436	WEST PAYMENT CENTER		31925	JAN INFO CHARGES	293.14	
35163	02/15/10	10.00	E532	ZARATE, VALENTIN	7	31926	DMV/VTT FEE	10.00	
35164	02/15/10	65.15	147	ZEE MEDICAL SERVICE CO.		31790	SAFETY SUPPLY/FAC	65.15	
35165	02/22/10	901.31	020	ADT SECURITY SERVICES INC.		32086	3/1-5/31 1200 RIVER	435.12	
						32087	MAR ALARMS	88.38	
						32088	MAR ALARMS	49.23	
						32089	MAR ALARMS	101.00	
						32090	MAR ALARMS	68.00	
						32091	MAR ALARMS	45.05	
						32092	MAR ALARMS	65.30	
						32093	MAR ALARMS	49.23	
35166	02/22/10	723.33	001188	AFV FLEET SERVICE		32018	REV VEH PARTS/FLT	723.33	
35167	02/22/10	673.75	001128	ALWAYS TOWING & RECOVERY, INC		31954	TOW #2804	673.75	
35168	02/22/10	72.27	510	ASCOM HASLER LEASING		32081	3/1-3/31 RENTAL	72.27	VOIDED
35168	02/22/10	-72.27	510	ASCOM HASLER LEASING		32081	3/1-3/31 RENTAL	-72.27	**VOID
35169	02/22/10	395.92	001	AT&T		32013	REPEATERS/OPS	310.86	
						32094	MT BIEWLASKI	85.06	
35170	02/22/10	97.06	876	ATCHISON, BARISONE, CONDOTTI &	7	32075	425 PROP ACQ 1/31	97.06	
35171	02/22/10	847.72	130	CITY OF WATSONVILLE UTILITIES		32041	1/5-1/28 WTC	26.47	
						32042	1/1-2/1 WTC	42.92	
						32043	CONTAINER/WTC	721.78	
						32044	1/5-1/28 WTC	25.35	
						32045	1/5-1/28 WTC	31.20	
35172	02/22/10	250.00	001113	CLARKE, SUSAN	7	32009	1/21-1/27 BUS AUDIT	125.00	
						32010	1/28-2/1 BUS AUDIT	125.00	
35173	02/22/10	37.32	002063	COSTCO		32080	2/12 BOD MTG	37.32	
35174	02/22/10	254.20	504	CUMMINS WEST, INC.		31894	REV VEH PARTS/FLT	254.20	
35175	02/22/10	2,671.82	001329	DOC AUTO LLC		31945	OUT RPR REV VEH/PC	436.02	
						31946	OUT RPR REV VEH/PC	2,235.80	
35176	02/22/10	110.00	002388	DOGHERRA'S	7	31977	OUT RPR REV VEH/PC	22.00	
						31978	OUT RPR REV VEH/PC	88.00	
35177	02/22/10	630.00	001257	DOMINICAN HOSPITAL OF S C		32077	1/15 MEDICAL	630.00	
35178	02/22/10	2,239.00	001317	EUROTECH, INC.		32084	OUT RPR EQUIP/FLT	2,239.00	

5-1.10

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
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35179	02/22/10	2,633.75	001492	EVERGREEN OIL INC.		32015	HAZ WASTE DISP	1,255.00	
						32038	HAZ WASTE DIS	1,378.75	
35180	02/22/10	173.86	372	FEDERAL EXPRESS		32096	MAILING/FIN	173.86	
35181	02/22/10	813.00	447	FERRIS HOIST & REPAIR, INC.		31862	RPRS & MAINT/FAC	813.00	
35182	02/22/10	85.00	E020	FOUSE, BRENT		32014	PHYS EXAM/OPS	85.00	
35183	02/22/10	355.20	711	GLASS DOCTOR	7	31980	RPR VEH #2701	355.20	
35184	02/22/10	108.79	282	GRAINGER		31890	SAFETY SUPPLY/FLT	25.36	
						31891	RPRS/MAINT/FAC	83.43	
35185	02/22/10	48.06	510A	HASLER, INC.		31991	3/1-3/31 RENTAL/PC	48.06	
35186	02/22/10	929.71	166	HOSE SHOP, THE		31981	PARTS & SUPPLY/FLT	8.93	
						31982	REV VEH PARTS/FLT	637.17	
						31983	REV VEH PARTS/FLT	19.38	
						31984	REV VEH PARTS/FLT	39.81	
						31985	REV VEH PARTS/FLT	116.30	
						31986	REV VEH PARTS/FLT	31.65	
						31987	REV VEH PARTS/FLT	115.36	
						31988	REV VEH PARTS/FLT	-92.28	
						31989	REV VEH PARTS/FLT	21.47	
						31990	REV VEH PARTS/FLT	14.98	
						32039	REV VEH PARTS/FLT	16.94	
35187	02/22/10	48.18	215	IKON OFFICE SOLUTIONS		32067	STAPLES K5000/CTG	48.18	
35188	02/22/10	1,531.37	001163	INNERWORKINGS, INC		31953	ONE DAY PASS COUPONS	1,531.37	
35189	02/22/10	16,240.47	002117	IULIANO	7	32071	MAR 10 RENT-115 DUB	3,470.85	
						32074	MAR 10 RENT 111 DUB	12,769.62	
35190	02/22/10	2,905.16	110	JESSICA GROCERY STORE, INC.		32072	FEB 10 CUSTODIAL SVC	2,905.16	
35191	02/22/10	2,964.00	878	KELLY SERVICES, INC.		31994	TEMP/OPS W/E 1/17	1,140.00	
						31995	TEMP/OPS W/E 1/24	912.00	
						31996	TEMP/OPS W/E 1/31	912.00	
35192	02/22/10	7.67	074	KENVILLE LOCKSMITHS	7	31855	RPRS/MAINT/FAC	7.67	
35193	02/22/10	244.82	039	KINKO'S INC.		31950	PRINTING/POSTERS	299.60	
						31951	PRINTING/POSTERS	6.15	
						31952	DUPLICATE PAYMENT	-60.93	
35194	02/22/10	57.11	579	LAB SAFETY SUPPLY, INC.		31993	OFFICE SUPPLY/OPS	57.11	
35195	02/22/10	1,645.13	001119	MACERICH PARTNERSHIP LP	7	32073	MAR 10 RENT	1,645.13	
35196	02/22/10	1,193.13	001052	MID VALLEY SUPPLY		32082	CLEAN SUPPLY/FLT	107.88	
						32095	CLEAN SUPPLY/FAC	1,085.25	
35197	02/22/10	217.99	887	NEOPOST, INC		31979	INK CARTRIDGE/PC	217.99	
35198	02/22/10	16,338.35	001063	NEW FLYER INDUSTRIES LIMITED		32046	REV VEH PARTS/FLT	921.85	
						32047	REV VEH PARTS/FLT	1,707.85	
						32048	REV VEH PARTS/FLT	5,670.21	
						32049	REV VEH PARTS/FLT	718.67	
						32050	REV VEH PARTS/FLT	2,057.34	
						32051	REV VEH PARTS/FLT	1,063.75	
						32052	REV VEH PARTS/FLT	188.08	
						32053	REV VEH PARTS/FLT	6.58	
						32054	REV VEH PARTS/FLT	1,491.76	
						32055	REV VEH PARTS/FLT	288.54	
						32056	REV VEH PARTS/FLT	23.47	
						32057	REV VEH PARTS/FLT	21.51	
						32058	REV VEH PARTS/FLT	16.77	

5-1.11

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
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 ALL CHECKS FOR ACCOUNTS PAYABLE

DATE: 02/01/10 THRU 02/28/10

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						32059	REV VEH PARTS/FLT	119.97	
						32060	REV VEH PARTS/FLT	848.44	
						32061	REV VEH PARTS/FLT	1,193.56	
35199	02/22/10	4,415.10	002721	NEXTEL COMMUNICATIONS		31992	12/26-1/25/OPS	4,415.10	
35200	02/22/10	2,189.60	009	PACIFIC GAS & ELECTRIC		31956	12/24-2/4 SVTC	2,175.76	
						32037	1/6-2/4 SVTC	13.84	
35201	02/22/10	52.52	043	PALACE ART & OFFICE SUPPLY		31903	SUPPLIES/FLT	39.61	
						31904	SUPPLY/FLT	12.91	
35202	02/22/10	887.00	950	PARADISE LANDSCAPE INC	0	32062	FEB MAINT/FAC	887.00	
35203	02/22/10	364.54	107A	PROBUILD		31591	RPRS & MAINT/FAC	193.78	
						31959	RPRS/MAINT/FAC	5.85	
						32036	REV VEH PARTS/FLT	164.91	
35204	02/22/10	127.00	001153	REPUBLIC ELEVATOR COMPANY		31789	ELEVATOR MAINT/PACIF	127.00	
35205	02/22/10	3,830.75	001098	ROBERT HALF MANAGMENT RESOURCE		32068	TEMP/FIN W/E 1/29	2,599.10	
						32069	TEMP/RR W/E 1/29	1,231.65	
35206	02/22/10	17,475.55	966	S.C. FUELS	0	32017	DIESEL 2/8/10/FLT	17,475.55	
35207	02/22/10	3,317.94	018	SALINAS VALLEY FORD SALES		31897	SAFETY/REV VEH/FLT	3,317.94	
35208	02/22/10	2,115.98	002713	SANTA CRUZ AUTO TECH, INC.		32016	RPR #9950	2,115.98	
35209	02/22/10	1,237.88	135	SANTA CRUZ AUTO PARTS, INC.		31853	REV VEH PARTS/FLT	115.15	
						31854	SAFETY/REV VEH/FLT	47.76	
						31861	SAFETY SUPPLY/FLT	43.33	
						31940	REV VEH PARTS/FLT	306.58	
						31941	REV VEH PARTS/FLT	82.34	
						31942	REV VEH PARTS/FLT	62.81	
						31943	REV VEH PARTS/FLT	12.03	
						31944	REV VEH PARTS/PC	73.46	
						32030	REV VEH PARTS/FLT	62.81	
						32031	REV VEH PARTS/FLT	90.64	
						32032	SAFETY SUPPLY/FLT	43.33	
						32033	REV VEH PARTS/FLT	31.49	
						32034	REV VEH PARTS/FLT	197.10	
						32035	REV VEH PARTS/FLT	69.05	
35210	02/22/10	28.29	848	SANTA CRUZ ELECTRONICS, INC.		31843	OFFICE SUPPLY/IT	28.29	
35211	02/22/10	10,673.35	977	SANTA CRUZ TRANSPORTATION, LLC	7	32063	5/08-12/09 RATE INCR	10,673.35	
35212	02/22/10	12,415.52	001075	SOQUEL III ASSOCIATES	7	32070	MAR 10 RENT	12,415.52	
35213	02/22/10	1,238.43	001232	SPECIALIZED AUTO AND		31947	OUT RPR REV VEH/PC	217.12	
						31948	OUT RPR REV VEH/PC	399.76	
						31949	OUT RPR REV VEH/PC	621.55	
35214	02/22/10	570.00	291	STANLEY ACCESS TECHNOLOGIES		32040	DOOR RPR/METRO	570.00	
35215	02/22/10	138.00	080	STATE BOARD OF EQUALIZATION		32076	JAN USE TAX PREPAY	138.00	
35216	02/22/10	10,771.00	080F	STATE BOARD OF EQUALIZATION		32079	2003-2008 AUDIT	10,771.00	
35217	02/22/10	267.31	080G	STATE BOARD OF EQUALIZATION		32078	2002 TAX PERIOD	267.31	
35218	02/22/10	49.78	001008	SWAGELOK NORTHERN CALIFORNIA		32012	REV VEH PARTS/FLT	49.78	
35219	02/22/10	2,707.41	002805	TELEPATH CORPORATION		32083	FEB MAINT	2,707.41	
35220	02/22/10	564.25	001299	TELEPHONICS		31844	IT PHONE/PC	564.25	
35221	02/22/10	82.42	007	UNITED PARCEL SERVICE		32085	FRT OUT/FLT	82.42	
35222	02/22/10	10.96	946	UNITED SITE SERVICES		32011	5/27-6/23 FENCE RENT	10.96	
35223	02/22/10	6,975.24	002829	VALLEY POWER SYSTEMS, INC.		32019	REV VEH PARTS/FLT	592.80	
						32020	REV VEH PARTS/FLT CR	-592.80	
						32021	RPR #2304	1,102.50	

5-1.112

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

DATE: 02/01/10 THRU 02/28/10

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					32022	RPR #2311	495.00	
					32023	RPR #2222	533.97	
					32024	RPR #2237	992.50	
					32025	RPR #2210	1,307.93	
					32026	RPR #2217	1,212.50	
					32027	RPR #2212	440.00	
					32028	RPR #2308	395.84	
					32029	RPR #2309	495.00	
35224	02/22/10	29,634.03	001083 WATSONVILLE TRANSPORTATION, INC		32064	5/09-12/09 RATE INCR	10,247.03	
					32065	JAN PT SERVICES	14,283.62	
					32066	5/08-4/09 RATE INCR	5,103.38	
35225	02/22/10	275.00	186 WILSON, GEORGE H., INC.		31898	EMERG RPR/MC	275.00	
35226	02/25/10	57.73	M033 BAILEY, NEIL	0	32289	MARCH SUPP PAYMENT	57.73	
35227	02/25/10	75.05	M077 BRADFORD, THOMAS	0	32290	MARCH SUPP PAYMENT	75.05	
35228	02/25/10	57.73	M078 BRIDINGER, DENISE	0	32291	MARCH SUPP PAYMENT	57.73	
35229	02/25/10	57.73	M079 BROGDON, ROY	0	32292	MARCH SUPP PAYMENT	57.73	
35230	02/25/10	57.73	M022 CAPELLA, KATHLEEN	0	32308	MARCH SUPP PAYMENT	57.73	
35231	02/25/10	28.87	M080 CARR, DALE	0	32293	MARCH SUPP PAYMENT	28.87	
35232	02/25/10	28.87	M073 CENTER, DOUG	0	32315	MARCH SUPP PAYMENT	28.87	
35233	02/25/10	28.87	M092 CRAWFORD, TERRI	0	32316	MARCH SUPP PAYMENT	28.87	
35234	02/25/10	28.87	M039 DAVILA, ANA MARIA	0	32294	MARCH SUPP PAYMENT	28.87	
35235	02/25/10	28.87	M096 DRAKE, JUDITH	0	32317	MARCH SUPP PAYMENT	28.87	
35236	02/25/10	57.73	M099 FIKE, LOUIS	0	32318	MARCH SUPP PAYMENT	57.73	
35237	02/25/10	51.54	M074 GABRIELE, BERNARD	0	32319	MARCH SUPP PAYMENT	51.54	
35238	02/25/10	28.87	M040 GARBEZ, LINDA	0	32295	MARCH SUPP PAYMENT	28.87	
35239	02/25/10	57.73	M100 GARCIA, SANTIAGO	0	32296	MARCH SUPP PAYMENT	57.73	
35240	02/25/10	28.87	M101 GOES, ALAN	0	32320	MARCH SUPP PAYMENT	28.87	VOIDED
35240	02/25/10	-28.87	M101 GOES, ALAN	0	32320	MARCH SUPP PAYMENT	-28.87	**VOID
35241	02/25/10	57.73	M041 GOUVEIA, ROBERT	0	32297	MARCH MED PAYMENT	57.73	VOIDED
35241	02/25/10	-57.73	M041 GOUVEIA, ROBERT	0	32297	MARCH MED PAYMENT	-57.73	**VOID
35242	02/25/10	75.11	M081 HALL, JAMES	0	32298	MARCH SUPP PAYMENT	75.11	VOIDED
35242	02/25/10	-75.11	M081 HALL, JAMES	0	32298	MARCH SUPP PAYMENT	-75.11	**VOID
35243	02/25/10	72.27	510A HASLER, INC.	0	32288	MARCH 10 RENTAL/ADM	72.27	VOIDED
35243	02/25/10	-72.27	510A HASLER, INC.	0	32288	MARCH 10 RENTAL/ADM	-72.27	**VOID
35244	02/25/10	75.05	M043 HOLODNICK, JAMES	0	32299	MARCH SUPP PAYMENT	75.05	VOIDED
35244	02/25/10	-75.05	M043 HOLODNICK, JAMES	0	32299	MARCH SUPP PAYMENT	-75.05	**VOID
35245	02/25/10	28.87	M104 JUSSEL, PETE	0	32321	MARCH SUPP PAYMENT	28.87	VOIDED
35245	02/25/10	-28.87	M104 JUSSEL, PETE	0	32321	MARCH SUPP PAYMENT	-28.87	**VOID
35246	02/25/10	291.85	M061 KAMEDA, TERRY	0	32309	MARCH SUPP PAYMENT	291.85	VOIDED
35246	02/25/10	-291.85	M061 KAMEDA, TERRY	0	32309	MARCH SUPP PAYMENT	-291.85	**VOID
35247	02/25/10	28.87	M050 O'MARA, KATHLEEN	0	32300	MARCH SUPP PAYMENT	28.87	VOIDED
35247	02/25/10	-28.87	M050 O'MARA, KATHLEEN	0	32300	MARCH SUPP PAYMENT	-28.87	**VOID
35248	02/25/10	319.71	M057 PARHAM, WALLACE	0	32310	MARCH SUPP PAYMENT	319.71	VOIDED
35248	02/25/10	-319.71	M057 PARHAM, WALLACE	0	32310	MARCH SUPP PAYMENT	-319.71	**VOID
35249	02/25/10	57.73	M051 PENDRAGON, LINDA	0	32301	MARCH SUPP PAYMENT	57.73	VOIDED
35249	02/25/10	-57.73	M051 PENDRAGON, LINDA	0	32301	MARCH SUPP PAYMENT	-57.73	**VOID
35250	02/25/10	28.87	M109 PEREZ, CHERYL	0	32302	MARCH SUPP PAYMENT	28.87	VOIDED
35250	02/25/10	-28.87	M109 PEREZ, CHERYL	0	32302	MARCH SUPP PAYMENT	-28.87	**VOID
35251	02/25/10	258.43	M064 PETERS, TERRIE	0	32311	MARCH SUPP PAYMENT	258.43	VOIDED
35251	02/25/10	-258.43	M064 PETERS, TERRIE	0	32311	MARCH SUPP PAYMENT	-258.43	**VOID

5-1.13


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

DATE: 02/01/10 THRU 02/28/10

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
35252	02/25/10	28.87	M070	PICARELLA, FRANCIS	0	32312	MARCH SUPP PAYMENT	28.87	VOIDED
35252	02/25/10	-28.87	M070	PICARELLA, FRANCIS	0	32312	MARCH SUPP PAYMENT	-28.87	**VOID
35253	02/25/10	319.71	M058	POTEETE, BEVERLY	0	32313	MARCH SUPP PAYMENT	319.71	VOIDED
35253	02/25/10	-319.71	M058	POTEETE, BEVERLY	0	32313	MARCH SUPP PAYMENT	-319.71	**VOID
35254	02/25/10	57.73	M085	ROSSI, DENISE	0	32303	MARCH SUPP PAYMENT	57.73	VOIDED
35254	02/25/10	-57.73	M085	ROSSI, DENISE	0	32303	MARCH SUPP PAYMENT	-57.73	**VOID
35255	02/25/10	28.87	M030	ROWE, RUBY	0	32304	MARCH SUPP PAYMENT	28.87	VOIDED
35255	02/25/10	-28.87	M030	ROWE, RUBY	0	32304	MARCH SUPP PAYMENT	-28.87	**VOID
35256	02/25/10	302.74	M010	SHORT, SLOAN	0	32314	MARCH SUPP PAYMENT	302.74	VOIDED
35256	02/25/10	-302.74	M010	SHORT, SLOAN	0	32314	MARCH SUPP PAYMENT	-302.74	**VOID
35257	02/25/10	28.87	M112	SILVA, EDUARDO	0	32322	MARCH SUPP PAYMENT	28.87	VOIDED
35257	02/25/10	-28.87	M112	SILVA, EDUARDO	0	32322	MARCH SUPP PAYMENT	-28.87	**VOID
35258	02/25/10	57.73	M054	SLOAN, FRANCIS	0	32305	MARCH SUPP PAYMENT	57.73	VOIDED
35258	02/25/10	-57.73	M054	SLOAN, FRANCIS	0	32305	MARCH SUPP PAYMENT	-57.73	**VOID
35259	02/25/10	4,407.00	080H	STATE BOARD OF EQUALIZATION	0	32325	JAN-DEC 09 FEES	4,407.00	VOIDED
35259	02/25/10	-4,407.00	080H	STATE BOARD OF EQUALIZATION	0	32325	JAN-DEC 09 FEES	-4,407.00	**VOID
35260	02/25/10	28.87	M086	TOLINE, DONALD	0	32306	MARCH SUPP PAYMENT	28.87	VOIDED
35260	02/25/10	-28.87	M086	TOLINE, DONALD	0	32306	MARCH SUPP PAYMENT	-28.87	**VOID
35261	02/25/10	291.85	M076	VONWAL, YVETTE	0	32323	MARCH SUPP PAYMENT	291.85	VOIDED
35261	02/25/10	-291.85	M076	VONWAL, YVETTE	0	32323	MARCH SUPP PAYMENT	-291.85	**VOID
35262	02/25/10	31.12	M115	WILLIAMS, CHRIS	0	32324	MARCH SUPP PAYMENT	31.12	VOIDED
35262	02/25/10	-31.12	M115	WILLIAMS, CHRIS	0	32324	MARCH SUPP PAYMENT	-31.12	**VOID
35263	02/25/10	28.87	M088	YAGI, RANDY	0	32307	MARCH SUPP PAYMENT	28.87	VOIDED
35263	02/25/10	-28.87	M088	YAGI, RANDY	0	32307	MARCH SUPP PAYMENT	-28.87	**VOID
35264	02/25/10	28.87	M101	GOES, ALAN	0	32320	MARCH SUPP PAYMENT	28.87	
35265	02/25/10	57.73	M041	GOUVEIA, ROBERT	0	32297	MARCH MED PAYMENT	57.73	
35266	02/25/10	75.11	M081	HALL, JAMES	0	32298	MARCH SUPP PAYMENT	75.11	
35267	02/25/10	72.27	510A	HASLER, INC.	0	32288	MARCH 10 RENTAL/ADM	72.27	
35268	02/25/10	75.05	M043	HOLODNICK, JAMES	0	32299	MARCH SUPP PAYMENT	75.05	
35269	02/25/10	28.87	M104	JUSSEL, PETE	0	32321	MARCH SUPP PAYMENT	28.87	
35270	02/25/10	291.85	M061	KAMEDA, TERRY	0	32309	MARCH SUPP PAYMENT	291.85	
35271	02/25/10	28.87	M050	O'MARA, KATHLEEN	0	32300	MARCH SUPP PAYMENT	28.87	
35272	02/25/10	319.71	M057	PARHAM, WALLACE	0	32310	MARCH SUPP PAYMENT	319.71	
35273	02/25/10	57.73	M051	PENDRAGON, LINDA	0	32301	MARCH SUPP PAYMENT	57.73	
35274	02/25/10	28.87	M109	PEREZ, CHERYL	0	32302	MARCH SUPP PAYMENT	28.87	
35275	02/25/10	258.43	M064	PETERS, TERRIE	0	32311	MARCH SUPP PAYMENT	258.43	
35276	02/25/10	28.87	M070	PICARELLA, FRANCIS	0	32312	MARCH SUPP PAYMENT	28.87	
35277	02/25/10	319.71	M058	POTEETE, BEVERLY	0	32313	MARCH SUPP PAYMENT	319.71	
35278	02/25/10	57.73	M085	ROSSI, DENISE	0	32303	MARCH SUPP PAYMENT	57.73	
35279	02/25/10	28.87	M030	ROWE, RUBY	0	32304	MARCH SUPP PAYMENT	28.87	
35280	02/25/10	302.74	M010	SHORT, SLOAN	0	32314	MARCH SUPP PAYMENT	302.74	
35281	02/25/10	28.87	M112	SILVA, EDUARDO	0	32322	MARCH SUPP PAYMENT	28.87	
35282	02/25/10	57.73	M054	SLOAN, FRANCIS	0	32305	MARCH SUPP PAYMENT	57.73	
35283	02/25/10	4,407.00	080H	STATE BOARD OF EQUALIZATION	0	32325	JAN-DEC 09 FEES	4,407.00	
35284	02/25/10	28.87	M086	TOLINE, DONALD	0	32306	MARCH SUPP PAYMENT	28.87	
35285	02/25/10	291.85	M076	VONWAL, YVETTE	0	32323	MARCH SUPP PAYMENT	291.85	
35286	02/25/10	31.12	M115	WILLIAMS, CHRIS	0	32324	MARCH SUPP PAYMENT	31.12	
35287	02/25/10	28.87	M088	YAGI, RANDY	0	32307	MARCH SUPP PAYMENT	28.87	
TOTAL		1,052,569.03		ACCOUNTS PAYABLE		TOTAL CHECKS	350	1,052,569.03	

5-1.14

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010  
**TO:** Board of Directors  
**FROM:** Angela Aitken, Finance Manager and Acting Assistant General Manager   
**SUBJECT:** MONTHLY BUDGET STATUS REPORTS FOR FEBRUARY 2010.

## I. RECOMMENDED ACTION

**Staff recommends that the Board of Directors accept and file the monthly budget status reports for February 2010.**

## II. SUMMARY OF ISSUES

- **Operating Revenues** for the month of February 2010 were \$148K or 7 % over the amount of revenue expected for February 2010.
- **Consolidated Operating Expenses** for the month of February 2010 were \$495K or 15 % under budget for the month of February 2010.
- **Capital Budget** spending year to date through February 2010 was \$4,646K or 24 % of the Capital budget.

## III. DISCUSSION

An analysis of Santa Cruz METRO's budget status is prepared monthly in order to apprise the Board of Directors of Santa Cruz METRO's actual revenues, expenses and capital in relation to the adopted operating and capital budgets for the fiscal year. The attached monthly revenue, expense and capital reports represent the status of Santa Cruz METRO's FY10 operating and capital budgets versus actual expenditures for the month.

The fiscal year has elapsed **67%**.

5-2.1

**A. Operating Revenue**

For the month of February 2010 Operating Revenues were \$148K or 7 % over the amount of revenue expected for February 2010. Sales Tax Revenues continue to lag behind budget projections due to the current economic recession. Revenue variances are explained in the notes at the end of the revenue report.

**B. Operating Expense by Department**

Total Operating Expenses by Department for the month of February 2010 were \$495K or 15 % under budget; 1 % over where we were in FY09. The majority of the variance is due to lower than anticipated Personnel and Fuel & Lube Rev Vehicles expenses.

**C. Consolidated Operating Expenses**

Consolidated Operating Expenses for the month of February 2010 were \$495K or 15 % under budget. Personnel Expenses, Prof & Tech Fees, and Fuels & Lube Rev Veh all contributed to the variance. Further explanation of these accounts is contained in the notes following the report.

**D. Capital Budget**

Capital Budget spending year to date through January 2010 was \$4,646K or 24 % of the Capital budget. Of this, \$2,311K or 55 % has been spent on the MetroBase Maintenance Facility project and \$2,002K or 83 % has been spent on the Purchase & Renovation of Vernon Bldg.

**IV. FINANCIAL CONSIDERATIONS**

Due to the severe economic downturn and the resulting significant decline in revenue, staff is implementing cost - cutting strategies and diligently looking at different scenarios and options in order to close the projected budget gap.

**Attachment A:** FY10 Operating Revenue for the month ending – 02/28/10  
FY10 Operating Expenses by Department for the month ending – 02/28/10  
FY10 Consolidated Operating Expenses for the month ending – 02/28/10  
FY10 Capital Budget Reports for the month ending – 02/28/10

Prepared by: Kristina Mihaylova, Financial Analyst

Date Prepared: March 31, 2010

5-2.2





**FY10**  
**Operating Revenue**  
 For the month ending - February 28, 2010

Percent of Year Elapsed - 67%

Revenue Source	Current Period					Year to Date				YTD Year Over Year Comparison			
	Actual	Budget	\$ Var	% Var	Notes	Actual	Budget	\$ Var	% Var	FY10 Actual	FY09	\$ Var	% Var
Passenger Fares	\$ 258,136	\$ 237,601	\$ 20,535	9%		\$ 2,099,756	\$ 2,248,298	\$ (148,542)	-7%	\$ 2,099,756	\$ 2,228,111	\$ (128,355)	-6%
Paratransit Fares	\$ 18,594	\$ 21,429	\$ (2,835)	-13%		\$ 155,963	\$ 239,613	\$ (83,650)	-35%	\$ 155,963	\$ 235,857	\$ (79,894)	-34%
Special Transit Fares	\$ 362,284	\$ 393,537	\$ (31,253)	-8%		\$ 2,141,604	\$ 2,313,913	\$ (172,309)	-7%	\$ 2,141,604	\$ 2,256,123	\$ (114,519)	-5%
Highway 17 Fares	\$ 85,662	\$ 90,566	\$ (4,904)	-5%		\$ 698,556	\$ 721,237	\$ (22,681)	-3%	\$ 698,556	\$ 697,078	\$ 1,478	0%
Highway 17 Payments	\$ 32,674	\$ 31,407	\$ 1,267	4%		\$ 287,782	\$ 280,826	\$ 6,956	2%	\$ 287,782	\$ 284,312	\$ 3,470	1%
<b>Subtotal Passenger Revenue</b>	<b>\$ 757,350</b>	<b>\$ 774,540</b>	<b>\$ (17,190)</b>	<b>-2%</b>	<b>1</b>	<b>\$ 5,383,660</b>	<b>\$ 5,803,887</b>	<b>\$ (420,227)</b>	<b>-7%</b>	<b>\$ 5,383,660</b>	<b>\$ 5,701,481</b>	<b>\$ (317,821)</b>	<b>-6%</b>
Commissions	\$ 1,260	\$ 458	\$ 802	175%		\$ 4,015	\$ 3,664	\$ 351	10%	\$ 4,015	\$ 4,522	\$ (507)	-11%
Advertising Income	\$ 8,626	\$ 5,592	\$ 3,034	54%	2	\$ 169,202	\$ 133,006	\$ 36,196	27%	\$ 169,202	\$ 94,859	\$ 74,343	78%
Rent Income - SC Pacific Station	\$ 7,520	\$ 7,714	\$ (194)	-3%		\$ 61,260	\$ 60,916	\$ 344	1%	\$ 61,260	\$ 59,996	\$ 1,264	2%
Rent Income - Watsonville TC	\$ 2,910	\$ 2,675	\$ 235	9%		\$ 23,095	\$ 23,700	\$ (605)	-3%	\$ 23,095	\$ 25,296	\$ (2,201)	-9%
Rent Income - General	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ 12,659	\$ (12,659)	-100%
Interest Income	\$ 13,822	\$ 3,585	\$ 10,237	286%	3	\$ 133,944	\$ 34,592	\$ 99,352	287%	\$ 133,944	\$ 301,273	\$ (167,329)	-56%
Other Non-Transp Revenue	\$ 76	\$ 485	\$ (409)	-84%		\$ 6,853	\$ 3,880	\$ 2,973	77%	\$ 6,853	\$ 4,744	\$ 2,109	44%
Sales Tax Revenue	\$ 1,337,700	\$ 1,357,269	\$ (19,569)	-1%	4	\$ 9,637,583	\$ 11,620,451	\$ (1,982,868)	-17%	\$ 9,637,583	\$ 11,160,096	\$ (1,522,513)	-14%
Transp Dev Act (TDA) - Op Asst	\$ -	\$ -	\$ -	0%		\$ 2,611,683	\$ 2,775,610	\$ (163,927)	-6%	\$ 2,611,683	\$ 2,989,232	\$ (377,549)	-13%
<b>Subtotal Other Revenue</b>	<b>\$ 1,371,914</b>	<b>\$ 1,377,778</b>	<b>\$ (5,864)</b>	<b>0%</b>		<b>\$ 12,647,636</b>	<b>\$ 14,655,819</b>	<b>\$ (2,008,183)</b>	<b>-14%</b>	<b>\$ 12,647,636</b>	<b>\$ 14,652,677</b>	<b>\$ (2,005,041)</b>	<b>-14%</b>
FTA Sec 5307 - Op Asst	\$ -	\$ -	\$ -	0%		\$ 3,645,442	\$ 3,645,442	\$ -	0%	\$ 3,645,442	\$ 3,426,293	\$ 219,149	6%
Repay FTA Advance	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
FTA Sec 5311 - Rural Op Asst	\$ 170,894	\$ -	\$ 170,894	100%		\$ 170,894	\$ 170,894	\$ -	0%	\$ 170,894	\$ 161,615	\$ 9,279	6%
Sec 5303 - AMBAG Funding	\$ -	\$ -	\$ -	0%		\$ 1,868	\$ -	\$ 1,868	100%	\$ 1,868	\$ 13,259	\$ (11,391)	-86%
FTA Sec 5317 - Op Assistance	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
<b>Subtotal Grant Revenue</b>	<b>\$ 170,894</b>	<b>\$ -</b>	<b>\$ 170,894</b>	<b>100%</b>		<b>\$ 3,818,204</b>	<b>\$ 3,816,336</b>	<b>\$ 1,868</b>	<b>0%</b>	<b>\$ 3,818,204</b>	<b>\$ 3,601,167</b>	<b>\$ 217,037</b>	<b>6%</b>
<b>Subtotal Operating Revenue</b>	<b>\$ 2,300,158</b>	<b>\$ 2,152,318</b>	<b>\$ 147,840</b>	<b>7%</b>		<b>\$ 21,849,500</b>	<b>\$ 24,276,042</b>	<b>\$ (2,426,542)</b>	<b>-10%</b>	<b>\$ 21,849,500</b>	<b>\$ 23,955,325</b>	<b>\$ (2,105,825)</b>	<b>-9%</b>
<b>Total Operating Expenses</b>	<b>\$ 2,911,895</b>					<b>\$ 23,271,544</b>				<b>\$ 23,271,544</b>	<b>\$ 23,132,397</b>		
<b>Variance</b>	<b>\$ (611,737)</b>					<b>\$ (1,422,044)</b>				<b>\$ (1,422,044)</b>	<b>\$ 822,929</b>		
<b>One-Time Revenue</b>													
Transfer (to)/from Capital Reserves	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
Transfer (to)/from Cash Flow Res	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
Transfer (to)/from W/C Reserve	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
Transfer (to)/from Liab Ins Res	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
Carryover from Previous Year	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
<b>Subtotal One-Time Revenue</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>
<b>Total Revenue</b>	<b>\$ 2,300,158</b>	<b>\$ 2,152,318</b>	<b>\$ 147,840</b>	<b>7%</b>		<b>\$ 21,849,500</b>	<b>\$ 24,276,042</b>	<b>\$ (2,426,542)</b>	<b>-10%</b>	<b>\$ 21,849,500</b>	<b>\$ 23,955,325</b>	<b>\$ (2,105,825)</b>	<b>-9%</b>
<b>Total Operating Expenses</b>	<b>\$ 2,911,895</b>					<b>\$ 23,271,544</b>				<b>\$ 23,271,544</b>	<b>\$ 23,132,397</b>		
<b>Variance</b>	<b>\$ (611,737)</b>					<b>\$ (1,422,044)</b>				<b>\$ (1,422,044)</b>	<b>\$ 822,929</b>		

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**FY10**  
**Operating Revenue**  
*For the month ending - February 28, 2010*

Percent of Year Elapsed - 67%

Revenue Source	Actual	Current Period				Year to Date				YTD Year Over Year Comparison			
		Budget	\$ Var	% Var	Notes	Actual	Budget	\$ Var	% Var	FY10 Actual	FY09	\$ Var	% Var

Current Period Notes:

- 1) **Passenger Revenue** is under budget due to decreased ridership.
- 2) **Advertising Income** is over budget due to more advertising than expected.
- 3) **Interest Income** is over budget due to revenue budgeted using County Treasury estimates, while a higher interest rate was actually paid.
- 4) **Sales Tax Revenue** is under budget due to less consumer discretionary spending and current economic conditions.

5-2.02



**FY10**  
**Operating Expenses by Department**  
**For the month ending - February 28, 2010**

	Current Period				Notes	Year to Date				YTD Year Over Year Comparison				
	Actual	Budget	\$ Var	% Var		Actual	Budget	\$ Var	% Var	Actual FY10	FY09	\$ Var	% Var	
<b>Departmental Personnel Expenses</b>														
700 - SCCIC	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%
1100 - Administration	\$ 39,213	\$ 53,237	\$ (14,024)	-26%		\$ 488,789	\$ 517,108	\$ (28,319)	-5%		\$ 488,789	\$ 599,722	\$ (110,933)	-18%
1200 - Finance	\$ 84,572	\$ 97,142	\$ (12,570)	-13%		\$ 687,068	\$ 777,136	\$ (90,068)	-12%		\$ 687,068	\$ 531,892	\$ 155,176	29%
1300 - Customer Service	\$ 27,062	\$ 39,070	\$ (12,008)	-31%		\$ 254,210	\$ 312,560	\$ (58,349)	-19%		\$ 254,210	\$ 288,916	\$ (34,706)	-12%
1400 - Human Resources	\$ 40,001	\$ 50,597	\$ (10,596)	-21%		\$ 342,530	\$ 404,778	\$ (62,248)	-15%		\$ 342,530	\$ 359,602	\$ (17,072)	-5%
1500 - Information Technology	\$ 39,265	\$ 44,061	\$ (4,796)	-11%		\$ 342,342	\$ 352,487	\$ (10,146)	-3%		\$ 342,342	\$ 326,416	\$ 15,926	5%
1700 - District Counsel	\$ 34,964	\$ 39,205	\$ (4,240)	-11%		\$ 323,146	\$ 324,639	\$ (1,493)	0%		\$ 323,146	\$ 279,989	\$ 43,157	15%
1800 - Risk Management	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%
2200 - Facilities Maintenance	\$ 73,093	\$ 87,177	\$ (14,084)	-16%		\$ 627,260	\$ 697,415	\$ (70,155)	-10%		\$ 627,260	\$ 632,803	\$ (5,543)	-1%
3100 - Paratransit Program	\$ 278,613	\$ 307,169	\$ (28,555)	-9%		\$ 2,099,161	\$ 2,457,347	\$ (358,186)	-15%		\$ 2,099,161	\$ 2,002,267	\$ 96,894	5%
3200 - Operations	\$ 152,190	\$ 172,015	\$ (19,825)	-12%		\$ 1,357,981	\$ 1,398,604	\$ (40,623)	-3%		\$ 1,357,981	\$ 1,284,176	\$ 73,805	6%
3300 - Bus Operators	\$ 1,041,970	\$ 1,195,056	\$ (153,085)	-13%		\$ 8,797,901	\$ 9,544,943	\$ (747,042)	-8%		\$ 8,797,901	\$ 8,756,854	\$ 41,047	0%
4100 - Fleet Maintenance	\$ 276,904	\$ 324,746	\$ (47,843)	-15%		\$ 2,364,377	\$ 2,597,966	\$ (233,589)	-9%		\$ 2,364,377	\$ 2,466,023	\$ (101,646)	-4%
9001 - Cobra Benefits	\$ 1,362	\$ -	\$ 1,362	100%		\$ 6,236	\$ -	\$ 6,236	100%		\$ 6,236	\$ 2,636	\$ 3,600	137%
9005 - Retired Employee Benefits	\$ 154,724	\$ 180,037	\$ (25,313)	-14%		\$ 1,040,000	\$ 1,440,297	\$ (400,297)	-28%		\$ 1,040,000	\$ 1,052,338	\$ (12,338)	-1%
9014 - Operating Grants	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%
110020 - Operating Grants	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%
100 - New Flyer Parts Credit	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%
<b>Subtotal Personnel Expenses</b>	<b>\$ 2,241,923</b>	<b>\$ 2,589,510</b>	<b>\$ (347,587)</b>	<b>-13%</b>		<b>\$ 18,731,000</b>	<b>\$ 20,825,280</b>	<b>\$ (2,094,280)</b>	<b>-10%</b>		<b>\$ 18,731,000</b>	<b>\$ 18,583,634</b>	<b>\$ 147,366</b>	<b>1%</b>
<b>Departmental Non-Personnel Expenses</b>														
700 - SCCIC	\$ -	\$ 4	\$ (4)	-100%		\$ 250	\$ 278	\$ (28)	-10%		\$ 250	\$ 270	\$ (20)	-7%
1100 - Administration	\$ 20,162	\$ 32,146	\$ (11,984)	-37%		\$ 164,595	\$ 258,173	\$ (93,578)	-36%		\$ 164,595	\$ 157,912	\$ 6,683	4%
1200 - Finance	\$ 103,209	\$ 109,300	\$ (6,092)	-6%		\$ 629,933	\$ 645,259	\$ (15,327)	-2%		\$ 629,933	\$ 555,689	\$ 74,244	13%
1300 - Customer Service	\$ 1,416	\$ 4,930	\$ (3,514)	-71%		\$ 41,236	\$ 62,340	\$ (21,104)	-34%		\$ 41,236	\$ 56,237	\$ (15,001)	-27%
1400 - Human Resources	\$ 718	\$ 16,081	\$ (15,364)	-96%		\$ 48,525	\$ 128,649	\$ (80,123)	-62%		\$ 48,525	\$ 21,875	\$ 26,650	122%
1500 - Information Technology	\$ 4,994	\$ 15,118	\$ (10,123)	-67%		\$ 117,830	\$ 127,138	\$ (9,308)	-7%		\$ 117,830	\$ 67,713	\$ 50,117	74%
1700 - District Counsel	\$ 2,407	\$ 1,692	\$ 715	42%		\$ 10,608	\$ 13,530	\$ (2,922)	-22%		\$ 10,608	\$ 9,496	\$ 1,112	12%
1800 - Risk Management	\$ 7,123	\$ 20,833	\$ (13,710)	-68%		\$ 44,794	\$ 166,665	\$ (121,871)	-73%		\$ 44,794	\$ 34,480	\$ 10,314	30%
2200 - Facilities Maintenance	\$ 123,641	\$ 110,166	\$ 13,476	12%		\$ 1,102,915	\$ 1,087,821	\$ 15,093	1%		\$ 1,102,915	\$ 1,118,150	\$ (15,235)	-1%
3100 - Paratransit Program	\$ 85,842	\$ 74,438	\$ 11,404	15%		\$ 491,989	\$ 595,502	\$ (103,513)	-17%		\$ 491,989	\$ 421,768	\$ 70,221	17%
3200 - Operations	\$ 41,750	\$ 42,438	\$ (688)	-2%		\$ 325,360	\$ 352,593	\$ (27,233)	-8%		\$ 325,360	\$ 379,485	\$ (54,125)	-14%
3300 - Bus Operators	\$ -	\$ 638	\$ (638)	-100%		\$ 4,574	\$ 5,102	\$ (528)	-10%		\$ 4,574	\$ 4,164	\$ 410	10%
4100 - Fleet Maintenance	\$ 278,719	\$ 389,367	\$ (110,647)	-28%		\$ 1,562,869	\$ 3,113,618	\$ (1,550,748)	-50%		\$ 1,562,869	\$ 1,709,681	\$ (146,812)	-9%
9001 - Cobra Benefits	\$ -	\$ -	\$ -	0%		\$ (4,935)	\$ -	\$ (4,935)	100%		\$ (4,935)	\$ -	\$ (4,935)	100%
9005 - Retired Employee Benefits	\$ -	\$ -	\$ -	0%		\$ -	\$ 3	\$ (3)	-100%		\$ -	\$ -	\$ -	0%
9014 - Operating Grants	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%		\$ -	\$ 11,848	\$ (11,848)	-100%
110020 - Operating Grants	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%
100 - New Flyer Parts Credit	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%		\$ -	\$ 0	\$ (0)	-100%
<b>Subtotal Non-Personnel Expenses</b>	<b>\$ 669,972</b>	<b>\$ 817,150</b>	<b>\$ (147,178)</b>	<b>-18%</b>		<b>\$ 4,540,542</b>	<b>\$ 6,556,670</b>	<b>\$ (2,016,128)</b>	<b>-31%</b>		<b>\$ 4,540,542</b>	<b>\$ 4,548,768</b>	<b>\$ (8,226)</b>	<b>0%</b>

5-2.03



**FY10**  
**Operating Expenses by Department**  
**For the month ending - February 28, 2010**

	Current Period					Year to Date				YTD Year Over Year Comparison			
	Actual	Budget	\$ Var	% Var	Notes	Actual	Budget	\$ Var	% Var	FY10	FY09	\$ Var	% Var
<b>Total Departmental Expenses</b>													
700 - SCCIC		\$ 4	\$ (4)	-100%		\$ 250	\$ 278	\$ (28)	-10%	\$ 250	\$ 270	\$ (20)	-7%
1100 - Administration	\$ 59,365	\$ 85,383	\$ (26,018)	-30%	1	\$ 653,384	\$ 775,281	\$ (121,897)	-16%	\$ 653,384	\$ 757,634	\$ (104,250)	-14%
1200 - Finance	\$ 187,781	\$ 206,442	\$ (18,661)	-9%		\$ 1,317,000	\$ 1,422,395	\$ (105,394)	-7%	\$ 1,317,000	\$ 1,087,581	\$ 229,419	21%
1300 - Customer Service	\$ 28,489	\$ 44,000	\$ (15,511)	-35%		\$ 295,446	\$ 374,900	\$ (79,454)	-21%	\$ 295,446	\$ 345,153	\$ (49,707)	-14%
1400 - Human Resources	\$ 40,718	\$ 66,678	\$ (25,960)	-39%	2	\$ 391,056	\$ 533,427	\$ (142,371)	-27%	\$ 391,056	\$ 381,477	\$ 9,579	3%
1500 - Information Technology	\$ 44,259	\$ 59,178	\$ (14,919)	-25%		\$ 460,171	\$ 479,625	\$ (19,453)	-4%	\$ 460,171	\$ 394,129	\$ 66,042	17%
1700 - District Counsel	\$ 37,371	\$ 40,896	\$ (3,525)	-9%		\$ 333,753	\$ 338,169	\$ (4,416)	-1%	\$ 333,753	\$ 289,485	\$ 44,268	15%
1800 - Risk Management	\$ 7,123	\$ 20,833	\$ (13,710)	-66%		\$ 44,794	\$ 166,665	\$ (121,871)	-73%	\$ 44,794	\$ 34,480	\$ 10,314	30%
2200 - Facilities Maintenance	\$ 196,734	\$ 197,342	\$ (608)	0%		\$ 1,730,175	\$ 1,785,236	\$ (55,061)	-3%	\$ 1,730,175	\$ 1,750,953	\$ (20,778)	-1%
3100 - Paratransit Program	\$ 362,455	\$ 381,606	\$ (19,151)	-5%	3	\$ 2,591,150	\$ 3,052,848	\$ (461,699)	-15%	\$ 2,591,150	\$ 2,424,035	\$ 167,115	7%
3200 - Operations	\$ 193,940	\$ 214,453	\$ (20,513)	-10%	4	\$ 1,683,341	\$ 1,751,197	\$ (67,856)	-4%	\$ 1,683,341	\$ 1,663,661	\$ 19,680	1%
3300 - Bus Operators	\$ 1,041,970	\$ 1,195,693	\$ (153,723)	-13%	5	\$ 8,802,475	\$ 9,550,044	\$ (747,569)	-8%	\$ 8,802,475	\$ 8,761,018	\$ 41,457	0%
4100 - Fleet Maintenance	\$ 555,623	\$ 714,113	\$ (158,490)	-22%	6	\$ 3,927,247	\$ 5,711,584	\$ (1,784,337)	-31%	\$ 3,927,247	\$ 4,175,704	\$ (248,457)	-6%
9001 - Cobra Benefits	\$ 1,362	\$ -	\$ 1,362	100%		\$ 1,301	\$ -	\$ 1,301	100%	\$ 1,301	\$ 2,636	\$ (1,335)	-51%
9005 - Retired Employee Benefits	\$ 154,724	\$ 180,037	\$ (25,313)	-14%	7	\$ 1,040,000	\$ 1,440,300	\$ (400,300)	-28%	\$ 1,040,000	\$ 1,052,338	\$ (12,338)	-1%
9014 - Operating Grants	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ 11,848	\$ (11,848)	-100%
110020 - Operating Grants	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
100 - New Flyer Parts Credit	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ 0	\$ (0)	-100%
<b>Total Operating Expenses</b>	<b>\$ 2,911,895</b>	<b>\$ 3,406,661</b>	<b>\$ (494,766)</b>	<b>-15%</b>		<b>\$ 23,271,542</b>	<b>\$ 27,381,950</b>	<b>\$ (4,110,408)</b>	<b>-15%</b>	<b>\$ 23,271,542</b>	<b>\$ 23,132,402</b>	<b>\$ 139,140</b>	<b>1%</b>

\*\* does not include depreciation

**Current Period Notes:**

- 1) **Administration** is under budget due to a vacant funded position and cost cutting measures in place.
- 2) **Human Resources** is under budget due to a vacant funded position and Prof & Tech Fees straight-lined.
- 3) **Paratransit Program** is under budget due to vacant funded positions and extended leaves.
- 4) **Operations** is under budget due to a vacant funded position.
- 5) **Bus Operators** is under budget due to vacant funded positions and extended leaves.
- 6) **Fleet** is under budget due to vacant funded positions, lower than anticipated prices of fuel and cost cutting measures in place.
- 7) **Retired Employee Benefits** is under budget due to lower than anticipated Medical Ins costs.

5-2.04



**FY10**  
**Consolidated Operating Expenses**  
**For the month ending - February 28, 2010**

	Current Period				Notes	Year to Date				YTD Year Over Year Comparison			
	Actual	Budget	\$ Var	% Var		Actual	Budget	\$ Var	% Var	Actual	FY09	\$ Var	% Var
<b>LABOR</b>													
501011 Bus Operator Pay	\$ 586,884	\$ 678,293	\$ (91,408)	-13%		\$ 4,920,264	\$ 5,426,340	\$ (506,075)	-9%	\$ 4,920,264	\$ 5,110,462	\$ (190,198)	-4%
501013 Bus Operator Overtime	\$ 156,325	\$ 111,733	\$ 44,593	40%		\$ 1,095,727	\$ 893,863	\$ 201,864	23%	\$ 1,095,727	\$ 889,550	\$ 206,178	23%
501021 Other Salaries	\$ 508,084	\$ 570,460	\$ (62,376)	-11%		\$ 4,223,311	\$ 4,478,838	\$ (255,527)	-6%	\$ 4,223,311	\$ 4,076,670	\$ 146,641	4%
501023 Other Overtime	\$ 27,907	\$ 25,297	\$ 2,610	10%		\$ 228,288	\$ 209,357	\$ 18,931	9%	\$ 228,288	\$ 172,120	\$ 56,168	33%
<b>Total Labor -</b>	<b>\$ 1,279,201</b>	<b>\$ 1,385,782</b>	<b>\$ (106,582)</b>	<b>-8%</b>		<b>\$ 10,467,589</b>	<b>\$ 11,008,397</b>	<b>\$ (540,807)</b>	<b>-5%</b>	<b>\$ 10,467,589</b>	<b>\$ 10,248,802</b>	<b>\$ 218,788</b>	<b>2%</b>
<b>FRINGE BENEFITS</b>													
502011 Medicare/Soc. Sec.	\$ 17,750	\$ 21,390	\$ (3,640)	-17%		\$ 152,751	\$ 172,244	\$ (19,493)	-11%	\$ 152,751	\$ 144,684	\$ 8,067	6%
502021 Retirement	\$ 165,882	\$ 198,175	\$ (32,292)	-16%		\$ 1,446,193	\$ 1,595,764	\$ (149,571)	-9%	\$ 1,446,193	\$ 1,485,627	\$ (39,434)	-3%
502031 Medical Insurance	\$ 462,858	\$ 527,294	\$ (64,436)	-12%		\$ 3,373,898	\$ 4,225,419	\$ (851,521)	-20%	\$ 3,373,898	\$ 3,391,758	\$ (17,860)	-1%
502041 Dental Insurance	\$ 39,812	\$ 46,350	\$ (6,538)	-14%		\$ 319,281	\$ 371,351	\$ (52,071)	-14%	\$ 319,281	\$ 314,853	\$ 4,428	1%
502045 Vision Insurance	\$ 10,265	\$ 12,029	\$ (1,765)	-15%		\$ 89,533	\$ 96,401	\$ (6,867)	-7%	\$ 89,533	\$ 89,097	\$ 436	0%
502051 Life Insurance	\$ 3,128	\$ 4,313	\$ (1,185)	-27%		\$ 28,646	\$ 34,585	\$ (5,938)	-17%	\$ 28,646	\$ 28,908	\$ (262)	-1%
502060 State Disability	\$ 16,013	\$ 26,404	\$ (10,391)	-39%		\$ 129,144	\$ 212,180	\$ (83,036)	-39%	\$ 129,144	\$ 105,370	\$ 23,774	23%
502061 Disability Insurance	\$ 17,279	\$ 22,449	\$ (5,171)	-23%		\$ 139,802	\$ 181,393	\$ (41,591)	-23%	\$ 139,802	\$ 142,266	\$ (2,464)	-2%
502071 State Unemp. Ins	\$ 10,357	\$ 4,434	\$ 5,923	134%		\$ 62,167	\$ 35,473	\$ 26,694	75%	\$ 62,167	\$ 51,286	\$ 10,881	21%
502081 Worker's Comp Ins	\$ 37,072	\$ 85,756	\$ (48,684)	-57%		\$ 403,875	\$ 666,048	\$ (262,174)	-41%	\$ 403,875	\$ 571,211	\$ (167,337)	-29%
502083 Worker's Comp IBNR	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
502101 Holiday Pay	\$ 1,727	\$ 26,668	\$ (24,938)	-94%		\$ 256,840	\$ 298,173	\$ (41,334)	-14%	\$ 256,840	\$ 271,055	\$ (14,215)	-5%
502103 Floating Holiday	\$ 1,371	\$ 6,042	\$ (4,671)	-77%		\$ 22,895	\$ 48,334	\$ (25,439)	-53%	\$ 22,895	\$ 17,642	\$ 5,253	30%
502109 Sick Leave	\$ 38,408	\$ 69,876	\$ (31,468)	-45%		\$ 489,505	\$ 616,379	\$ (128,875)	-21%	\$ 489,505	\$ 412,372	\$ 77,132	19%
502111 Annual Leave	\$ 120,356	\$ 127,977	\$ (7,621)	-6%		\$ 1,187,665	\$ 1,044,547	\$ 143,118	14%	\$ 1,187,665	\$ 1,169,477	\$ 18,188	2%
502121 Other Paid Absence	\$ 12,665	\$ 10,657	\$ 2,028	19%		\$ 99,068	\$ 85,255	\$ 13,813	16%	\$ 99,068	\$ 85,243	\$ 13,825	16%
502251 Physical Exams	\$ 1,670	\$ 1,108	\$ 562	51%		\$ 6,657	\$ 8,865	\$ (2,208)	-25%	\$ 6,657	\$ 4,235	\$ 2,422	57%
502253 Driver Lic Renewal	\$ 226	\$ 367	\$ (141)	-38%		\$ 1,824	\$ 2,935	\$ (1,111)	-38%	\$ 1,824	\$ 878	\$ 946	108%
502999 Other Fringe Benefits	\$ 5,864	\$ 12,443	\$ (6,579)	-53%		\$ 48,733	\$ 99,541	\$ (50,807)	-51%	\$ 48,733	\$ 48,867	\$ (134)	0%
<b>Total Fringe Benefits -</b>	<b>\$ 962,723</b>	<b>\$ 1,203,728</b>	<b>\$ (241,005)</b>	<b>-20%</b>		<b>\$ 8,258,477</b>	<b>\$ 9,816,887</b>	<b>\$ (1,558,411)</b>	<b>-16%</b>	<b>\$ 8,258,477</b>	<b>\$ 8,334,831</b>	<b>\$ (76,354)</b>	<b>-1%</b>
<b>Total Personnel Expenses -</b>	<b>\$ 2,241,923</b>	<b>\$ 2,589,510</b>	<b>\$ (347,587)</b>	<b>-13%</b>	<b>1</b>	<b>\$ 18,726,066</b>	<b>\$ 20,825,284</b>	<b>\$ (2,099,218)</b>	<b>-10%</b>	<b>\$ 18,726,066</b>	<b>\$ 18,583,632</b>	<b>\$ 142,434</b>	<b>1%</b>

5-2.05



**FY10**  
**Consolidated Operating Expenses**  
**For the month ending - February 28, 2010**

	Current Period					Year to Date				YTD Year Over Year Comparison			
	Actual	Budget	\$ Var	% Var	Notes	Actual	Budget	\$ Var	% Var	FY10 Actual	FY09	\$ Var	% Var
<b>SERVICES</b>													
503011 Acctg & Audit Fees	\$ 39,682	\$ 52,358	\$ (12,676)	-24%		\$ 78,129	\$ 99,818	\$ (21,689)	-22%	\$ 78,129	\$ 81,015	\$ (2,886)	-4%
503012 Admin & Bank Fees	\$ 1,043	\$ 1,413	\$ (369)	-26%		\$ 101,548	\$ 111,143	\$ (9,594)	-9%	\$ 101,548	\$ 99,327	\$ 2,221	2%
503031 Prof & Tech Fees	\$ 6,391	\$ 24,888	\$ (18,497)	-74%	2	\$ 93,510	\$ 225,021	\$ (131,510)	-58%	\$ 93,510	\$ 66,807	\$ 26,703	40%
503032 Legislative Services	\$ 10,000	\$ 8,617	\$ 1,383	16%		\$ 60,000	\$ 68,935	\$ (8,935)	-13%	\$ 60,000	\$ 60,000	\$ -	0%
503033 Legal Services	\$ 3,046	\$ 4,583	\$ (1,538)	-34%		\$ 14,289	\$ 36,665	\$ (22,376)	-61%	\$ 14,289	\$ -	\$ 14,289	100%
503034 Pre-Employ Exams	\$ 492	\$ 1,037	\$ (545)	-53%		\$ 8,147	\$ 8,295	\$ (148)	-2%	\$ 8,147	\$ 8,466	\$ (319)	-4%
503041 Temp Help	\$ 21,820	\$ -	\$ 21,820	100%	3	\$ 169,357	\$ -	\$ 169,357	100%	\$ 169,357	\$ 82,470	\$ 86,887	105%
503161 Custodial Services	\$ 4,427	\$ 5,508	\$ (1,081)	-20%		\$ 41,046	\$ 44,065	\$ (3,019)	-7%	\$ 41,046	\$ 45,692	\$ (4,646)	-10%
503162 Uniform & Laundry	\$ 1,640	\$ 3,668	\$ (2,027)	-55%		\$ 13,644	\$ 29,344	\$ (15,699)	-54%	\$ 13,644	\$ 23,399	\$ (9,755)	-42%
503171 Security Services	\$ 28,129	\$ 33,804	\$ (5,675)	-17%		\$ 227,575	\$ 270,973	\$ (43,398)	-16%	\$ 227,575	\$ 239,874	\$ (12,299)	-5%
503221 Classified/Legal Ads	\$ 1,299	\$ 2,200	\$ (901)	-41%		\$ 7,291	\$ 17,600	\$ (10,309)	-59%	\$ 7,291	\$ 10,161	\$ (2,870)	-28%
503222 Legal Advertising	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
503225 Graphic Services	\$ -	\$ 333	\$ (333)	-100%		\$ -	\$ 2,665	\$ (2,665)	-100%	\$ -	\$ -	\$ -	0%
503351 Repair - Bldg & Impr	\$ 3,399	\$ 6,375	\$ (2,976)	-47%		\$ 24,317	\$ 51,000	\$ (26,683)	-52%	\$ 24,317	\$ 59,236	\$ (34,919)	-59%
503352 Repair - Equipment	\$ 30,325	\$ 35,970	\$ (5,644)	-16%		\$ 311,894	\$ 304,997	\$ 6,898	2%	\$ 311,894	\$ 235,028	\$ 76,866	33%
503353 Repair - Rev Vehicle	\$ 22,269	\$ 36,442	\$ (14,172)	-39%		\$ 213,609	\$ 291,535	\$ (77,926)	-27%	\$ 213,609	\$ 314,340	\$ (100,732)	-32%
503354 Repair - Non Rev Vehicle	\$ 7,487	\$ 2,625	\$ 4,862	185%		\$ 17,367	\$ 21,000	\$ (3,633)	-17%	\$ 17,367	\$ 13,733	\$ 3,633	26%
503363 Haz Mat Disposal	\$ 16,651	\$ 2,083	\$ 14,568	699%	4	\$ 35,816	\$ 16,665	\$ 19,151	115%	\$ 35,816	\$ 36,360	\$ (544)	-1%
<b>Total Services -</b>	<b>\$ 198,100</b>	<b>\$ 221,904</b>	<b>\$ (23,804)</b>	<b>-11%</b>		<b>\$ 1,417,540</b>	<b>\$ 1,599,720</b>	<b>\$ (182,180)</b>	<b>-11%</b>	<b>\$ 1,417,540</b>	<b>\$ 1,375,909</b>	<b>\$ 41,631</b>	<b>3%</b>
<b>MOBILE MATERIALS AND SUPPLIES</b>													
504011 Fuels & Lube Non Rev Veh	\$ 2,127	\$ 17,283	\$ (15,157)	-88%	5	\$ 92,701	\$ 138,265	\$ (45,564)	-33%	\$ 92,701	\$ 105,626	\$ (12,925)	-12%
504012 Fuels & Lube Rev Veh	\$ 177,477	\$ 270,417	\$ (92,939)	-34%	6	\$ 939,186	\$ 2,163,335	\$ (1,224,149)	-57%	\$ 939,186	\$ 1,072,017	\$ (132,831)	-12%
504021 Tires & Tubes	\$ 31,435	\$ 17,750	\$ 13,685	77%	7	\$ 129,870	\$ 142,000	\$ (12,130)	-9%	\$ 129,870	\$ 142,910	\$ (13,040)	-9%
504161 Other Mobile Supplies	\$ -	\$ 858	\$ (858)	-100%		\$ 287	\$ 6,865	\$ (6,578)	-96%	\$ 287	\$ 6,484	\$ (6,197)	-96%
504191 Rev Vehicle Parts	\$ 80,671	\$ 68,083	\$ 12,588	18%	8	\$ 340,056	\$ 544,665	\$ (204,609)	-38%	\$ 340,056	\$ 196,227	\$ 143,829	73%
<b>Total Mobile Materials &amp; Supplies -</b>	<b>\$ 291,710</b>	<b>\$ 374,392</b>	<b>\$ (82,682)</b>	<b>-22%</b>		<b>\$ 1,502,100</b>	<b>\$ 2,995,130</b>	<b>\$ (1,493,030)</b>	<b>-50%</b>	<b>\$ 1,502,100</b>	<b>\$ 1,523,265</b>	<b>\$ (21,164)</b>	<b>-1%</b>

5-2.96



**FY10**  
**Consolidated Operating Expenses**  
**For the month ending - February 28, 2010**

	Current Period					Year to Date				YTD Year Over Year Comparison			
	Actual	Budget	\$ Var	% Var	Notes	Actual	Budget	\$ Var	% Var	FY10 Actual	FY09	\$ Var	% Var
<b>OTHER MATERIALS &amp; SUPPLIES</b>													
504205 Freight Out	\$ 217	\$ 300	\$ (83)	-28%		\$ 1,050	\$ 2,400	\$ (1,350)	-56%	\$ 1,050	\$ 1,556	\$ (507)	-33%
504211 Postage & Mailing	\$ 243	\$ 1,939	\$ (1,696)	-87%		\$ 8,245	\$ 17,011	\$ (8,767)	-52%	\$ 8,245	\$ 6,917	\$ 1,327	19%
504214 Promotional Items	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
504215 Printing	\$ 1,818	\$ 5,328	\$ (3,510)	-66%		\$ 40,740	\$ 61,226	\$ (20,487)	-33%	\$ 40,740	\$ 53,591	\$ (12,852)	-24%
504217 Photo Supply/Processing	\$ -	\$ 825	\$ (825)	-100%		\$ 450	\$ 6,600	\$ (6,150)	-93%	\$ 450	\$ 4,428	\$ (3,978)	-90%
504311 Office Supplies	\$ 1,125	\$ 7,353	\$ (6,229)	-85%		\$ 38,646	\$ 58,825	\$ (20,179)	-34%	\$ 38,646	\$ 46,894	\$ (8,247)	-18%
504315 Safety Supplies	\$ 330	\$ 2,792	\$ (2,462)	-88%		\$ 7,699	\$ 22,335	\$ (14,636)	-66%	\$ 7,699	\$ 10,397	\$ (2,698)	-26%
504317 Cleaning Supplies	\$ 2,340	\$ 4,933	\$ (2,593)	-53%		\$ 23,522	\$ 39,466	\$ (15,944)	-40%	\$ 23,522	\$ 21,830	\$ 1,692	8%
504409 Repair/Maint Supplies	\$ 4,069	\$ 4,775	\$ (706)	-15%		\$ 25,098	\$ 38,200	\$ (13,102)	-34%	\$ 25,098	\$ 37,177	\$ (12,079)	-32%
504421 Non-Inventory Parts	\$ 51	\$ 4,483	\$ (4,412)	-99%		\$ 6,407	\$ 35,702	\$ (29,295)	-82%	\$ 6,407	\$ 45,261	\$ (38,854)	-86%
504511 Small Tools	\$ -	\$ 875	\$ (875)	-100%		\$ 1,503	\$ 7,000	\$ (5,497)	-79%	\$ 1,503	\$ 3,315	\$ (1,812)	-55%
504515 Employee Tool Rplcmt	\$ 218	\$ 225	\$ (7)	-3%		\$ 990	\$ 1,800	\$ (810)	-45%	\$ 990	\$ 1,135	\$ (145)	-13%
<b>Total Other Materials &amp; Supplies -</b>	<b>\$ 10,411</b>	<b>\$ 33,808</b>	<b>\$ (23,397)</b>	<b>-69%</b>	<b>9</b>	<b>\$ 154,349</b>	<b>\$ 290,565</b>	<b>\$ (136,216)</b>	<b>-47%</b>	<b>\$ 154,349</b>	<b>\$ 232,501</b>	<b>\$ (78,152)</b>	<b>-34%</b>
<b>UTILITIES</b>													
505011 Gas & Electric	\$ 14,405	\$ 19,101	\$ (4,696)	-25%		\$ 116,278	\$ 152,808	\$ (36,530)	-24%	\$ 116,278	\$ 129,571	\$ (13,293)	-10%
505021 Water & Garbage	\$ 11,365	\$ 10,681	\$ 685	8%		\$ 90,088	\$ 85,449	\$ 4,639	5%	\$ 90,088	\$ 88,983	\$ 1,105	1%
505031 Telecommunications	\$ 8,163	\$ 12,298	\$ (4,135)	-34%		\$ 104,778	\$ 98,385	\$ 6,393	6%	\$ 104,778	\$ 73,012	\$ 31,766	44%
<b>Total Utilities -</b>	<b>\$ 33,934</b>	<b>\$ 42,080</b>	<b>\$ (8,146)</b>	<b>-19%</b>		<b>\$ 311,143</b>	<b>\$ 336,641</b>	<b>\$ (25,498)</b>	<b>-8%</b>	<b>\$ 311,143</b>	<b>\$ 291,566</b>	<b>\$ 19,577</b>	<b>7%</b>
<b>CASUALTY &amp; LIABILITY</b>													
506011 Insurance - Property	\$ 8,743	\$ 10,158	\$ (1,415)	-14%		\$ 53,858	\$ 81,265	\$ (27,406)	-34%	\$ 53,858	\$ 44,073	\$ 9,785	22%
506015 Insurance - PL & PD	\$ 38,101	\$ 43,775	\$ (5,674)	-13%		\$ 304,807	\$ 339,200	\$ (34,393)	-10%	\$ 304,807	\$ 324,208	\$ (19,401)	-6%
506021 Insurance - Other	\$ -	\$ -	\$ -	0%		\$ 711	\$ 800	\$ (89)	-11%	\$ 711	\$ 711	\$ -	0%
506123 Settlement Costs	\$ 4,028	\$ 12,500	\$ (8,472)	-68%	10	\$ 24,072	\$ 100,000	\$ (75,928)	-76%	\$ 24,072	\$ 32,116	\$ (8,044)	-25%
506127 Repairs - Dist Prop	\$ -	\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ (23,648)	\$ 23,648	-100%
<b>Total Casualty &amp; Liability -</b>	<b>\$ 50,871</b>	<b>\$ 66,433</b>	<b>\$ (15,562)</b>	<b>-23%</b>		<b>\$ 383,447</b>	<b>\$ 521,265</b>	<b>\$ (137,817)</b>	<b>-26%</b>	<b>\$ 383,447</b>	<b>\$ 377,460</b>	<b>\$ 5,988</b>	<b>2%</b>
<b>TAXES</b>													
507051 Fuel Tax	\$ 956	\$ 1,209	\$ (253)	-21%		\$ 8,233	\$ 9,673	\$ (1,439)	-15%	\$ 8,233	\$ 6,059	\$ 2,174	36%
507201 Licenses & permits	\$ 3,373	\$ 1,158	\$ 2,214	191%		\$ 15,141	\$ 10,215	\$ 4,926	48%	\$ 15,141	\$ 8,214	\$ 6,927	84%
507999 Other Taxes	\$ 3,110	\$ -	\$ 3,110	100%		\$ 16,018	\$ 26,140	\$ (10,122)	-39%	\$ 16,018	\$ 21,708	\$ (5,690)	-26%
<b>Total Utilities -</b>	<b>\$ 7,438</b>	<b>\$ 2,368</b>	<b>\$ 5,071</b>	<b>214%</b>		<b>\$ 39,392</b>	<b>\$ 46,028</b>	<b>\$ (6,636)</b>	<b>-14%</b>	<b>\$ 39,392</b>	<b>\$ 35,981</b>	<b>\$ 3,411</b>	<b>9%</b>

5-2.a7



**FY10**  
**Consolidated Operating Expenses**  
**For the month ending - February 28, 2010**

	Current Period					Year to Date				YTD Year Over Year Comparison			
	Actual	Budget	\$ Var	% Var	Notes	Actual	Budget	\$ Var	% Var	FY10 Actual	FY09	\$ Var	% Var
<b><u>PURCHASED TRANSPORTATION</u></b>													
503406 Contr/Paratrans	\$ 35,171	\$ 20,833	\$ 14,337	69%	11	\$ 213,474	\$ 166,665	\$ 46,809	28%	\$ 213,474	\$ 121,128	\$ 92,346	76%
Total Purchased Transportation -	\$ 35,171	\$ 20,833	\$ 14,337	69%		\$ 213,474	\$ 166,665	\$ 46,809	28%	\$ 213,474	\$ 121,128	\$ 92,346	76%
<b><u>MISC</u></b>													
509011 Dues & Subscriptions	\$ 4,873	\$ 5,485	\$ (612)	-11%		\$ 41,426	\$ 44,879	\$ (3,453)	-8%	\$ 41,426	\$ 40,360	\$ 1,066	3%
509085 Advertising - Rev Product			\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%
509101 Emp Incentive Prog	\$ -	\$ 2,883	\$ (2,883)	-100%		\$ 6,953	\$ 23,065	\$ (16,112)	-70%	\$ 6,953	\$ 11,635	\$ (4,682)	-40%
509121 Employee Training	\$ 1,595	\$ 4,739	\$ (3,144)	-66%		\$ 12,388	\$ 44,111	\$ (31,723)	-72%	\$ 12,388	\$ 17,700	\$ (5,312)	-30%
509123 Travel	\$ (452)	\$ 7,232	\$ (7,684)	-106%		\$ 22,591	\$ 57,854	\$ (35,263)	-61%	\$ 22,591	\$ 23,850	\$ (1,258)	-5%
509125 Local Meeting Exp	\$ 320	\$ 413	\$ (93)	-22%		\$ 1,776	\$ 3,301	\$ (1,524)	-46%	\$ 1,776	\$ 2,957	\$ (1,181)	-40%
509127 Board Director Fees	\$ 850	\$ 1,100	\$ (250)	-23%		\$ 5,050	\$ 8,800	\$ (3,750)	-43%	\$ 5,050	\$ 7,500	\$ (2,450)	-33%
509150 Contributions	\$ 1,980	\$ 54	\$ 1,926	3555%		\$ 1,980	\$ 433	\$ 1,547	358%	\$ 1,980	\$ -	\$ 1,980	100%
509197 Sales Tax Expense		\$ -	\$ -	0%		\$ -	\$ -	\$ -	0%	\$ -	\$ (22)	\$ 22	-100%
509198 Cash Over/Short	\$ (98)	\$ 42	\$ (139)	-335%		\$ 104	\$ 334	\$ (230)	-69%	\$ 104	\$ (250)	\$ 354	-142%
Total Misc -	\$ 9,068	\$ 21,947	\$ (12,879)	-59%	12	\$ 92,268	\$ 182,777	\$ (90,508)	-50%	\$ 92,268	\$ 103,730	\$ (11,462)	-11%
<b><u>LEASES &amp; RENTALS</u></b>													
512011 Facility Rentals	\$ 31,002	\$ 31,030	\$ (27)	0%		\$ 423,010	\$ 398,240	\$ 24,771	6%	\$ 423,010	\$ 476,311	\$ (53,300)	-11%
512061 Equipment Rentals	\$ 2,267	\$ 2,355	\$ (88)	-4%		\$ 8,753	\$ 19,640	\$ (10,887)	-55%	\$ 8,753	\$ 10,912	\$ (2,159)	-20%
Total Leases & Rentals -	\$ 33,269	\$ 33,385	\$ (116)	0%		\$ 431,764	\$ 417,880	\$ 13,884	3%	\$ 431,764	\$ 487,223	\$ (55,459)	-11%
<b>Total Non-Personnel Expenses -</b>	<b>\$ 669,972</b>	<b>\$ 817,150</b>	<b>\$ (147,177)</b>	<b>-18%</b>		<b>\$ 4,545,477</b>	<b>\$ 6,556,670</b>	<b>\$ (2,011,192)</b>	<b>-31%</b>	<b>\$ 4,545,477</b>	<b>\$ 4,548,763</b>	<b>\$ (3,286)</b>	<b>0%</b>
<b>TOTAL OPERATING EXPENSE -</b>	<b>\$ 2,911,895</b>	<b>\$ 3,406,661</b>	<b>\$ (494,765)</b>	<b>-15%</b>		<b>\$ 23,271,543</b>	<b>\$ 27,381,954</b>	<b>\$ (4,110,411)</b>	<b>-15%</b>	<b>\$ 23,271,543</b>	<b>\$ 23,132,396</b>	<b>\$ 139,148</b>	<b>1%</b>

\*\* does not include depreciation

**Current Period Notes:**

- 1) Total Personnel Expenses are below budget due to vacant funded positions and extended leaves, as well as lower than anticipated medical and worker's comp insurance costs.
- 2) Prof & Tech Fees are under budget due to cost cutting measures and straight lining of the budget.
- 3) Temp Help is over budget due to vacant funded positions and extended leaves. (Expense is offset by savings in personnel expense.)
- 4) Haz Mat Disposal is over budget due to Hazardous Waste Generator Fee returns for prior tax periods (2003 to 2009).
- 5) Fuels & Lube Non Rev Veh is under budget due to invoices for prior periods being paid in March 2010.
- 6) Fuels & Lube Rev Veh is under budget due to lower than anticipated prices of fuel.
- 7) Tires & Tubes is over budget due to the cyclical nature of tire and tube replacements and the bulk purchase of tires in February 2010.

5-2.08





**FY10**  
**Consolidated Operating Expenses**  
*For the month ending - February 28, 2010*

	Current Period					Year to Date				YTD Year Over Year Comparison			
	<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>Notes</u>	<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>FY10</u>	<u>FY09</u>	<u>\$ Var</u>	<u>% Var</u>
8) Rev Veh Parts					is over budget due to invoices for prior months paid in February 2010.								
9) Other Materials & Supplies					are under budget due to cost cutting measures in all departments.								
10) Settlement costs					are under budget due to less than anticipated settlement costs for the month.								
11) Contr/Paratrans					is over budget due to "catch-up" amounts paid to Santa Cruz Transportation for past-due contractual CPI increases.								
12) Miscellaneous expenses					are under budget due to cost cutting measures in all departments.								

5-2.09



**FY2010**  
**CAPITAL BUDGET**  
*For the month ending - February 28, 2010*

	<u>YTD Actual</u>		<u>FY10 Budget</u>		<u>Remaining Budget</u>	<u>% Spent YTD</u>
<b><u>Grant-Funded Projects</u></b>						
MetroBase Maintenance Facility	\$ 2,310,752	\$	4,200,000	\$	1,889,248	55%
MetroBase Operations Facility	\$ -	\$	-	\$	-	0%
Purchase Smartcard Farebox System (ARRA)	\$ -	\$	2,267,000	\$	2,267,000	0%
Purchase & Renovation of Vernon Bldg	\$ 2,002,354	\$	2,400,000	\$	397,646	83%
Pacific Station Project (TCRP)	\$ 5,432	\$	2,100,000	\$	2,094,568	0%
Purchase 27 ParaCruz Vehicles (ARRA)	\$ -	\$	1,750,000	\$	1,750,000	0%
Transit Mgmt. Info. Technology (ARRA)	\$ 51,765	\$	1,264,873	\$	1,213,108	4%
2nd LNG Storage Tank & Process Equipment	\$ -	\$	1,000,000	\$	1,000,000	0%
Facilities Video Surveillance (CCTV) (OHS-1B)	\$ 24,570	\$	220,000	\$	195,430	11%
Fleet Radios/Surveillance (LMR) (OHS-1B)	\$ -	\$	202,457	\$	202,457	0%
Comprehensive Security & Surveillance Sys (OHS-1B)	\$ -	\$	440,505	\$	440,505	0%
Trapeze Pass Interactive Voice Response System	\$ 45,217	\$	91,141	\$	45,924	50%
<b>Subtotal Grant Funded Projects</b>	<b>\$ 4,440,090</b>	<b>\$</b>	<b>15,935,976</b>	<b>\$</b>	<b>11,495,886</b>	<b>28%</b>
<b><u>IT Projects</u></b>						
Replace Fleet & Facilities Maintenance Software	\$ 23,850	\$	470,000	\$	446,150	5%
HR Software Upgrade	\$ -	\$	250,000	\$	250,000	0%
Upgrade District Phone System	\$ 42,371	\$	77,825	\$	35,454	54%
Microsoft Office 2007 Pro Upgrade	\$ 54,518	\$	55,000	\$	482	99%
Trapeze Pass Customer Certification Software	\$ 9,738	\$	46,000	\$	36,262	21%
Automated Purchasing System Software	\$ -	\$	40,000	\$	40,000	0%
Digital ID Card Processing Equipment	\$ 8,081	\$	17,000	\$	8,919	48%
Upgrade GFI software to System 7 Version 2	\$ 735	\$	12,584	\$	11,849	6%
3 Laptop PC's for ParaCruz	\$ 5,468	\$	6,000	\$	532	91%
2 Laptop/Docking Stations for HR	\$ 3,645	\$	4,500	\$	855	81%
<b>Subtotal IT Projects</b>	<b>\$ 148,406</b>	<b>\$</b>	<b>978,909</b>	<b>\$</b>	<b>830,503</b>	<b>15%</b>
<b><u>Facilities Repair &amp; Improvements</u></b>						
MTC Lane Four Shelter Replacement	\$ -	\$	55,000	\$	55,000	0%
Replace Roof - Watsonville Transit Center Main Building	\$ 53,533	\$	55,000	\$	1,467	97%
Repair, Reseal, and Restripe - Greyhound Lot	\$ -	\$	24,000	\$	24,000	0%
Repair, Reseal, Restripe (Sinkholes) - Operations	\$ 3,991	\$	20,000	\$	16,009	20%
<b>Subtotal Facilities Repairs &amp; Improvements Projects</b>	<b>\$ 57,524</b>	<b>\$</b>	<b>154,000</b>	<b>\$</b>	<b>96,476</b>	<b>37%</b>

5-2.91D



**FY2010**  
**CAPITAL BUDGET**  
*For the month ending - February 28, 2010*

	<u>YTD Actual</u>		<u>FY10 Budget</u>		<u>Remaining Budget</u>	<u>% Spent YTD</u>	
<b><u>Revenue Vehicle Replacement</u></b>							
Highway 17 Buses (5) - VTA - (Measure A)	\$	-	\$ 2,500,000	\$	2,500,000	0%	
Subtotal Revenue Vehicle Replacements	\$	-	\$ 2,500,000	\$	2,500,000	0%	
<b><u>Non-Revenue Vehicle Replacement</u></b>							
NONE	\$	-	\$ -	\$	-	0%	
Subtotal Non-Revenue Vehicle Replacements	\$	-	\$ -	\$	-	0%	
<b><u>Maint Equipment</u></b>							
Cumming Engine Tool (Liner Indicator)	\$	-	\$ 1,200	\$	1,200	0%	
Cumming Engine Tool (Part # 3376915)	\$	-	\$ 1,200	\$	1,200	0%	
Subtotal Non-Revenue Vehicle Replacements	\$	-	\$ 2,400	\$	2,400	0%	
<b><u>Office Equipment</u></b>							
NONE	\$	-	\$ -	\$	-	0%	
Subtotal Office Equipment	\$	-	\$ -	\$	-	0%	
<b>TOTAL CAPITAL PROJECTS</b>	<b>\$</b>	<b>4,646,020</b>	<b>\$</b>	<b>19,571,285</b>	<b>\$</b>	<b>14,925,265</b>	<b>24%</b>

5-2.9.11



**FY2010  
CAPITAL BUDGET**

*For the month ending - February 28, 2010*

	<u>YTD Actual</u>	<u>FY10 Budget</u>	<u>Remaining Budget</u>	<u>% Spent YTD</u>
<b><u>CAPITAL FUNDING</u></b>				
Federal Capital Grants	\$ 121,552	\$ 8,605,764	\$ 8,484,211	1%
State / PTMISEA 1B	\$ 4,313,106	\$ 4,446,429	\$ 133,323	97%
State/Other Capital Grants (Measure A - VTA)	\$ -	\$ 2,500,000	\$ 2,500,000	0%
State/Other Capital Grants (TCRP)	\$ 5,432	\$ 682,017	\$ 676,585	1%
State Security Bond Funds (1B)	\$ -	\$ 862,962	\$ 862,962	0%
STA Funding (Prior Year)	\$ 205,930	\$ 1,163,858	\$ 957,928	18%
STA Funding (Current Year)	\$ -	\$ -	\$ -	0%
District Reserves (Lawsuit & Sakata Proceeds)	\$ -	\$ 1,310,255	\$ 1,310,256	0%
Capital Cash Reserves	\$ -	\$ -	\$ -	100%
<b>TOTAL CAPITAL FUNDING</b>	<b>\$ 4,646,020</b>	<b>\$ 19,571,285</b>	<b>\$ 14,925,265</b>	<b>24%</b>

5-2.012

**GOVERNMENT TORT CLAIM**

**RECOMMENDED ACTION**

TO: Board of Directors

FROM: District Counsel

RE: Claim of: Hannibal, Debra  
Date of Incident: 10/04/09

Received: 3/16/10 Claim #: 10-0004  
Occurrence Report No.: SC 10-09-13

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 Margaret Gallagher  
Margaret Gallagher  
DISTRICT COUNSEL

Date: 3-23-10

I, Cindi Thomas, 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 April 23, 2010.

By \_\_\_\_\_  
Cindi Thomas  
RECORDING SECRETARY

Date: \_\_\_\_\_

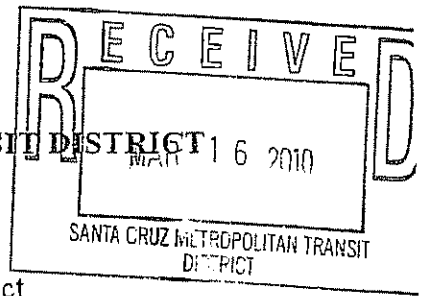
MG/lg  
Attachment(s)

CLAIM AGAINST THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

(Pursuant to Section 910 et Seq., Government Code)

Claim # 10-0004

OCCURRENCE # SC 10-09-13



TO: BOARD OF DIRECTORS, Santa Cruz Metropolitan Transit District

ATTN: Secretary to the Board of Directors
370 Encinal Street, Suite 100
Santa Cruz, CA 95060

1. Claimant's Name: DEBRA HANNIBAL

Claimant's Address/Post Office Box: [REDACTED]

Claimant's Phone Number: [REDACTED]

2. Address to which notices are to be sent: SAME AS ABOVE

3. Occurrence: I WAS A PASSENGER ON THE HWY 17 EXPRESS BUS. BUS DRIVER SLURRED ON BRAKES, IT FELT LIKE HE HIT SOMETHING.
Date: 10-14-2009 Time: ABOUT 12:35PM Place: IN FRONT OF H.P. PAVILLIAN IN SAN JOSE
Circumstances of occurrence or transaction giving rise to claim: I WAS THROWN OUT OF MY SEAT (WHEN BUS CAME TO A VIOLENT STOP) AND HIT THE METAL PART OF THE SIDE FACING SEATS. THE DRIVER DID NOT STOP AFTER THE ACCIDENT; HE ASKED IF EVERYONE WAS OKAY, I SAID NO. ANOTHER PASSENGER, JACK, HAD TO TELL HIM THAT I WAS BADLY INJURED AT THE DIRIBON STATION.
4. General description of indebtedness, obligation, injury, damage, or loss incurred so far as is known: MIGHT NEED KNEE SURGERY AND STILL HAVE NECK, SHOULDER & ARM PAIN. (STILL HAVING PAIN 4+ MONTHS AFTER ACCIDENT)
ON 3-5-2010 MY DOCTOR REFERRED ME TO A SPECIALIST AND TO SEE IF I SHOULD GET AN MRI.

5. Name or names of public employees or employees causing injury, damage, or loss, if known: BUS DRIVER

6. Amount claimed now AS OF 3-5-2010 \$ 6,547.55
Estimated amount of future loss, if known \$ MAY HAVE TO HAVE KNEE SURGERY
TOTAL AS OF TODAY ONLY \$ 26,190.55
7. Basis of above computations: MEDICAL BILLS = 6,547.55
PAIN AND SUFFERING AS OF TODAY (3 TIMES MEDICAL BILLS) 19,643.00

[Signature]
CLAIMANT'S SIGNATURE (or Company Representative or Parent of Minor Claimant)

3-8-2010
DATE

Note: Claim must be presented to the Secretary to the Board of Directors, Santa Cruz Metropolitan Transit District

5-3.2

# GOVERNMENT TORT CLAIM

## RECOMMENDED ACTION

TO: Board of Directors

FROM: District Counsel

RE: Claim of: Keenan & Associates Subrogating on Behalf of Santa Cruz City School District  
Received: 03/25/2010 Claim #: 10-0005  
Date of Incident: 03/05/2010 Occurrence Report No.: SC 03-10-06

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 Margaret Gallagher  
Margaret Gallagher  
DISTRICT COUNSEL

Date: 3-29-10

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I, Cindi Thomas, 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 April 23, 2010.

By \_\_\_\_\_  
Cindi Thomas  
RECORDING SECRETARY

Date: \_\_\_\_\_

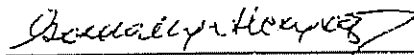
MG/lg  
Attachment(s)

**CLAIM AGAINST THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
(Pursuant to Section 910 et Seq., Government Code)  
Claim # SC-03-10-06

TO: BOARD OF DIRECTORS, Santa Cruz Metropolitan Transit District

ATTN: Secretary to the Board of Directors  
110 Vernon Street  
Santa Cruz, CA 95060

1. Claimant's Name: KEENAN & ASSOCIATES SUBROGATING ON BEHALF OF SANTA CRUZ CITY SCHOOL DISTRICT - PSI  
Claimant's Address/Post Office Box: [REDACTED]  
[REDACTED]  
Claimant's Phone Number: [REDACTED]
2. Address to which notices are to be sent: KEENAN & ASSOCIATES:  
[REDACTED]
3. Occurrence: 1040 RIVER ST., SANTA CRUZ, CA 95060  
Date: 03/05/10 Time: 10:00 am Place: Santa Cruz City Corporate Yard Entrance  
Circumstances of occurrence or transaction giving rise to claim: Santa Cruz City Schools' truck # 27 driven by Ms. Elizabeth Laurance stopped to turn left and a Santa Cruz Metro bus rear ended them, sending them into oncoming traffic, hitting another car.  
(Refer to police report # [REDACTED])
4. General description of indebtedness, obligation, injury, damage, or loss incurred so far as is known: Ms. Elizabeth Laurance was initially evaluated at Doctors on Duty on 03/05/10 for complaints to her head, neck, back arms and shoulders. She was taken off of work from 3/5/10 to 3/15/10.
5. Name or names of public employees or employees causing injury, damage, or loss, if known: Unknown
6. Amount claimed now ..... \$798.30  
Estimated amount of future loss, if known ..... \$3,800.00  
TOTAL ..... \$5,598.30
7. Basis of above computations: Temporary disability benefits for 10 days and medical treatment including office visits, x-rays, medication, PT. It is too soon to determine if Ms. Laurence will request a OME.

  
CLAIMANT'S SIGNATURE (or Company Representative or Parent of Minor Claimant)

03/25/10  
DATE

Note: Claim must be presented to the Secretary to the Board of Directors, Santa Cruz Metropolitan Transit District  
Keenan & Associates

MAR 25 2010  
Gazdally Alcayaga  
**5-3.4**



# GOVERNMENT TORT CLAIM

## RECOMMENDED ACTION

TO: Board of Directors

FROM: District Counsel

RE: Claim of: Raya, Juana  
Date of Incident: 2/22/10

Received: 03/25/10 Claim #: 10-0006  
Occurrence Report No.: SC 02-10-18

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 Margaret Gallagher  
Margaret Gallagher  
DISTRICT COUNSEL

Date: 4-12-10

---

I, Cindi Thomas, 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 April 23, 2010.

By \_\_\_\_\_  
Cindi Thomas  
RECORDING SECRETARY

Date: \_\_\_\_\_

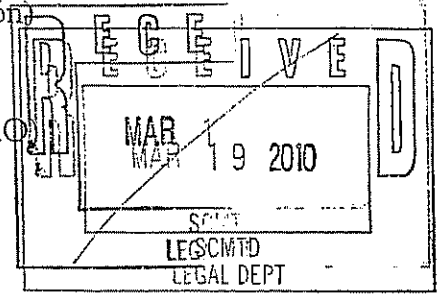
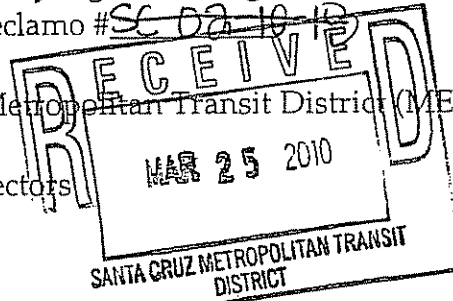
MG/lg  
Attachment(s)

RECLAMO CONTRA EL DISTRITO METROPOLITANO DE TRÁNSITO DE SANTA CRUZ

(Según Sección 910 y Seguimiento de Código de Gobernación)

10-0006

Reclamo # SC 02-10-10



Para: Junta Directiva, Santa Cruz Metropolitan Transit District (METRO)

Attn: Secretary to the Board of Directors  
110 Vernon Street  
Santa Cruz, CA 95060

1. Nombre del Demandante: Juana Raya  
Dirección del Demandante: [Redacted]  
Teléfono del Demandante: [Redacted]  
Dirección/Caja Postal a donde enviar notificaciones: \_\_\_\_\_

2. Ocurrencia: bus accident  
Fecha: 02/22/2010 Hora: 9:45 p.m Sitio: Clifford

3. Circunstancias de la ocurrencia o transacción de donde proviene la demanda:  
el autobus choco sobre un basurero bote de basura, luego me di cuenta que iba hacia un lado todo sucedio en un instante.

4. Descripción de deudas, obligaciones, lesiones, daños o pérdida, si se sabe:  
\_\_\_\_\_  
\_\_\_\_\_

5. Nombre o nombres de empleados públicos que causaron lesiones, daños, o pérdidas, si se sabe: cuello, espalda, cadera, mano derecha

6. Cantidad reclamada ahora ..... \$ 30,000.00  
Presupuesto de futuras pérdidas, si se sabe ..... \$ \_\_\_\_\_  
TOTAL ..... \$ \_\_\_\_\_

7. Base de las computaciones anteriores: \_\_\_\_\_

Juana Raya  
FIRMA DEL DEMANDANTE (o Representante  
o Padre/Madre del Menor)

3-16-10  
Fecha

Nota: Esta demanda debe ser presentada a la Secretaria de la Junta Directiva, Santa Cruz Metropolitan Transit District (METRO)

5-3.6

CLAIM AGAINST THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
(Pursuant to Section 910 et Seq., Government Code)  
Claim # 10-0006

TO: BOARD OF DIRECTORS, Santa Cruz Metropolitan Transit District

ATTN: Secretary to the Board of Directors  
110 Vernon Street  
Santa Cruz, CA 95060

1. Claimant's Name: Juana Raya

Claimant's Address/Post Office Box: [REDACTED]

Claimant's Phone Number: [REDACTED]

2. Address to which notices are to be sent: \_\_\_\_\_

3. Occurrence: Bus Accident

Date: 02/22/2010 Time: 9:45 p.m. Place: Clifford

Circumstances of occurrence or transaction giving rise to claim: The bus crashed against a trash can, then I realized that it was heading towards a house, it all happened in an instant.

4. General description of indebtedness, obligation, injury, damage, or loss incurred so far as is known: \_\_\_\_\_

5. Name or names of public employees or employees causing injury, damage, or loss, if known: Neck, back, hips, right hand

6. Amount claimed now ..... \$ 30,000.00

Estimated amount of future loss, if known ..... \$ \_\_\_\_\_

TOTAL ..... \$ \_\_\_\_\_

7. Basis of above computations: \_\_\_\_\_

Signature on original claim  
CLAIMANT'S SIGNATURE (or Company  
Representative or Parent of Minor Claimant)

3/16/10  
DATE

Note: Claim must be presented to the Secretary to the Board of Directors, Santa Cruz Metropolitan Transit District

5-3.7

**GOVERNMENT TORT CLAIM**

**RECOMMENDED ACTION**

TO: Board of Directors

FROM: District Counsel

RE: Claim of: Reed, Kathleen  
Date of Incident: 2/26/10

Received: 04/12/10 Claim #: 10-0007  
Occurrence Report No.: MISC 10-05

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 M. Gallagher  
Margaret Gallagher  
DISTRICT COUNSEL

Date: \_\_\_\_\_

I, Cindi Thomas, 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 April 23, 2010.

By \_\_\_\_\_  
Cindi Thomas  
RECORDING SECRETARY

Date: \_\_\_\_\_

MG/lg  
Attachment(s)

5-3.8

CLAIM AGAINST THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

(Pursuant to Section 910 et Seq., Government Code)

Claim # 10-0007

TO: BOARD OF DIRECTORS, Santa Cruz Metropolitan Transit District

ATTN: Secretary to the Board of Directors  
110 Vernon Street  
Santa Cruz, CA 95060

- 1. Claimant's Name: KATHLEEN REED
- Claimant's Address/Post Office Box: \_\_\_\_\_
- Claimant's Phone Number: \_\_\_\_\_
- 2. Address to which notices are to be sent: \_\_\_\_\_
- 3. Occurrence: THEFT OF PERSONAL PROPERTY

Date: 3/5/10 Time: 8:30 PM Place: SCMETRO OPERATIONS

Circumstances of occurrence or transaction giving rise to claim: I FORGOT TO TAKE MY IPOD TOUCH WITH ME WHEN I LEFT THE BUS I WAS DRIVING (9831) IN THE YARD @ AROUND 8:30 PM ON A FRIDAY NIGHT. I WAS THE LAST DRIVER TO USE THAT BUS BEFORE THE VSN'S TOOK IT TO THE 'BONE-YARD' FOR THE WEEKEND. I REALIZED

CONTINUED ON OTHER SIDE

- 4. General description of indebtedness, obligation, injury, damage, or loss incurred so far as is known:

8GB IPOD TOUCH, 2ND GENERATION W XTRA HEADPHONE + MIC HEADPHONES. (NOT THE STOCK HEADPHONE)

- 5. Name or names of public employees or employees causing injury, damage, or loss, if known: \_\_\_\_\_

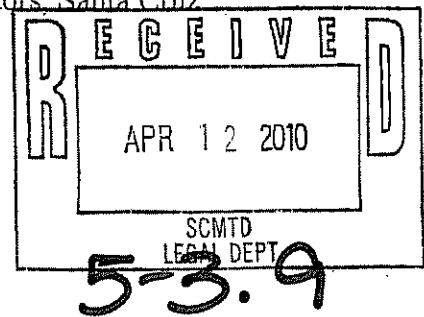
6. Amount claimed now	\$ 169. <sup>00</sup>
Estimated amount of future loss, if known	\$ -
TOTAL	\$ 169. <sup>00</sup>

- 7. Basis of above computations: PRICE OF IPOD BOUGHT ON EBAY

Kathleen Reed  
CLAIMANT'S SIGNATURE (or Company Representative or Parent of Minor Claimant)

Apr. 10, 2010  
DATE

Note: Claim must be presented to the Secretary to the Board of Directors, Santa Cruz Metropolitan Transit District





## **AGENDA**

**APRIL 21, 2010 - 6:00 PM**  
**PACIFIC STATION CONFERENCE ROOM**  
**920 PACIFIC AVENUE, SANTA CRUZ, CALIFORNIA**

- 1. ROLL CALL**
- 2. AGENDA ADDITIONS/DELETIONS**
- 3. ORAL/WRITTEN COMMUNICATION**
- 4. CONSIDERATION OF APPROVAL OF MINUTES OF FEBRUARY 17, 2010**
- 5. ACCEPT AND FILE RIDERSHIP REPORT FOR DECEMBER 2009 AND JANUARY 2010**
- 6. ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR NOVEMBER 2009 AND DECEMBER 2009**
- 7. REPORT BY MAC REPRESENTATIVE TO OTHER TRANSIT-RELATED MEETINGS**
- 8. CONSIDERATION OF QUARTERLY MAC MEETING SCHEDULE**
- 9. CONSIDERATION OF METRO'S REVISED DISCOUNT FARE PROGRAM**
- 10. CONSIDERATION OF REVISIONS TO UNMET NEEDS LIST**
- 11. OVERVIEW OF PROPOSED FIXED ROUTE SERVICE REDUCTIONS**
- 12. DISTRIBUTION OF MAC VOUCHERS**
- 13. COMMUNICATIONS TO METRO GENERAL MANAGER**
- 14. COMMUNICATIONS TO METRO BOARD OF DIRECTORS**
- 15. ITEMS FOR NEXT MEETING AGENDA**
- 16. ADJOURNMENT**

*NEXT MEETING: WEDNESDAY, MAY 19, 2010, AT 6:00 PM*  
*PACIFIC STATION CONFERENCE ROOM*

**5-4.1**

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23<sup>rd</sup>, 2010  
**TO:** Board of Directors  
**FROM:** April Warnock, Paratransit Superintendent  
**SUBJECT:** METRO PARACRUZ OPERATIONS STATUS REPORT

## I. RECOMMENDED ACTION

**This report is for information only - no action requested**

## II. SUMMARY OF ISSUES

- METRO ParaCruz is the federally mandated ADA complementary paratransit program of the Transit District, providing shared ride, door-to-door demand-response transportation to customers certified as having disabilities that prevent them from independently using the fixed route bus.
- METRO assumed direct operation of paratransit services November 1, 2004. This service had been delivered under contract since 1992.
- Discussion of ParaCruz Operations Status Report.
- Attachment A: On-time Performance Chart displays the percentage of pick-ups within the “ready window” and a breakdown in 5-minute increments for pick-ups beyond the “ready window”. The monthly Customer Service Reports summary is included.
- Attachment B: Report of ParaCruz’ operating statistics. Performance Averages and Performance Goals are reflected in the Comparative Operating Statistics Table in order to establish and compare actual performance measures, as performance is a critical indicator as to ParaCruz’ efficiency.
- Attachments C, D, E, F, G: ParaCruz Performance Charts display trends in rider-ship and mileage spanning a period of three years. Graph G is a graphical display reporting use of sub-contracted taxi companies for each month.
- Attachment H: Current calendar year’s statistical information on the number of ParaCruz in-person eligibility assessments, including a comparison to past years, since implementation in August of 2002.

5-5.1

### **III. DISCUSSION**

In the month of February 2010, ParaCruz rides rose by 315 rides, which is noteworthy for the short month.. Trends show that ParaCruz ridership typically peaks in the month of October, drops through December, levels out through February, before rising again in March. This trend is driven primarily by attendance at the Cabrillo College Stroke and Acquired Disability Center.

The VOIP telephone system installation is completed for ParaCruz, and the reports are now available. However, fiscal 'year to date' statistics are not available for the remainder of this fiscal year, as the system was not in place at the beginning of this fiscal year.

The Subcontractor's cost per ride has remained inflated in February 2010, due to payment out for the second vendor's two (2) yearly five percent (5%) increases that had not been previously invoiced to METRO.

### **IV. FINANCIAL CONSIDERATIONS**

NONE

### **V. ATTACHMENTS**

- Attachment A:** ParaCruz On-time Performance Charts
- Attachment B:** Comparative Operating Statistics Tables
- Attachment C:** Number of Rides Comparison Chart
- Attachment D:** Shared vs. Total Rides Chart
- Attachment E:** Mileage Comparison Chart
- Attachment F:** Year To Date Mileage Chart
- Attachment G:** Daily Drivers vs. Subcontractor Rides Charts
- Attachment H:** Eligibility Chart



<b>ParaCruz On-time Performance Report</b>		
	<b>February 2009</b>	<b>February 2010</b>
Total pick ups	6777	7300
<b>Percent in "ready window"</b>	<b>94.57%</b>	<b>96.15%</b>
1 to 5 minutes late	.44%	1.66%
6 to 10 minutes late	.35%	1.03%
11 to 15 minutes late	.21%	.44%
16 to 20 minutes late	.18%	.40%
21 to 25 minutes late	.04%	.15%
26 to 30 minutes late	.04%	.10%
31 to 35 minutes late	.01%	.03%
36 to 40 minutes late	.03%	.04%
41 or more minutes late (excessively late/missed trips)	.09%	.01%
Total beyond "ready window"	<b>5.43p%</b>	<b>3.85%</b>

During the month of February 2010, ParaCruz received thirteen (13) Customer Service Reports. Two of the complaints reported were valid. Nine (9) of the reported complaints were not valid or verifiable. One (1) compliment were reported.

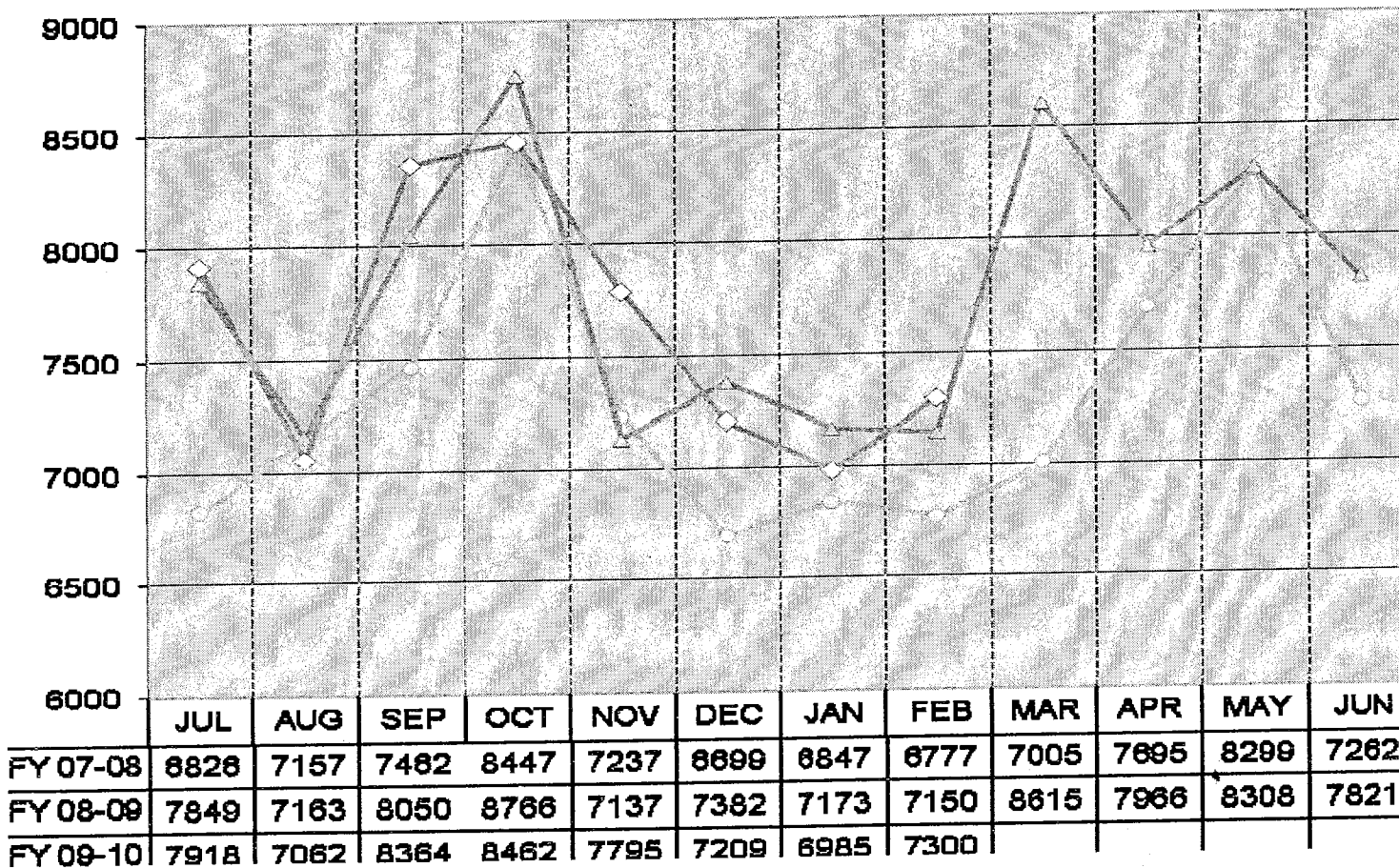
Board of Directors  
Board Meeting April 23<sup>rd</sup>, 2010

**Comparative Operating Statistics This Fiscal Year, Last Fiscal Year through February 2010.**

	Feb 09	Feb 10	Fiscal 08-09	Fiscal 09-10	Performance Averages	Performance Goals
Requested	7677	7757	65,373	58690	8468	
Performed	7150	7300	60,569	53788	7818	
Cancels	16.11%	16.73%	18.03%	20.41%	18.34%	
No Shows	2.92%	3.21%	2.82%	1.86%	2.98%	Less than 3%
Total miles	50,584	48,463	410,771	349,460	52,179	
Av trip miles	5.40	5.17	5.12	5.07	5.18	
Within ready window	94.36%	96.15%	93.96%	95.65%	94.86%	92.00% or better
Excessively late/missed trips	2	1	27	8	2.12	Zero (0)
Call center volume	6166	6580	47,040	Avail July 2010	N/A	
Call average seconds to answer	31	33	35	Avail July 2010	N/A	Less than 2 minutes
Hold times less than 2 minutes	96%	96%	95%	Avail July 2010	N/A	Greater than 90%
Distinct riders	769	823	1,543	1,560	806	
Most frequent rider	41 rides	43 rides	273 rides	241 rides	48 rides	
Shared rides	72.5%	64.6%	63.8%	62.3%	63.34%	Greater than 60%
Passengers per rev hour	2.09	2.2	2.10	2.18	2.12	Greater than 1.6 passengers/hour
Rides by supplemental providers	8.25%	12.94%	8.61%	13.24%	11.31%	No more than 25%
Vendor cost per ride	\$21.19	\$33.30	\$23.04	\$25.82	\$23.76	
ParaCruz driver cost per ride (estimated)	\$23.15	\$24.82	\$24.68	\$26.08	\$24.20	
Rides < 10 miles	70.74%	71.14%	70.92%	69.84%	69.75%	
Rides > 10	29.26%	28.86%	29.08%	30.16%	30.25%	

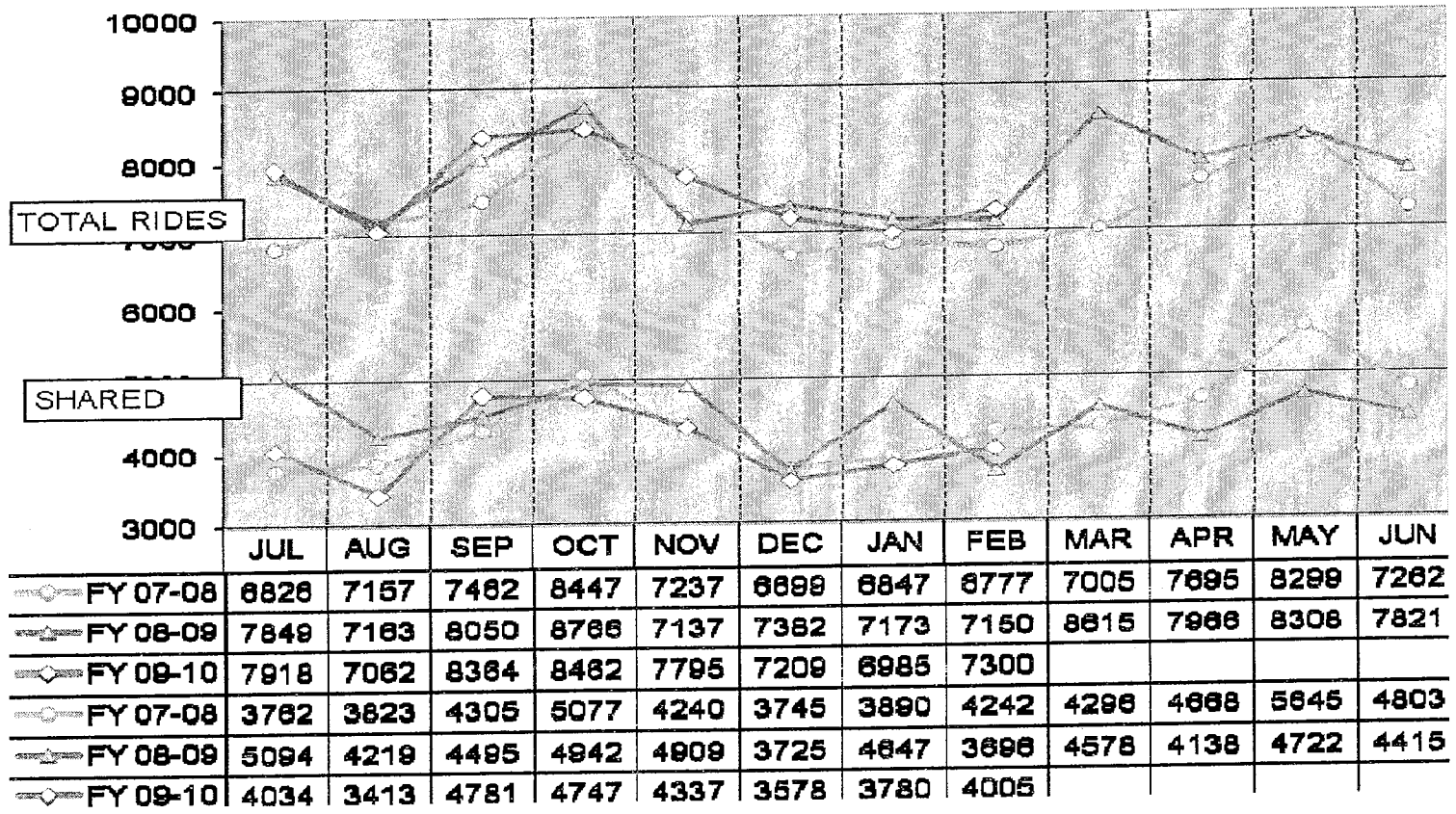
5-5.61

NUMBER OF RIDES COMPARISON CHART



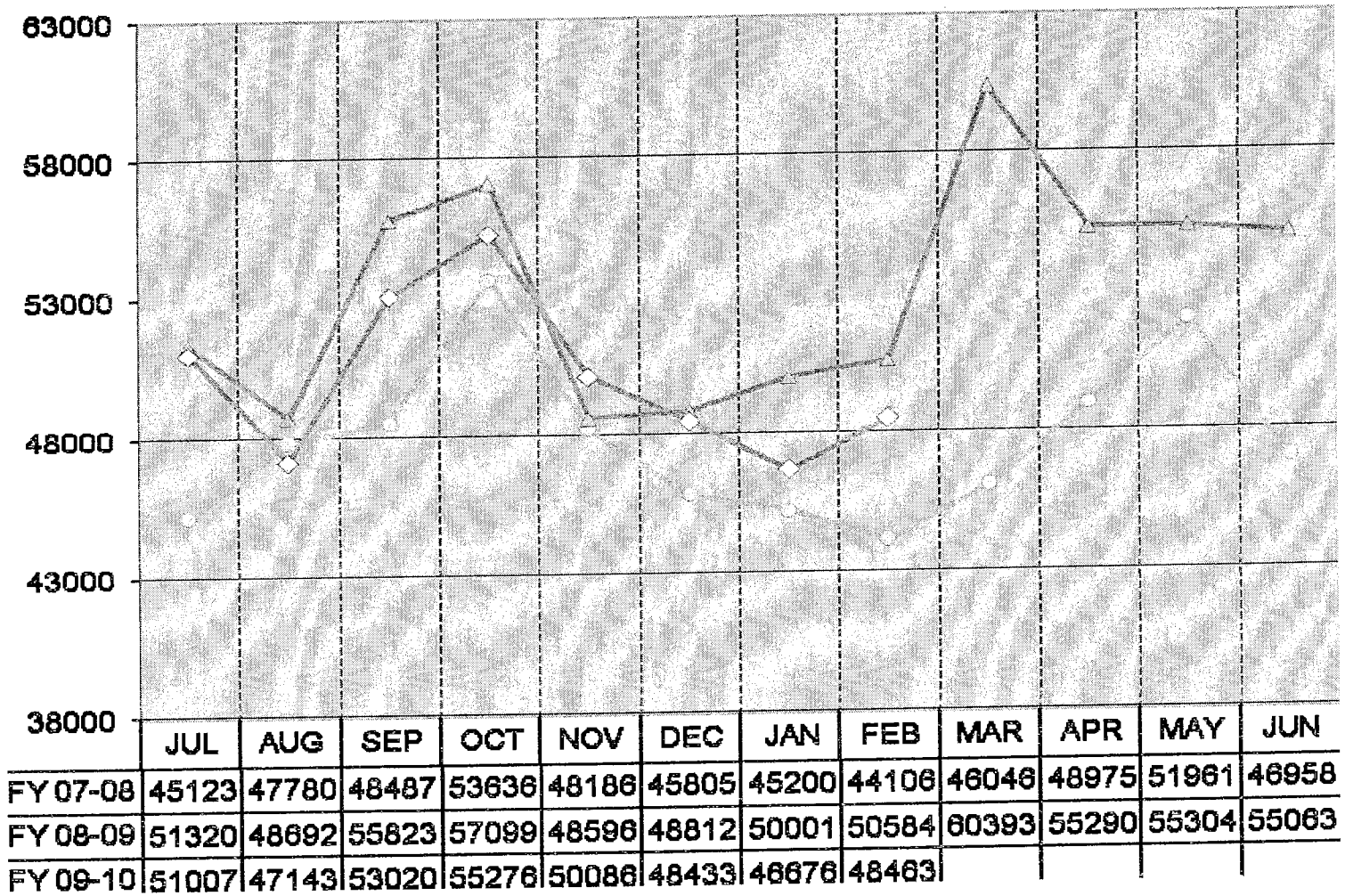
5-5.01

TOTAL RIDES vs. SHARED RIDES



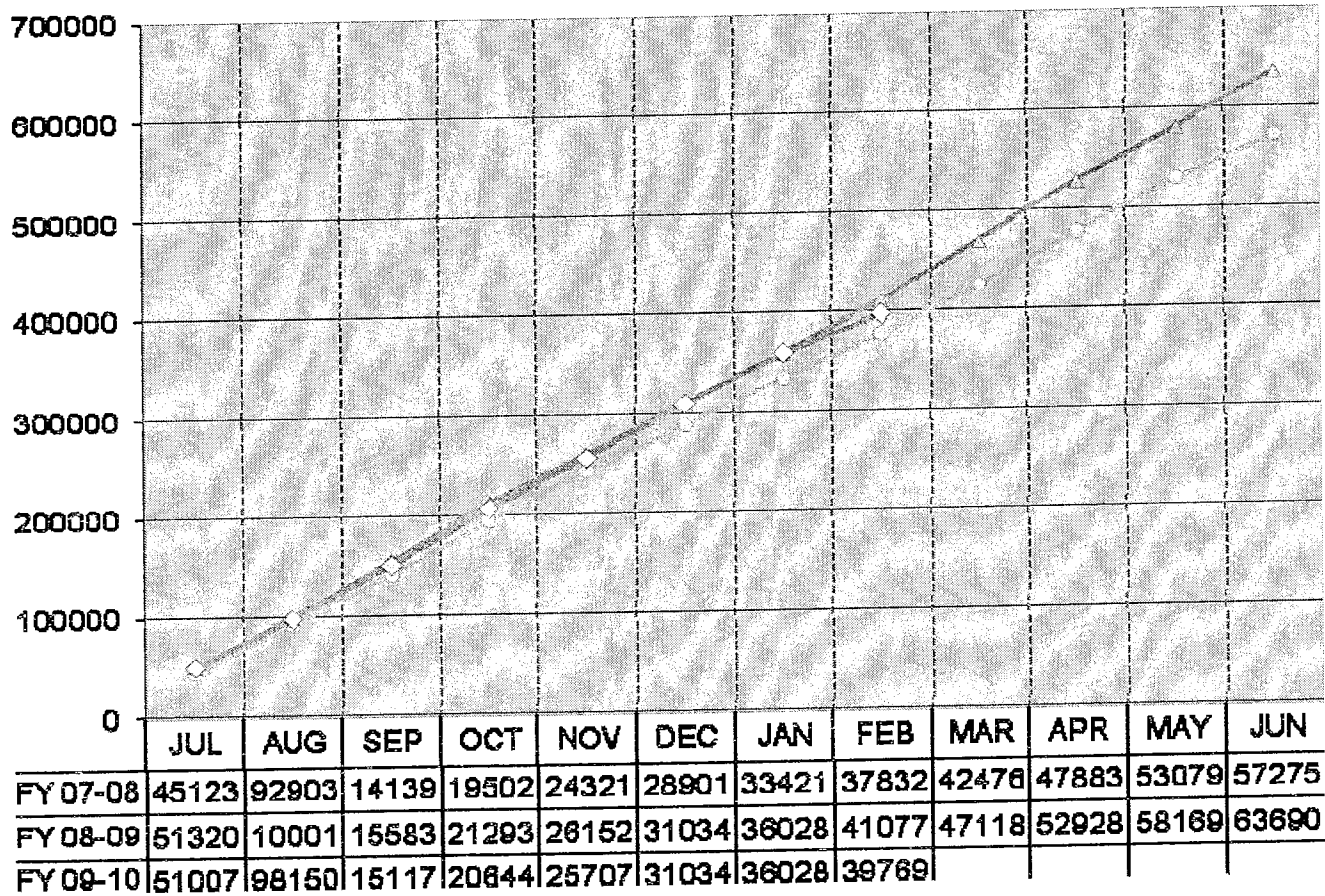
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### MILEAGE COMPARISON



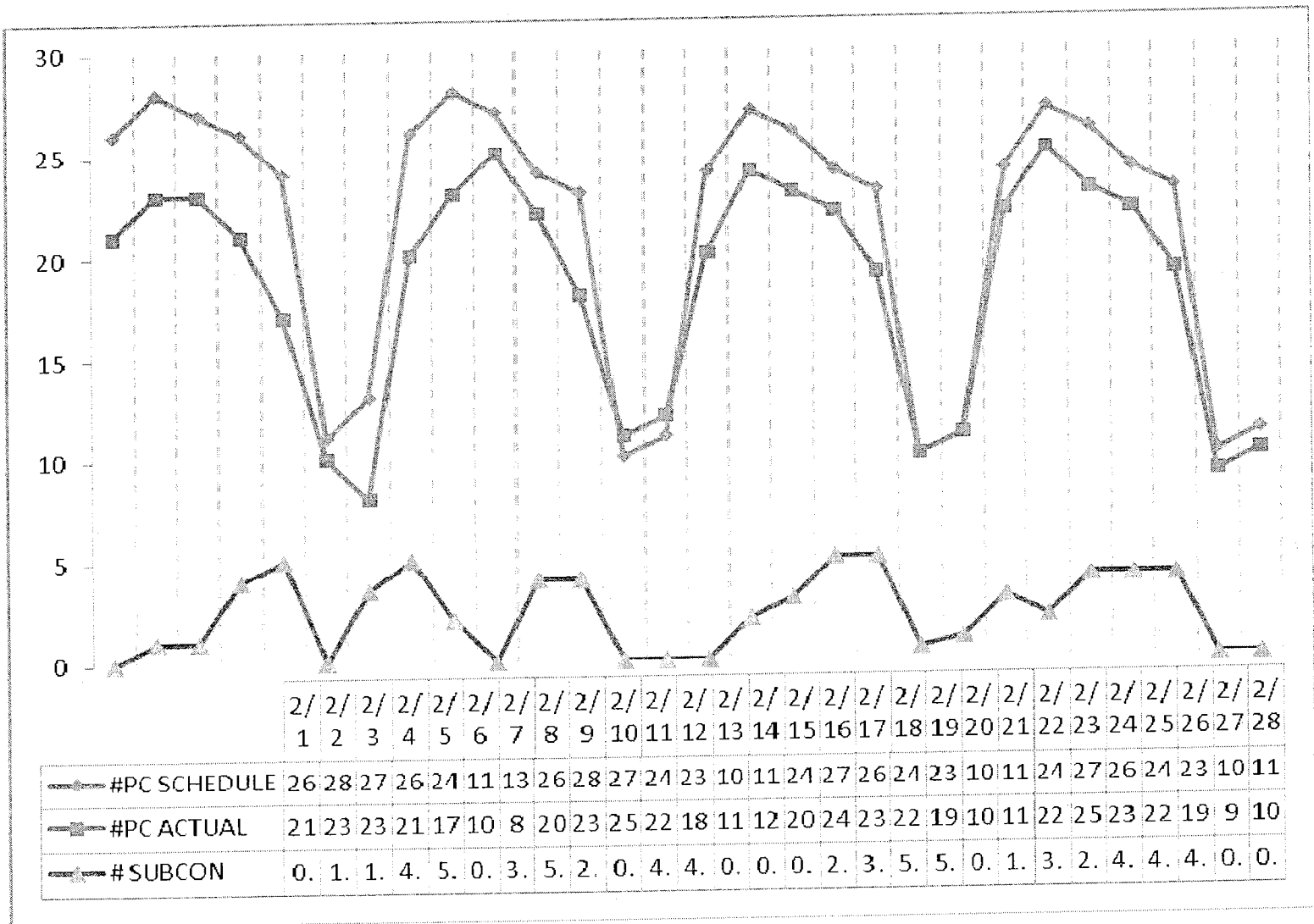
5-5.e1

### YEAR-TO-DATE MILEAGE COMPARISON



5-5.f1

# DRIVERS vs. SUBCONTRACTOR RIDES – FEB 2010



5-5.91


MONTHLY ASSESSMENTS						
	UNRESTRICTED	RESTRICTED CONDITIONAL	RESTRICTED TRIP BY TRIP	TEMPORARY	DENIED	TOTAL
FEBRUARY	28	2	0	5	1	36
MARCH	40	3	3	4	0	50
APRIL	21	2	2	2	0	27
MAY	45	4	1	0	0	50
JUNE	44	9	1	0	2	56
JULY	36	5	5	1	0	47
AUGUST	28	4	5	3	1	41
SEPTEMBER	33	2	4	4	0	43
OCTOBER	28	8	8	5	0	49
NOVEMBER	32	6	1	4	0	43
DECEMBER	30	3	2	2	0	37
JANUARY	35	1	6	4	0	46
FEBRUARY	42	1	4	1	0	48

NUMBER OF ELIGIBLE RIDERS	
YEAR	ACTIVE
2005	5336
2006	5315
2007	4820
2008	4895
2009	5291

5-5.h1



# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010  
**TO:** Board of Directors  
**FROM:** Angela Aitken, Finance Manager & Acting Assistant General Manager   
**SUBJECT: SANTA CRUZ METRO SYSTEM RIDERSHIP AND PERFORMANCE REPORT FOR FEBRUARY 2010**

## I. RECOMMENDED ACTION

**This report is for informational purposes only. No action is required**

## II. SUMMARY OF ISSUES

- Total ridership for the month of February 2010 was 519,155. Which is a decrease of 24,392 riders or -4.4% versus February 2009.
- FY10 YTD ridership is down 231,583 riders or -5.9% compared to FY09 YTD.
- The top three routes in terms of percent increase (with at least 800 riders) are: Route 27X-University Express, Route 42-Davenport/Bonny Doon and Route 72-Corralitos.
- The top three routes in terms of percent decrease (with at least 800 riders) are: Route 12-University/Eastside District, Route 74-Ohlone Parkway/Rolling Hills, and Route 10-Univeristy via High St.
- There were 2.97 hours of dropped service amounting to 37.97 miles of dropped service in February 2010.
- The Bus Operator Lift Test for February resulted in 100% of all lifts working properly on all pull-out buses. Nine (9) buses reported issues with lifts while in service.

## III. DISCUSSION

In the nineteen (19) weekdays, eight (8) weekend days, and one (1) holiday of February 2010, Santa Cruz METRO's total ridership was 519,155 riders. This was a loss from the previous year, decreasing by 24,392 riders or -4.4%. Stable fuel prices, along with unemployment in Santa Cruz County at nearly 15% in February 2010, has decrease the demand for public transportation which most likely explains the drop in overall ridership. In total, FY10 YTD ridership is 3,671,110 which is down 231,583 riders from the FY09 YTD ridership of 3,902,693 or simply -5.9%.

Routes 27X, 42, and 72 all saw a strong increase from the previous February, gaining at least 11.3% ridership increase from February 2009. Increases on board routes 27X and 42 are most likely due to an increase of UCSC and Santa Cruz High School students using transit service during stormy weather and to acclimate to new class schedules.

5-6.1

Routes 12, 74, and 10 have seen significant recessions and have contributed to poor ridership with a combining loss of 8,380 riders or -19.2% to these routes. Each of these under performing routes has their unique issues. Route 12, a University route that begins on the Eastside, does not run frequently enough to be fully utilized by UCSC students and staff. Route 74, which drives along Ohlone Parkway in Watsonville, has remained inconsistent in terms of ridership. Santa Cruz METRO Planning Staff is investigating the Route 74 to determine if any minor changes could help boost consistency on this route. Finally, Route 10 to UCSC via High Street has lost ridership as student demographics have changed; including less transit dependent students and shifts in housing locations.

There were 2.97 dropped service hours amounting to 37.97 miles of dropped service due to lack of available bus operators.

In February 2010, the Bus Operator Lift Tests resulted in 100% of all pull out buses having properly functioning passenger lifts. During service, nine (9) buses reported issues with the passenger lifts.

#### **IV. FINANCIAL CONSIDERATIONS.**

Revenue derived from passenger fares and passes are reflected in the FY10 Revenue.

#### **V. ATTACHMENTS**

- Attachment A: February 2010 Ridership Report**
- Attachment B: February 2009 Ridership Report**
- Attachment C: FYTD % Change in Ridership**
- Attachment D: Route by Route Ridership**
- Attachment E: Dropped Service for FY10**
- Attachment F: Bus Operator Lift Test \*Pull-Out\***
- Attachment G: In Service Passenger Lift Problems**

Prepared by: Erich Friedrich, Jr. Transportation Planner.  
Date Prepared: April 15, 2010

5-6.2

Santa Cruz METRO  
February 2010 Ridership Report

ROUTE	Miles	Hours	UC Student	UC Staff	Cabrillo	Full Fare	Tickets	S/D Fare	Day Pass	S/D Day Pass	Passes/ Free Fare	Pacific Shores	Total Ridership	Passengers Per Mile	Passengers Per Hour	Wheelchair	Bike
10	5,020.51	420.91	28,550	1,471	80	712	21	47	13	2	824	2	31,722	6.32	75.37	22	767
13	2,088.48	178.60	12,256	531	18	192	13	13	4	1	325	0	13,353	6.39	74.76	5	323
15	7,183.58	603.30	40,644	1,566	112	822	34	62	13	6	939	2	44,200	6.15	73.26	11	1107
16	14,108.80	1,145.90	91,343	3,131	334	2,753	131	172	21	20	2,407	11	100,323	7.11	87.55	37	2409
19	5,295.74	397.71	25,429	839	127	733	48	66	11	8	863	3	28,127	5.31	70.72	5	680
3	2,272.40	164.66	412	102	195	702	66	132	28	21	1,301	78	3,037	1.34	18.44	14	52
4	1,567.70	163.00	195	48	65	444	201	185	10	23	2,882	6	4,059	2.59	24.90	69	85
7	1,042.00	93.94	56	12	22	68	17	57	3	13	484	0	732	0.70	7.79	16	5
9	433.64	23.00	18	20	2	85	3	3	4	0	278	0	413	0.95	17.96	0	1
12A	250.12	18.05	925	114	5	29	2	4	1	0	38	0	1,118	4.47	61.94	0	31
20	5,740.87	382.48	19,871	770	268	1,135	85	127	28	15	1,450	125	23,874	4.16	62.42	17	619
27x	1,546.16	132.00	5,560	209	19	66	2	1	0	0	164	4	6,025	3.90	45.64	0	232
31	2,163.28	114.00	129	34	38	509	27	27	8	3	682	1	1,458	0.67	12.79	12	96
32	714.84	42.34	20	5	4	212	5	4	0	0	229	0	479	0.67	11.31	1	28
33	448.74	20.70	0	0	10	78	4	3	1	4	204	0	304	0.68	14.69	0	4
34	251.28	15.89	0	0	1	78	5	2	0	0	170	0	256	1.02	16.11	0	0
35	35,953.38	1,805.04	1,304	433	1,250	10,202	697	1,105	239	125	20,467	7	35,829	1.00	19.85	79	1561
40	2,298.32	93.32	68	9	2	593	18	35	21	5	520	4	1,275	0.55	13.66	0	25
41	2,905.20	120.66	304	103	48	464	18	30	5	0	626	0	1,598	0.55	13.24	0	142
42	3,163.40	117.34	177	10	17	439	8	39	3	2	403	9	1,107	0.35	9.43	0	108
53	1,113.60	78.66	5	18	15	110	6	46	5	8	314	0	527	0.47	6.70	24	7
54	1,626.24	91.34	14	8	75	246	11	56	7	3	397	0	817	0.50	8.94	1	40
55	2,697.20	183.34	57	22	927	714	69	141	16	27	1,709	0	3,682	1.37	20.08	76	41
56	2,105.80	93.00	8	6	284	278	2	64	17	6	594	0	1,259	0.60	13.54	27	32
66	6,112.71	527.47	1,687	274	488	4,124	372	599	96	65	7,148	7	14,860	2.43	28.17	218	514
68	4,705.52	384.94	1,696	210	239	2,364	202	236	75	41	4,331	1	9,395	2.00	24.41	121	215
68N	1,723.40	124.12	488	40	77	719	24	53	0	0	762	5	2,168	1.26	17.47	19	142
69	3,320.32	300.20	1,106	256	278	2,022	165	283	46	44	3,449	13	7,662	2.31	25.52	66	271
69A	13,616.44	732.86	1,410	414	582	8,107	726	1,075	109	104	8,673	9	21,209	1.56	28.94	244	766
69N	1,659.90	133.32	377	87	291	552	15	32	0	1	887	1	2,243	1.35	16.82	18	128
69W	13,263.07	740.14	1,702	455	3,032	7,983	601	912	121	87	9,965	14	24,872	1.88	33.60	255	930
70	2,590.29	212.99	304	49	1,856	1,149	78	106	20	13	1,739	11	5,325	2.06	25.00	31	138
71	45,964.19	2,629.00	3,345	1,092	8,323	24,100	2,070	2,919	370	194	26,069	32	68,514	1.49	26.06	350	2756
72	5,260.08	254.34	6	17	220	1,612	100	299	22	28	1,322	0	3,626	0.69	14.26	17	95
74	3,216.98	188.34	5	9	76	1,188	70	240	26	14	729	0	2,357	0.73	12.51	7	22
75	6,158.88	371.00	26	29	183	2,987	244	570	46	54	2,613	0	6,752	1.10	18.20	77	156
76	1,681.98	88.66	22	4	12	296	14	63	5	5	356	0	777	0.46	8.76	2	28
79	1,569.26	91.66	10	3	97	518	75	133	13	31	641	0	1,521	0.97	16.59	108	12
88																	
81x	5,561.68	239.20	353	139	687	1,175	251	79	49	20	1,484	14	4,251	0.76	17.77	19	204
UC Supp.	1,801.13	111.19	8,412	421	4	74	1	1	0	0	52	1	8,966	4.98	80.64	0	146
Night Owl	1,509.17	91.93	5,013	18	5	291	8	2	0	0	50	1	5,388	3.57	58.61	0	133
TOTAL	221,706.29	13,720.54	253,307	12,978	20,368	80,925	6,509	10,023	1,456	993	108,540	361	495,460	2.23	36.11	1,968	15,051
ROUTE	VTA/SC		ECO	Full	S/D	17	Passes/	RIDERSHIP		Passengers	Passengers	Wheelchair	Bike				
	Day Pass	CalTrain	Pass	Fare	Riders	Day Pass	Free Rides			Per Mile	Per Hour						
17	44,862.48	1,435.98	94	61	187	10,069	1,014	1,464	96	10,710	23,695	0.53	16.50				

5-6-a1

February Ridership 519,155

Attachment A

Santa Cruz METRO  
February 2009 Ridership Report

ROUTE	Miles	Hours	UC Student	UC Staff Faculty	Cabrillo	Full Fare	Tickets	Cash S/D Riders	S/D Day Pass	Passes/ Free Rides	Pacific Shores	Total Ridership	Passengers Per Mile	Passengers Per Hour	Wheelchair	Bike	
10	5,020.51	420.91	35,207	1,533	206	903	23	69	15	5	1,056	24	39,041	7.78	92.75	25	958
13	2,088.48	178.60	14,123	588	62	246	4	7	4	0	348	5	15,387	7.37	86.15	2	408
15	7,253.74	609.30	46,761	1,795	274	924	16	48	9	4	1,142	22	50,995	7.03	83.69	18	1,295
16	14,174.67	1,166.84	90,199	3,208	545	3,068	35	137	41	9	2,557	79	99,878	7.05	85.60	32	2,295
19	5,296.62	397.89	26,459	1,151	206	866	6	61	11	25	961	21	29,787	5.62	74.86	11	721
3	2,272.40	164.66	574	87	272	544	18	132	18	40	1,329	87	3,101	1.36	18.83	10	62
4	1,415.10	146.66	239	76	109	451	146	281	10	25	3,458	153	4,948	3.50	33.74	46	131
7	1,042.00	93.34	180	39	106	105	16	57	1	10	677	19	1,210	1.16	12.96	7	10
9	433.64	23.00	18	13	5	109	4	5	2	2	172	11	341	0.79	14.83	0	2
12A	250.12	18.05	1,375	30	9	31	3	2	0	2	16	4	1,472	5.89	81.55	0	39
20	5,464.55	382.48	23,437	724	278	949	37	110	8	6	1,539	108	27,196	4.98	71.10	9	542
27x	1,335.32	114.00	4,677	235	29	62	0	1	0	0	107	3	5,114	3.83	44.86	0	259
31	2,131.84	110.66	86	58	101	507	28	20	5	2	761	11	1,581	0.74	14.29	10	102
32	714.84	42.34	80	3	17	185	11	4	0	0	305	11	616	0.86	14.55	1	14
33	448.74	20.70	0	4	8	117	16	0	0	0	202	20	367	0.82	17.73	0	4
34	251.28	15.89	0	0	0	75	0	0	0	0	130	1	206	0.82	12.96	0	0
35	35,953.38	1,805.04	1,356	370	1,919	10,994	283	952	266	125	18,926	353	35,544	0.99	19.69	17	1,475
40	2,298.32	93.32	65	14	24	589	9	19	7	6	619	15	1,367	0.59	14.65	0	37
41	2,905.20	120.66	397	84	79	569	6	19	10	0	414	28	1,606	0.55	13.31	3	127
42	3,163.40	117.34	186	21	58	371	3	45	1	2	257	6	950	0.30	8.10	1	86
53	1,113.60	78.66	9	19	32	177	7	59	3	2	462	11	781	0.70	9.93	19	17
54	1,871.76	108.66	7	3	144	216	5	37	2	3	402	2	821	0.44	7.56	7	21
55	2,697.20	183.34	29	43	1,356	619	27	120	16	28	1,460	32	3,730	1.38	20.34	61	93
56	2,105.80	93.00	5	9	308	257	9	73	3	4	499	17	1,184	0.56	12.73	6	23
66	6,103.13	526.47	2,018	296	742	4,647	146	659	93	52	6,997	166	15,816	2.59	30.04	129	383
68	4,705.52	384.94	1,683	317	394	2,508	82	340	65	26	4,655	107	10,177	2.16	26.44	71	260
68N	1,723.40	124.12	595	47	122	731	16	32	1	0	762	12	2,318	1.35	18.68	3	97
69	3,320.32	300.20	1,206	267	380	2,323	87	311	36	28	4,027	101	8,766	2.64	29.20	61	273
69A	13,616.44	732.86	1,484	407	689	7,458	307	169	109	77	8,683	375	19,758	1.45	26.96	185	695
69N	1,659.90	133.32	528	72	346	504	7	54	0	0	835	19	2,365	1.42	17.74	17	141
69W	13,263.07	740.14	1,724	478	3,875	8,202	250	946	130	78	9,901	307	25,891	1.95	34.98	142	847
70	2,014.67	165.66	317	54	2,674	1,188	61	120	17	9	1,960	110	6,510	3.23	39.30	30	205
71	45,964.19	2,629.00	3,132	1,089	10,419	22,888	872	2,719	264	224	23,861	1,264	66,732	1.45	25.38	432	3,001
72	5,260.08	254.34	2	34	195	1,499	24	257	29	17	1,156	54	3,257	0.62	12.81	15	58
74	3,216.98	188.34	5	35	81	1,543	127	273	17	24	959	0	3,064	0.95	16.27	19	12
75	6,158.88	371.00	18	33	201	3,067	138	550	56	60	2,008	0	6,131	1.00	16.53	41	153
76	1,681.98	88.66	14	4	11	363	20	54	5	6	335	0	812	0.48	9.16	6	19
79	1,569.26	91.66	8	16	62	532	44	228	17	43	656	0	1,606	1.02	17.52	52	7
88	745.25	74.68	7	0	2	9	3,924	1	0	0	2,038	0	5,681	7.62	78.07	43	3
91x	5,581.68	239.20	231	99	915	1,113	201	100	47	18	1,456	0	4,180	0.75	17.47	5	206
UC Supp.	1,983.32	123.73	7,881	349	14	64	1	3	0	0	103	5	8,420	4.25	68.05	1	112
Night Owl	1,609.39	129.84	4,745	76	26	282	0	4	0	0	94	4	5,231	3.25	40.29	0	112
TOTAL	221,859.78	13,803.50	271,069	13,780	27,295	81,845	6,719	9,078	1,318	962	108,305	3,567	523,938	2.36	37.96	1,537	15,305
ROUTE			VTA/SC Day Pass	CalTrain	ECO Pass	Full Fare	Tickets	S/D Riders	17 Day Pass	Passes/ Free Rides			RIDERSHIP	Passengers Per Mile	Passengers Per Hour	Wheelchair	Bike
17	44,862.58	1,552.32	70	90	271	10,869	419	1,238	146	12,187			25,290	0.56	16.29	47	840

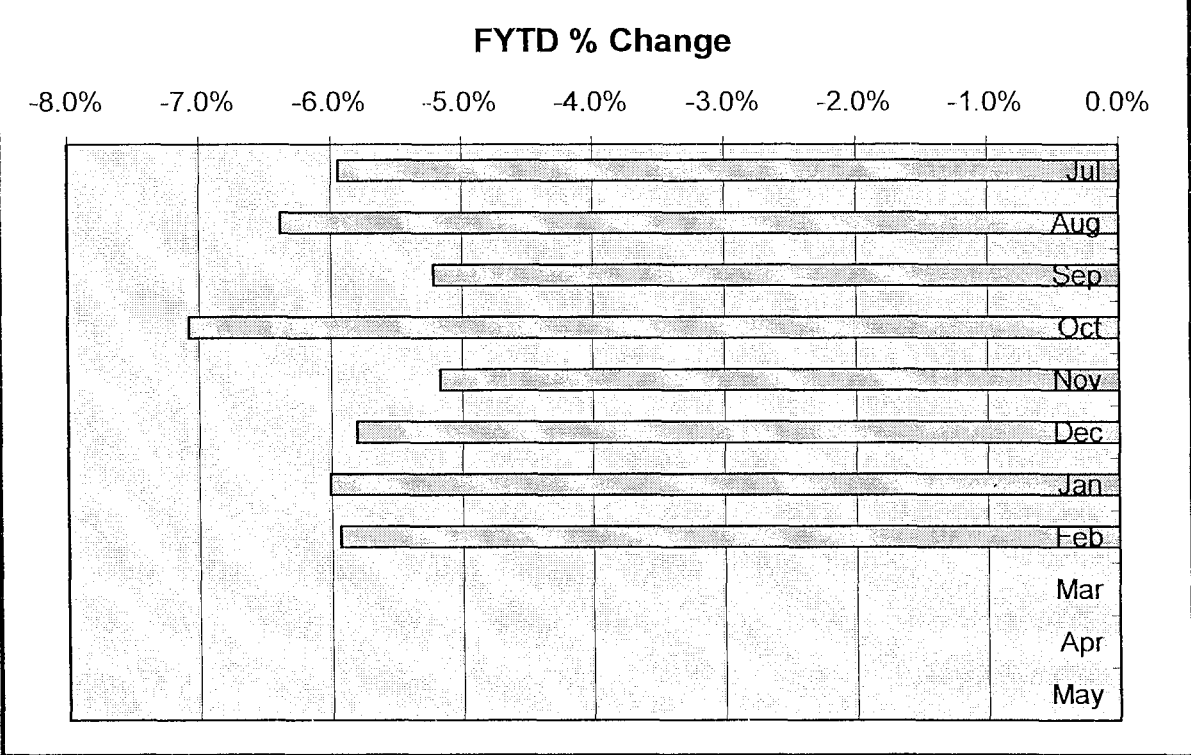
February Ridership 549,228

5-6.61

Attachment B

FYTD % Change in Ridership  
Through February 2010

	FY10 YTD Ridership	FY09 YTD Ridership	% Change
Jul	335,537	356,739	-5.9%
Aug	650,763	695,099	-6.4%
Sep	1,107,101	1,167,955	-5.2%
Oct	1,756,415	1,890,113	-7.1%
Nov	2,286,450	2,410,825	-5.2%
Dec	2,633,869	2,796,142	-5.8%
Jan	3,151,955	3,353,465	-6.0%
Feb	3,671,110	3,902,693	-5.9%
Mar			
Apr			
May			
Jun			



5-6.c1

## Route by Route Ridership

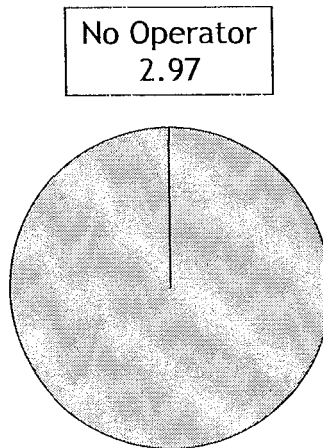
February 2010						
	Route	Destination	FY10 Riders	FY09 Riders	+/- from last year	%
1	34	South Felton	256	206	50	24.3%
2	9	Prospect Heights	413	341	72	21.1%
3	27x	University Express	6,025	5,114	911	17.8%
4	42	Davenport/Bonny Doon	1,107	950	157	16.5%
5	72	Corralitos	3,626	3,257	369	11.3%
6	75	Green Valley	6,752	6,131	621	10.1%
7	69A	Santa Cruz/Capitola/ Watsonville	21,209	19,758	1,451	7.3%
8	20D	Route 20 Supplemental	8,966	8,420	546	6.5%
9	56	Capitola/La Selva	1,259	1,184	75	6.3%
10	N/O	University Night Owl	5,388	5,231	157	3.0%
11	71	Watsonville/Santa Cruz	68,514	66,732	1,782	2.7%
12	91	Santa Cruz-Watsonville Express	4,251	4,180	71	1.7%
13	35	San Lorenzo Valley	35,829	35,544	285	0.8%
14	16	University via Laurel East	100,323	99,878	445	0.4%
15	54	Capitola/Aptos/La Selva	817	821	-4	-0.5%
16	41	Bonny Doon	1,598	1,606	-8	-0.5%
17	55	Capitola/Rio Del Mar	3,682	3,730	-48	-1.3%
18	3	Natural Bridges	3,037	3,101	-64	-2.1%
19	69W	Santa Cruz/Capitola/Cabrillo Watsonville	24,872	25,891	-1,019	-3.9%
20	76	Corralitos/Buena Vista	777	812	-35	-4.3%
21	69N	Santa Cruz/Capitola Cabrillo Night	2,243	2,365	-122	-5.2%
22	79	East Lake	1,521	1,606	-85	-5.3%
23	19	University via Lower Bay	28,127	29,787	-1,660	-5.6%
24	66	Live Oak via 17th Avenue	14,860	15,816	-956	-6.0%
25	17	Santa Cruz/San Jose	23,695	25,290	-1,595	-6.3%
26	68N	Beach/Broadway/Portola Night	2,168	2,318	-150	-6.5%
27	40	Davenport	1,275	1,367	-92	-6.7%
28	68	Live Oak via Broadway/Portola	9,395	10,177	-782	-7.7%
29	31	Santa Cruz/Scotts Valley	1,458	1,581	-123	-7.8%
30	20	University via Westside	23,874	27,196	-3,322	-12.2%
31	69	Santa Cruz/Capitola	7,662	8,766	-1,104	-12.6%
32	13	University via Walnut	13,353	15,387	-2,034	-13.2%
33	15	University via Laurel West	44,200	50,995	-6,795	-13.3%
34	33	Lompico	304	367	-63	-17.2%
35	4	Harvey West/Emeline	4,059	4,948	-889	-18.0%
36	70	Santa Cruz/Cabrillo	5,325	6,510	-1,185	-18.2%
37	10	University via High St.	31,722	39,041	-7,319	-18.7%
38	32	Santa Cruz/Scotts Valley	479	616	-137	-22.2%
39	74	Ohlone Parkway/Rolling Hills	2,357	3,064	-707	-23.1%
40	12	University/Eastside Direct	1,118	1,472	-354	-24.0%
41	53	Capitola/Dominican	527	781	-254	-32.5%
42	7	Beach St	732	1,210	-478	-39.5%
43	88	Armory	0	5,681	-5,681	N/A
<b>TOTALS</b>			<b>519,155</b>	<b>549,228</b>	<b>-24,392</b>	<b>-4.4%</b>

5-6.d1

## Dropped Service for FY10

	FY07		FY08		FY09		FY10	
	Dropped Hours	Dropped Miles	Dropped Hours	Dropped Miles	Dropped Hours	Dropped Miles	Dropped Hours	Dropped Miles
July	5.02	96.88	5.53	90.97	81.53	1482.81	10.35	208.64
August	15.02	276.46	4.93	110.45	1.13	23.95	32.77	894.57
September	11.30	160.72	9.00	191.05	11.50	194.51	17.30	240.17
October	37.52	540.19	9.52	122.24	29.75	555.98	13.02	234.98
November	37.55	477.48	3.32	45.89	11.60	59.92	14.75	180.63
December	6.08	143.84	18.97	241.87	1.58	26.64	9.40	220.62
January	12.24	188.23	49.20	453.86	0.97	10.95	11.10	196.58
February	13.07	188.23	53.53	717.31	25.18	488.75	2.97	37.97
March	7.13	133.30	22.50	315.63	18.73	452.08		
April	4.85	43.67	40.75	586.55	19.57	310.04		
May	16.00	241.42	16.40	246.82	19.33	284.60		
June	62.19	802.29	52.05	882.35	5.85	73.64		
<b>TOTAL</b>	<b>227.96</b>	<b>3,292.71</b>	<b>285.70</b>	<b>4,004.99</b>	<b>226.74</b>	<b>3,963.85</b>	<b>111.65</b>	<b>2,214.15</b>

Dropped Service Breakdown for February 2009



5-6.e1

BUS OPERATOR LIFT TEST \*PULL-OUT\*

	A	B	C	D	E	F	
VEHICLE CATEGORY	TOTAL BUSES	AVG # DEAD IN GARAGE	AVG # AVAIL. FOR SERVICE	AVG # IN SERVICE	AVG # SPARE BUSES	AVG # LIFTS OPERATING	% LIFTS WORKING ON PULL-OUT BUSES
FLYER/LOW FLOOR - 35'	18	2	16	10	6	10	100%
FLYER/LOW FLOOR - 40'	12	2	10	7	2	7	100%
FLYER/HIGHWAY 17 - 40'	7	3	4	0	4	0	100%
ORION/HIGHWAY 17 - 40'	11	3	8	6	2	6	100%
CNG/HIGHWAY 17 - 40'	5	1	4	2	2	2	100%
CNG NEW FLYER - 40'	18	6	12	12	1	12	100%
DIESEL CONVERSION - 35'	15	4	11	11	0	11	100%
DIESEL CONVERSION - 40'	14	2	12	11	1	11	100%
GILLIG/SAM TRANS - 40'	10	3	7	4	3	4	100%
GOSHEN	1	0	1	1	0	1	100%
TROLLEY	1	0	1	0	1	0	100%

5-6.f1

Attachment F



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

PASSENGER LIFT PROBLEMS

MONTH OF FEBRUARY 2010

BUS #	DATE	DAY	REASON
9836 GIL 40	4-Feb	Thursday	Lift inoperable.
2212 D/C LF 35	4-Feb	Thursday	Curbside W/C passenger bell doesn't work.
9832 GIL 40	8-Feb	Monday	When kneel is engaged air pressure lowers to 90 takes several minutes to build back up.
2221 D/C LF 35	12-Feb	Friday	Ramp won't deploy or stow-can be done manually, but very sticky.
2221 D/C LF 35	13-Feb	Saturday	Manually operated by hand only, slapping onto the sidewalk.
9817 LFF 35	16-Feb	Tuesday	Beeper for lift.
2208 CNG LFF 40	19-Feb	Friday	Kneel stays down.
2210 D/C LF 35	19-Feb	Friday	W/C belt passenger side won't deploy or retract.
9804 LFF 35	22-Feb	Monday	Couldn't get the front bar on the passenger side securement area to release, also one strap doesn't reach very far.
9829 LFF 40	26-Feb	Friday	Kneel lifts very slowly.
2216 D/C LF 35	26-Feb	Friday	No beeping on raise or lower.

- F New Flyer
- G Gillig
- C Champion
- LF Low Floor Flyer
- GM GMC
- CG CNG
- CN SR855 & SR854
- OR Orion/Hwy 17

Note: Lift operating problems that cause delays of less than 30 minutes.

5-6.91

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010  
**TO:** Board of Directors  
**FROM:** Angela Aitken, Finance Manager & Acting Assistant General Manager   
**SUBJECT:** HIGHWAY 17 EXPRESS SERVICE REPORT FOR FEBRUARY 2010

## I. RECOMMENDED ACTION

**This report is for informational purposes only. No action is required**

## II. SUMMARY OF ISSUES

- Total ridership for the month of February 2010 was 23,695. Which is a decrease of 2,274 riders or -8.7% from February 2009.
- FY10 average ridership per weekday was 939. This is a 7.3% decrease from FY09
- FY10 riders per revenue hour was 16.02 riders per hour, which is a 8.3% decrease from FY09.
- February 2010 Highway 17 Express operating costs was \$138,266.15 with February 2010 fare revenue at \$85,662.04 and additional funds from AMTRAK and SJSU at \$12,743.28 resulting in a 71.2% cost recovery ratio.

## III. DISCUSSION

In the nineteen (19) weekdays, eight (8) weekend days, and one (1) holiday of February 2010, the Highway 17 Express total ridership was 23,695 riders. This was a loss from the previous year, decreasing by 2,274 riders or simply -8.7%.

FY10 average weekday ridership on the Highway 17 Express was 939 riders per weekday, a 7.3% decrease from 1,013 riders per weekday in FY09. Simultaneously Highway 17 Express has seen an 8.3% decrease in riders per revenue hour from 17.46 riders per revenue hour to 16.02 riders per revenue hour. These decreases in ridership are most likely due to much lower gasoline prices in February 2010 than in February 2009 as well as an increase in unemployment in both Santa Clara and Santa Cruz counties.

The operating cost of the Highway 17 Express for February 2010 was \$138,266.15. A respectable 71.2% of the operating costs were recovered from fare revenue of \$85,662.04 and additional funds from AMTRAK and SJSU of \$12,743.28 totaling to \$98,405.32 in February 2010. Please see attachments regarding these figures.

## IV. FINANCIAL CONSIDERATIONS.

Revenue derived from passenger fares and passes are reflected in the FY10 Revenue.

5-7.1

**V. ATTACHMENTS**

- Attachment A: Highway 17 Express Operating Statistics Summary Fiscal Year 2010**
- Attachment B: Highway 17 Express Revenue & Expenditure Summary**
- Attachment C: Highway 17 Express Operating Statistics Summary Fiscal Year 2009**

Prepared by: Erich Friedrich, Jr. Transportation Planner.  
Date Prepared: April 15, 2010

5-7.2

# HIGHWAY 17 EXPRESS OPERATING STATISTICS SUMMARY

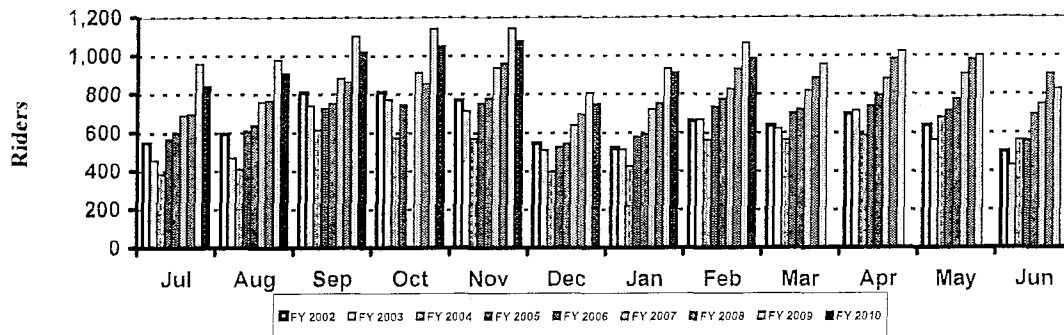
FISCAL YEAR 2010

MONTHLY	Jul-2009	Aug-2009	Sep-2009	Oct-2009	Nov-2009	Dec-2009	Jan-2010	Feb-2010	Mar-2010	Apr-2010	May-2010	Jun-2010
Total Ridership	23,566	24,127	26,172	29,411	27,204	19,484	23,695	23,695				
Avg. Weekday Ridership	842	908	1,020	1,049	1,076	747	911	984				
Avg. Saturday Ridership	533	510	522	652	544	387	510	498				
Avg. Sunday Ridership	519	502	535	767	656	300	489	506				
Total Service Days	31	31	30	31	30	31	31	28				
Number of Weekdays	23	21	21	22	19	22	20	20				
Number of Saturdays	4	5	4	5	4	4	5	4				
Numbers of Sundays	4	5	5	4	7	5	6	4				
Revenue Hours	1,618	1,552	1,523	1,590	1,482	1,585	1,527	1,442				

QUARTERLY	Q1			Q2			Q3			Q4		
Total Ridership	73,865			76,099								
Avg. Weekday Ridership	921			952								
Avg. Saturday Ridership	521			537								
Avg. Sunday Ridership	519			573								
Revenue Hours	4,694			4,657								

FYTD	Jul-2009	Aug-2009	Sep-2009	Oct-2009	Nov-2009	Dec-2009	Jan-2010	Feb-2010	Mar-2010	Apr-2010	May-2010	Jun-2010
Total Ridership	23,566	47,693	73,865	103,276	130,480	149,964	173,659	197,354				
Avg. Weekday Ridership	842	873	921	953	975	936	932	939				
Avg. Saturday Ridership	533	520	521	557	555	529	526	523				
Avg. Sunday Ridership	519	510	519	574	597	547	538	535				
Revenue Hours	1,618	3,170	4,694	6,283	7,765	9,351	10,878	12,320				

HIGHWAY 17 EXPRESS  
Average Weekday Ridership History



FYTD COMPARISON  
2010 vs. 2009

	FY 2010	FY 2009	Percent Change
	Jul '09 to Feb '10	Jul '08 to Feb '09	
# of Weekdays	168	168	0.0%
Total Ridership	197,354	211,286	-6.6%
Avg. Wkday Ridership	939	1,013	-7.3%
Avg Sat Ridership	523	552	-5.3%
Avg Sun Ridership	535	545	-1.9%
Revenue Hours	12,320	12,098	1.8%
Riders Per Rev. Hour	16.02	17.46	-8.3%

5-7.91

Attachment A

**HIGHWAY 17 EXPRESS  
REVENUE & EXPENDITURE SUMMARY  
FISCAL YEAR 2010**

PERIOD	TOTAL COST *	REVENUE							RATIOS				VTA COST SUMMARY			JPA COST SUMMARY		
		PASSENGER FARE REVENUE					ADDITIONAL FUNDS		TOTAL REVENUE	Ridership	Average Fare per Rider	Total Cost per Rider	Cost Recovery	Billed to VTA	VTA Fare Revenue	VTA Net Cost	TOTAL JPA Cost	JPA Cost per Rider
		FAREBOX	SCMTD Pass Sales	VTA Pass Sales	VTA EcoPass	Total Fare Revenue	SJSU** Funded	AMTRAK Funded										
Jul '09	\$155,343.40	\$54,382.61	\$14,362.50	\$9,810.00	\$1,120.00	\$79,675.11		\$10,361.00	\$90,036.11	23,566	\$3.38	\$5.59	58.0%	\$43,583.65	\$10,930.00	\$32,653.65	\$65,307.29	\$2.77
Aug '09	\$148,122.32	\$57,058.06	\$15,222.50	\$9,360.00	\$940.00	\$62,580.56	\$279.28	\$10,361.00	\$93,220.84	24,127	\$3.42	\$6.14	62.9%	\$37,750.74	\$10,300.00	\$27,450.74	\$54,901.48	\$2.28
Sep '09	\$145,713.48	\$56,350.07	\$17,092.50	\$17,460.00	\$828.00	\$91,730.57	\$2,117.96	\$10,348.15	\$104,196.68	26,172	\$3.50	\$5.57	71.5%	\$39,046.40	\$18,288.00	\$20,758.40	\$41,516.80	\$1.59
Oct '09	\$152,325.81	\$63,785.70	\$18,733.50	\$15,750.00	\$924.00	\$99,193.20	\$2,489.96	\$10,460.59	\$112,143.75	29,411	\$3.37	\$5.18	73.6%	\$36,765.03	\$16,674.00	\$20,091.03	\$40,182.06	\$1.37
Nov '09	\$141,545.21	\$67,168.82	\$17,159.50	\$15,930.00	\$716.00	\$100,974.32	\$2,198.20	\$10,870.85	\$114,043.37	27,204	\$3.71	\$5.20	80.6%	\$30,396.92	\$16,646.00	\$13,750.92	\$27,501.84	\$1.01
Dec '09	\$151,732.86	\$49,562.08	\$14,356.00	\$9,630.00	\$480.00	\$74,028.08	\$1,726.56	\$10,371.00	\$86,125.64	19,484	\$3.80	\$7.79	56.8%	\$42,913.61	\$10,110.00	\$32,803.61	\$65,607.22	\$3.37
Jan '10	\$145,542.10	\$58,924.22	\$15,357.50	\$9,630.00	\$800.00	\$84,711.72	\$655.52	\$10,544.09	\$95,911.33	23,695	\$3.58	\$6.14	65.9%	\$35,245.38	\$10,430.00	\$24,815.38	\$49,630.77	\$2.08
Feb '10	\$138,266.15	\$53,630.04	\$16,974.00	\$14,310.00	\$748.00	\$85,662.04	\$2,246.08	\$10,497.20	\$98,405.32	23,695	\$3.62	\$5.84	71.2%	\$34,988.41	\$15,058.00	\$19,930.41	\$39,860.83	\$1.68
FYTD 2010	\$1,178,591.32	\$460,861.60	\$129,258.00	\$101,880.00	\$6,556.00	\$698,555.60	\$11,713.56	\$83,813.68	\$794,083.04	197,354	\$3.54	\$5.97	67.4%	\$300,690.14	\$108,436.00	\$192,254.14	\$384,508.28	\$1.95
FYTD 2009	\$1,176,478.46	\$438,146.80	\$126,698.50	\$128,700.00	\$8,708.00	\$702,253.30	\$12,721.20	\$81,676.50	\$796,651.00	211,286	\$3.32	\$5.57	67.7%	\$327,321.74	\$137,408.00	\$189,913.74	\$379,827.46	\$1.80
Percent Change	0.2%	5.2%	2.0%	-20.8%	-24.7%	-0.5%	-7.9%	2.6%	-0.3%	-6.6%	6.5%	7.3%	-0.5%	-8.1%	-21.1%	1.2%	1.2%	8.4%

FYTD 2009 Percent of Passenger Fare Revenues	66.0%	18.5%	14.6%	0.9%
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Abbreviations: SCMTD = Santa Cruz Metropolitan Transit District  
SJSU = San Jose State University

- \* SCMTD Invoice
- \*\* Expenses for SJSU blocks less farebox for SJSU blocks

5-761

Attachment B

# HIGHWAY 17 EXPRESS OPERATING STATISTICS SUMMARY

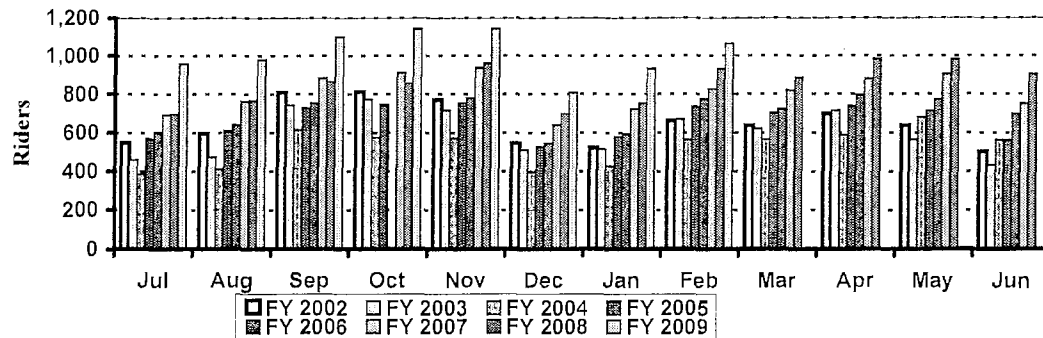
FISCAL YEAR 2009

MONTHLY	Jul-2008	Aug-2008	Sep-2008	Oct-2008	Nov-2008	Dec-2008	Jan-2009	Feb-2009	Mar-2009	Apr-2009	May-2009	Jun-2009
Total Ridership	25,909	26,183	27,827	31,546	28,009	21,008	24,835	25,969				
Avg. Weekday Ridership	959	977	1,101	1,142	1,142	805	933	1,066				
Avg. Saturday Ridership	540	566	550	625	567	422	559	580				
Avg. Sunday Ridership	531	565	500	697	660	324	488	584				
Total Service Days	31	31	30	31	30	31	31	28				
Number of Weekdays	22	21	21	23	18	22	21	20				
Number of Saturdays	4	5	4	4	5	4	5	4				
Numbers of Sundays	5	5	5	4	7	5	5	4				
Revenue Hours	1,485	1,451	1,468	1,633	1,456	1,592	1,562	1,453				

QUARTERLY	Q1			Q2			Q3			Q4		
Total Ridership	79,919			80,563								
Avg. Weekday Ridership	1,012			1,024								
Avg. Saturday Ridership	553			540								
Avg. Sunday Ridership	532			564								
Revenue Hours	4,403			4,681								

FYTD	Jul-2008	Aug-2008	Sep-2008	Oct-2008	Nov-2008	Dec-2008	Jan-2009	Feb-2009	Mar-2009	Apr-2009	May-2009	Jun-2009
Total Ridership	25,909	52,092	79,919	111,465	139,474	160,482	185,317	211,286				
Avg. Weekday Ridership	959	968	1,012	1,046	1,063	1,018	1,006	1,013				
Avg. Saturday Ridership	540	554	553	570	569	547	549	552				
Avg. Sunday Ridership	531	548	532	567	592	549	540	545				
Revenue Hours	1,485	2,936	4,403	6,037	7,492	9,084	10,646	12,098				

HIGHWAY 17 EXPRESS  
Average Weekday Ridership History




FYTD COMPARISON  
2009 vs. 2008

	FY 2009		FY 2008		Percent Change
	Jul '08 to Feb '09	Jul '07 to Feb '08	Jul '08 to Feb '08	Jul '07 to Feb '07	
# of Weekdays	168	169	168	169	-0.6%
Total Ridership	211,286	168,161	211,286	168,161	25.6%
Avg. Wkday Ridership	1,013	814	1,013	814	24.5%
Avg Sat Ridership	552	405	552	405	36.2%
Avg Sun Ridership	545	412	545	412	32.3%
Revenue Hours	12,098	11,488	12,098	11,488	5.3%
Riders Per Rev. Hour	17.46	14.64	17.46	14.64	19.3%

5-7.01

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010  
**TO:** Board of Directors  
**FROM:** Angela Aitken, Finance Manager & Acting Assistant General Manager   
**SUBJECT:** UNIVERSITY OF CALIFORNIA – SANTA CRUZ  
MONTHLY SERVICE REPORT FOR THE MONTH OF FEBRUARY 2010

## I. RECOMMENDED ACTION

**This report is for information purposes only. No action is required**

## II. SUMMARY OF ISSUES

- There were nineteen (19) school-term days in both February 2010 and February 2009.
- Revenue received from UCSC was \$330,598.21 versus \$348,030.15; a decrease of 5.0%
- System-wide UCSC ridership decreased by 8.1% FYTD.
  - Total student ridership decreased by 7.5% FYTD.
  - Total Faculty/Staff ridership decreased by 15.9% FYTD.
- Average Student ridership per school day decreased by 17.4%
- Average Faculty/Staff ridership per weekday decreased by 6.5%

## III. DISCUSSION

For the month of February 2010, there were nineteen (19) school-term days.

UCSC Revenue in February 2010 decreased a total of \$17,431.94 or 5.0% over February 2009. This decrease was mostly caused by the 8.1% drop in UCSC ridership. UCSC ridership for all Santa Cruz METRO service in February 2010 was negative compared to February 2009, with a decrease of 8.1% FYTD. Monthly comparisons included a 17.4% decrease in Average Student ridership per school day and a 6.5% decrease in Average Faculty/ Staff ridership per weekday in February 2010 from February 2009.

After several conversations with university staff, it has been determined that shifts in student demographics are mostly responsible for the losses in ridership. The university, in the previous year, has reduced the number of incoming first year Freshmen while simultaneously raising the number of accepted Junior transfer students. Of the two groups, Junior transfer students tend to be less transit dependent than first year Freshmen, therefore effect on ridership is negative even though UCSC attendance is slightly more than in previous years.

5-8.1

Please see attached charts and graphs that will depict average UCSC Student and Faculty/Staff ridership decreasing by 17.4% and 6.5% respectively.

**IV. FINANCIAL CONSIDERATIONS.**

Total revenue received as of February 2010 is negative \$79,353.89 or -4.11% FYTD under February 2009 actuals.

**V. ATTACHMENTS**

- Attachment A: Total UCSC Monthly Revenue**
- Attachment B: Total UCSC Ridership**
- Attachment C: Monthly UCSC Ridership**
- Attachment D: Total UCSC Student Ridership**
- Attachment E: Total UCSC Faculty/Staff Ridership**

Prepared by: Erich Friedrich, Jr. Transportation Planner.

Date Prepared: April 15, 2010

5-8.2



## Total UCSC Monthly Revenue

FY 09 UCSC Revenue									
Date	Regular Student Bill	Regular Staff Bill	Night Owl Bill	Supplemental Bill	27x	TOTAL	Last Year	% Change	\$ Change
Jul-08	\$ 40,787.95	\$ 14,367.08	-	\$ 9,719.80	-	\$ 64,874.83	\$ 48,944.00	32.5%	\$ 15,930.83
Aug-08	\$ 43,773.78	\$ 16,273.16	-	\$ 10,973.81	-	\$ 71,020.75	\$ 55,280.33	28.5%	\$ 15,740.42
Sep-08	\$ 151,871.29	\$ 18,162.59	\$ 3,763.96	\$ 2,563.82	\$ 2,007.46	\$ 178,369.12	\$ 126,441.28	41.1%	\$ 51,927.84
Oct-08	\$ 408,791.24	\$ 21,030.79	\$ 13,538.41	\$ 1,999.52	\$ 5,435.42	\$ 450,795.38	\$ 373,239.85	20.8%	\$ 77,555.53
Nov-08	\$ 274,825.68	\$ 15,381.16	\$ 10,512.74	\$ 5,500.47	\$ 3,989.36	\$ 310,209.41	\$ 278,625.33	11.3%	\$ 31,584.08
Dec-08	\$ 129,527.31	\$ 11,581.57	\$ 4,892.43	\$ 3,560.21	\$ 2,118.85	\$ 151,680.37	\$ 144,450.71	5.0%	\$ 7,229.66
Jan-09	\$ 324,761.80	\$ 15,605.62	\$ 11,679.83	\$ 297.04	\$ 3,803.13	\$ 356,147.42	\$ 291,196.34	22.3%	\$ 64,951.08
Feb-09	\$ 313,712.45	\$ 16,053.38	\$ 12,788.37	\$ 893.73	\$ 4,582.22	\$ 348,030.15	\$ 316,841.16	9.8%	\$ 31,188.99
Mar-09	\$ 256,439.79	\$ 16,335.68	\$ 7,795.60	\$ 1,419.89	\$ 4,529.94	\$ 286,520.90	\$ 248,308.68	15.4%	\$ 38,212.22
Apr-09	\$ 337,553.59	\$ 16,412.05	\$ 13,858.64	\$ 657.89	\$ 6,013.28	\$ 374,495.45	\$ 344,270.47	8.8%	\$ 30,224.98
May-09	\$ 300,396.54	\$ 15,066.45	\$ 12,869.92	\$ 1,647.19	\$ 6,425.82	\$ 336,405.92	\$ 323,061.52	4.1%	\$ 13,344.40
Jun-09	\$ 136,348.98	\$ 14,611.75	\$ 4,245.33	\$ 1,648.20	\$ 3,218.69	\$ 160,072.95	\$ 155,257.04	3.1%	\$ 4,815.91
<b>FY 2009</b>	<b>\$ 2,718,790.40</b>	<b>\$ 190,881.28</b>	<b>\$ 95,945.23</b>	<b>\$ 40,881.57</b>	<b>\$ 42,124.17</b>	<b>\$ 3,088,622.65</b>	<b>\$ 2,705,916.71</b>	<b>14.1%</b>	<b>\$ 382,705.94</b>
FY 10 UCSC Revenue									
Date	Regular Student Bill	Regular Staff Bill	Night Owl Bill	Supplemental Bill	27x	TOTAL	Last Year	% Change	\$ Change
Jul-09	\$48,734.00	\$13,306.66				\$62,040.66	\$ 64,874.83	-4.4%	-\$2,834.17
Aug-09	\$41,885.71	\$13,429.30				\$55,315.01	\$ 71,020.75	-22.1%	-\$15,705.74
Sep-09	\$153,393.69	\$15,756.32	\$2,760.13	\$652.54	\$2,408.04	\$174,970.72	\$ 178,369.12	-1.9%	-\$3,398.40
Oct-09	\$385,944.49	\$16,972.17	\$10,275.05	\$0.00	\$4,055.38	\$417,247.09	\$ 450,795.38	-7.4%	-\$33,548.29
Nov-09	\$291,654.82	\$15,207.74	\$7,550.34	\$918.86	\$4,427.86	\$319,759.62	\$ 310,209.41	3.1%	\$9,550.21
Dec-09	\$115,072.85	\$11,307.11	\$3,421.37	\$1,091.96	\$1,985.66	\$132,878.95	\$ 151,680.37	-12.4%	-\$18,801.42
Jan-10	\$331,619.03	\$15,284.03	\$8,693.45	\$0.00	\$3,366.77	\$358,963.28	\$ 356,147.42	0.8%	\$2,815.86
Feb-10	\$302,031.88	\$15,521.39	\$9,450.70	\$0.00	\$3,594.24	\$330,598.21	\$ 348,030.15	-5.0%	-\$17,431.94
Mar-10									
Apr-10									
May-10									
Jun-10									
<b>FY 2010 Total</b>	<b>\$1,670,336.47</b>	<b>\$116,784.72</b>	<b>\$42,151.04</b>	<b>\$2,663.36</b>	<b>\$19,837.95</b>	<b>\$1,851,773.54</b>	<b>\$1,931,127.43</b>	<b>-4.11%</b>	<b>-\$79,353.89</b>

5-8.91

Attachment A



Monthly UCSC Ridership

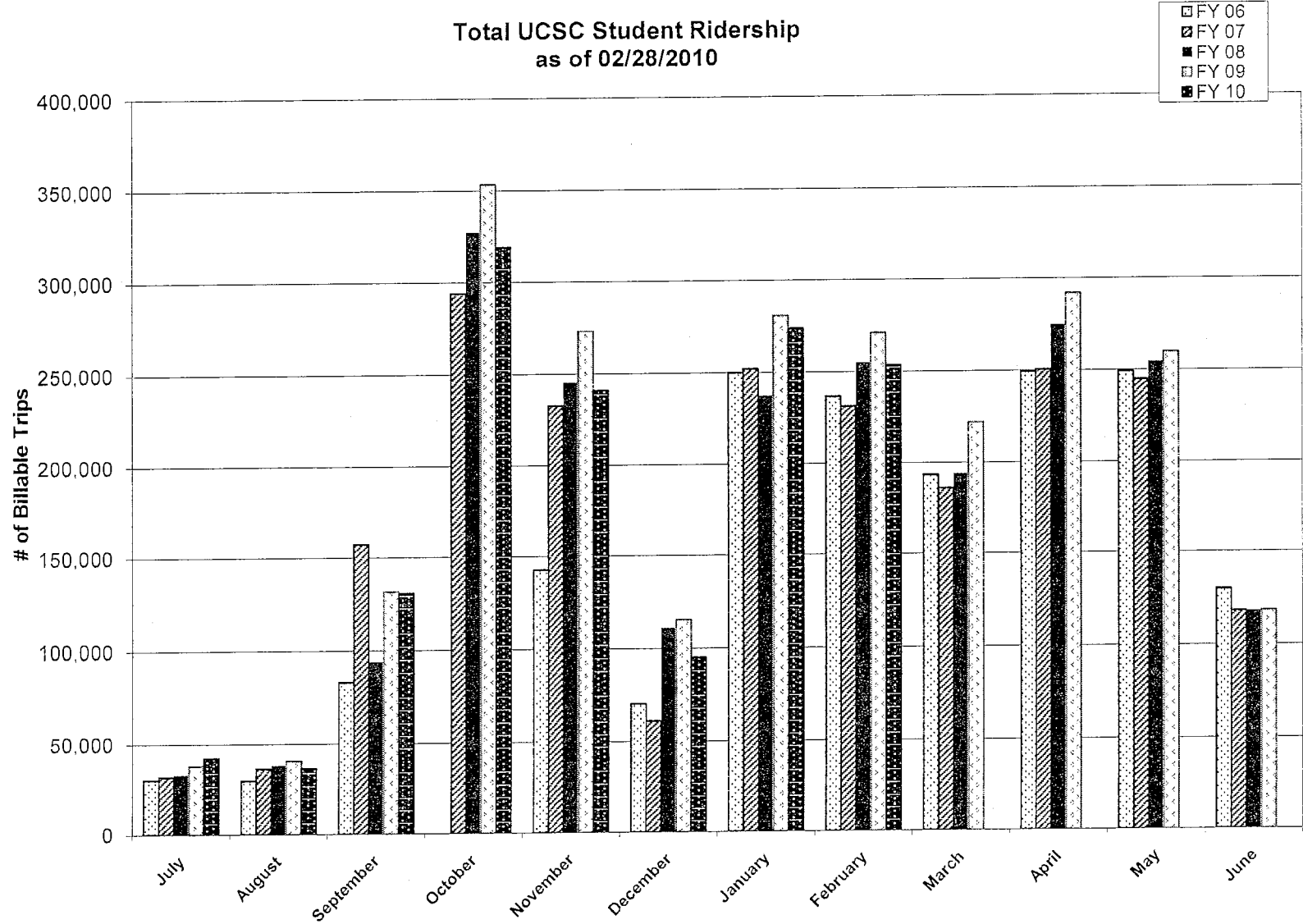
February 2010	Student Ridership			Faculty/ Staff Ridership			Average Student Ridership Per School Day			Average Faculty/Staff Ridership Per Weekday		
	FY 10	FY 09	%	FY 10	FY 09	%	FY 10	FY 09	%	FY 10	FY 09	%
Regular Service	234,322	253,840	-7.7%	12,330	13,215	-6.7%	10,578.5	13,110.9	-19.3%	648.9	695.5	-6.7%
Supplemental	8,412	7,881	6.7%	421	349	20.6%	442.7	414.8	6.7%	22.2	18.4	20.6%
Night Owl	5,013	4,745	5.6%	18	76	-76.3%	263.8	249.7	5.6%	0.9	4.0	-76.3%
27x	5,560	4,667	19.1%	209	235	-11.1%	292.6	245.6	19.1%	11.0	12.4	-11.1%
<b>TOTAL</b>	<b>253,307</b>	<b>271,133</b>	<b>-6.6%</b>	<b>12,978</b>	<b>13,875</b>	<b>-6.5%</b>	<b>11,577.7</b>	<b>14,021.1</b>	<b>-17.4%</b>	<b>683.1</b>	<b>730.3</b>	<b>-6.5%</b>

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Attachment C

5-8.d1

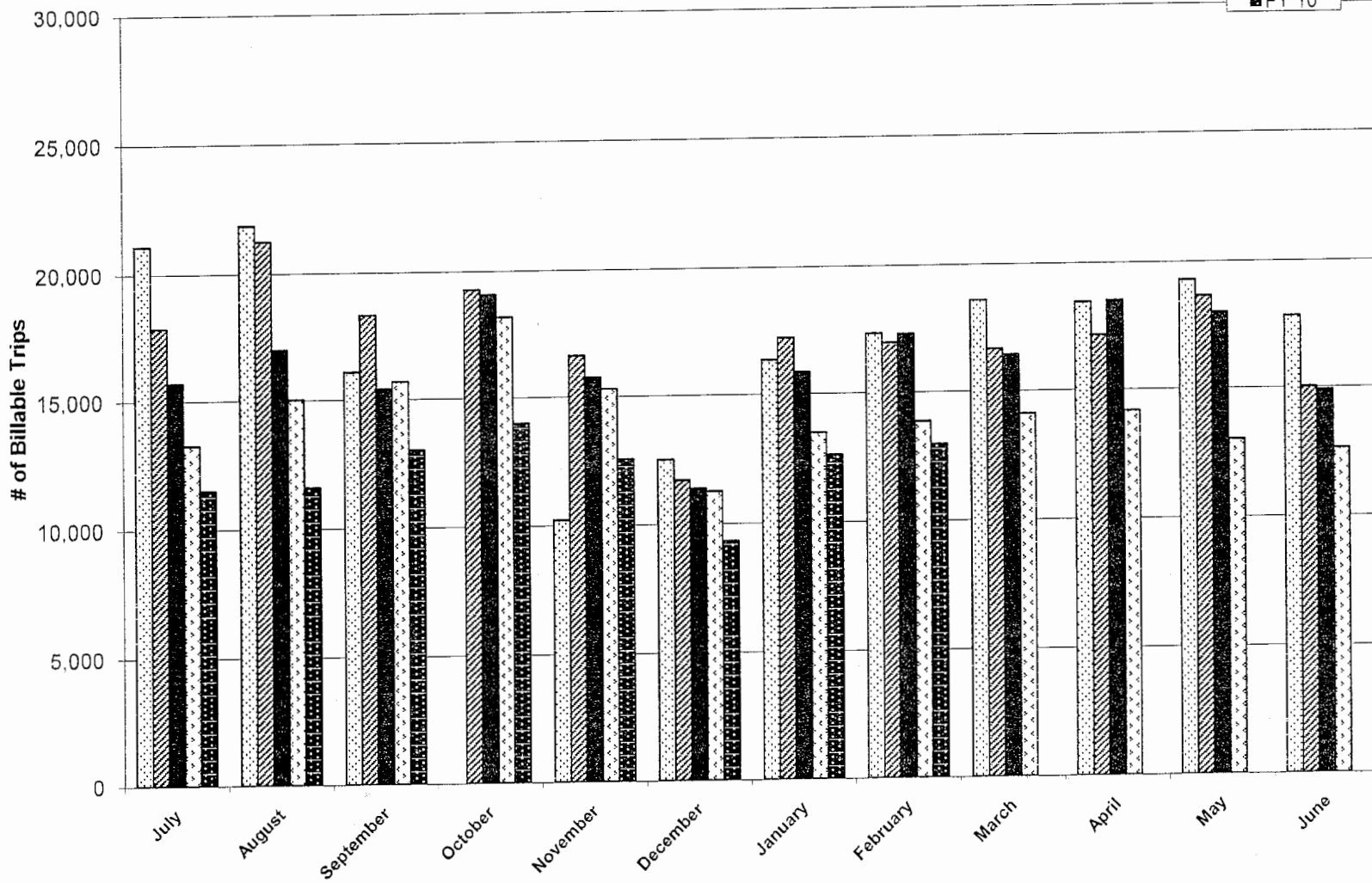
Total UCSC Student Ridership  
as of 02/28/2010



Attachment P

Total UCSC Faculty/Staff Ridership  
as of 02/28/2010

□ FY 06  
 ▨ FY 07  
 ■ FY 08  
 □ FY 09  
 ▩ FY 10



5-8.e1

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010  
**TO:** Board of Directors  
**FROM:** Frank L. Cheng, Project Manager  
**SUBJECT:** CONSIDERATION OF METROBASE STATUS REPORT

## I. RECOMMENDED ACTION

**That the Board of Directors accept and file the MetroBase Status Report.**

## II. SUMMARY OF ISSUES

- Maintenance Building
  - West Bay is continuing with site work on 2<sup>nd</sup> half of site.
    - Office
    - Windows
    - Equipment installation
- Operations Building
  - RNL has repackaged the Operations Building.
  - Invitation For Bids(IFB) is pending State release of Proposition 1B Bond Funds.
- Vernon Administration Building
  - On December 5, 2009, METRO relocated to 110 Vernon Street, Santa Cruz
  - Harris & Associates is assisting in closeout documents with DMC Construction.

## III. DISCUSSION

West Bay Builders is continuing to work on second phase of the Maintenance Building. West Bay Builders is working on the Punchlist items to finalize building. Current work includes windows, offices, equipment installation and repairs. The interior and exterior of the building have been painted. In regards to the floor finish, a Request For Proposals was requested and will be brought to the Board of Directors for review in this month meeting. The work will commence upon the building acceptance by METRO.

In regards to the Operations Building, RNL Design has completed the re-package of the Operations Building. The plans have been reviewed by the City of Santa Cruz, and plan checked by Bureau Veritas. Invitation for Bids is pending State release of Proposition 1B Bond Funds.

5-9.1

On December 5, 2009, METRO relocated to 110 Vernon Street, Santa Cruz. DMC Construction is continuing to work on punch list items. Few items are left and METRO will be closing out the project. Harris & Associates is assisting with the closeout with DMC Construction.

Information for the MetroBase Project can be viewed at <http://www.scmtd.com/metrobase>  
Information on the project, contact information, and MetroBase Hotline number (831) 621-9568 can be viewed on the website.

Previous information regarding the MetroBase Project:

- A. Maintenance Building (IFB 06-01)
  - West Bay working on punch-list items for 2<sup>nd</sup> half.
  - IFB 06-01 Maintenance Building awarded to West Bay Builders.
- B. Operations Building
  - RNL Design Operations Building re-package complete.
  - Invitation For Bids is pending State release of Proposition 1B Bond Funds.
- C. Vernon Administration Building (IFB 09-10)
  - Wald, Ruhnke & Dost Architects completed bid set.
  - Invitation For Bids 09-10 due March 24, 2009.
  - On April 24, 2009, the Board of Directors approved a contract with DMC Construction, Inc. for the construction remodel of the building located at 110 Vernon Street, Santa Cruz for an amount not to exceed \$1,833,141.
  - Notice-to-Proceed for Vernon project is May 6, 2009.
  - On December 5, 2009, METRO relocated to 110 Vernon Street, Santa Cruz, CA.

#### **IV. FINANCIAL CONSIDERATIONS**

Funds for the construction of the Maintenance Building, and Vernon Administration Building Components of the MetroBase Project are available within the funds the METRO has secured for the Project.

#### **V. ATTACHMENTS**

**Attachment A: None**

5-9.2

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010  
**TO:** Board of Directors  
**FROM:** Leslie R. White, General Manager  
**SUBJECT: ACCEPT AND FILE VOTING RESULTS FROM APPOINTEES TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR PREVIOUS MEETINGS**

## I. RECOMMENDED ACTION

**That the Board of Directors accept and file the voting results from appointees to the Santa Cruz County Regional Transportation Commission.**

## II. SUMMARY OF ISSUES

- Per the action taken by the Board of Directors, staff is providing the minutes from the most recent meetings of the Santa Cruz County Regional Transportation Commission.
- Each month staff will provide the minutes from the previous month's SCCRTC meetings.

## III. DISCUSSION

The Board requested that staff include in the Board Packet information relating to the voting results from the appointees to the Santa Cruz County Regional Transportation Commission. Staff is enclosing the minutes from these meetings as a mechanism of complying with this request.

## IV. FINANCIAL CONSIDERATIONS

There is no cost impact from this action.

## V. ATTACHMENTS

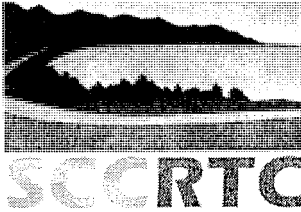
- Attachment A:** Minutes of the February 4, 2010 Regular SCCRTC Meeting  
**Attachment B:** Minutes of the February 18, 2010 Transportation Policy Workshop Meeting

Prepared by: Anthony Tapiz, Administrative Assistant

Date Prepared: April 19, 2010

5-10.1





**Santa Cruz County Regional  
Transportation Commission**

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**MINUTES**

Thursday  
February 4, 2010  
9:00 a.m.

Watsonville City Council Chambers  
275 Main St  
Watsonville CA 95076

1. Roll call

The meeting was called to order at 9:08 am.

Members present:

Tony Campos	Randy Johnson
Neal Coonerty	Don Lane
Ron Graves	Kirby Nicol
Donald Hagen (Alt)	Ellen Pirie
Michelle Hinkle (Alt)	Antonio Rivas
Rich Krumholz (ex officio)	Mark Stone

Member absent: John Leopold

Staff present:

George Dondero	Luis Mendez
Kim Shultz	Yesenia Parra
Gini Pineda	Grace Blakeslee
Rachel Moriconi	

2. Oral communications

Jack Nelson said that a tiny one watt light bulb, when used by hundreds of millions of people, will generate energy that will eventually warm the ocean and melt the ice sheets, causing sea levels to rise.

3. Additions or deletions to consent and regular agendas

Executive Director George Dondero said that there were add-on pages for Items 6 and 15 and that copies of the February 4<sup>th</sup> *Good Times* were

5-10.a1

distributed. He asked to pull Item 6 from the consent agenda. Chair Johnson said that it would be taken prior to Item 14 on the regular agenda.

Commission Alternate Hagen said that Cabrillo College is struggling to pay for its bus pass subsidies and asked if the RTC could help. George Dondero said that staff will research the request.

**CONSENT AGENDA (Pirie/Rivas) approved unanimously as amended**

**MINUTES**

4. Approved draft minutes of the January 14, 2010 regular commission meeting
5. Accepted draft minutes of the January 21, 2010 Interagency Technical Advisory Committee (ITAC) meeting

**POLICY ITEMS**

*No consent items*

**PROJECTS and PLANNING ITEMS**

6. Approve staff recommendation regarding the Sustainable Transportation and Access Rating System (STARS) Technical Advisory Committee – removed from consent agenda and became Item 13.1.

**BUDGET AND EXPENDITURES ITEMS**

7. Accepted status report on Transportation Development Act (TDA) revenues
8. Accepted FY08-09 fiscal audit for the SCCRTC

**ADMINISTRATION ITEMS**

*No consent items*

**INFORMATION/OTHER ITEMS**

9. Accepted monthly meeting schedule
10. Accepted correspondence log
11. Accepted letters from RTC committees and staff to other agencies
  - a. Letter to the Santa Cruz Metro Transit District from the Elderly & Disabled Transportation Advisory Committee regarding the draft Title VI policy/programs and the Disadvantaged Business Enterprise goals

5-10.a'2

- b. Letter to the California Coastal Commission from RTC Executive Director George Dondero regarding support for the Arana Gulch Master Plan
12. Accepted miscellaneous written comments from the public on SCCRTC projects and transportation issues
  13. Accepted information items
    - a. California Council of Governments 2010 priority actions adopted November 30, 2009
    - b. Excerpt from *San Jose Mercury* of December 20, 2009 titled "I-880 - the road we love to hate: Mr. Roadshow's Dirty Dozen"

### REGULAR AGENDA

- 13.1 Approve staff recommendation regarding the Sustainable Transportation and Access Rating System (STARS) Technical Advisory Committee – removed from consent agenda – Taken out of Order from the Consent Agenda

Executive Director George Dondero said that in addition to the two proposed additional members specified in the written staff report, he proposed a third additional member to the STARS Technical Advisory Committee, Paul Schoellhamer, is well qualified with transportation issues, having served as Chief of Staff for the House Transportation and Infrastructure Committee. Mr. Schoellhamer is interested in joining the committee and lives in south county.

Commissioner Pirie moved and Commission Alternate Hagen seconded to approve the staff recommendations to add Lisa Dobbins, J.C. Jack McKellar and Paul Schoellhamer to the STARS Technical Advisory Committee. The motion passed unanimously.

14. Commissioner reports

Referring to the Commute Solutions article in the February 4 Good Times magazine, Commissioner Pirie shared that the gas mileage of her Toyota Prius improved 5 miles per gallon after properly inflating an underinflated tire on her car.

15. Director's report – oral report  
(George Dondero, Executive Director)

Executive Director George Dondero said that the Commute Solutions Program was highlighted as the cover story for the February 4, 2010 *Good Times* weekly magazine. In addition to giving Commute Solutions the lead article and a cover photo, the issue included a pullout Commuter Resource Guide to be used by readers in the future. All commuters can also enter a drawing for prizes by pledging to improve gas mileage, carpooling or riding the bus one day a week. Mr. Dondero congratulated staff members Tegan Speiser and Nathan Luedtke for working with *Good Times* staff on the issue and recognized

5-10.a3

GT publisher Ron Slack for his commitment to sharing information about local commuting resources.

Mr. Dondero said that he and Commissioner Mark Stone would be attending CalCOG Capitol Day on February 17<sup>th</sup> in Sacramento. They will meet with legislators to discuss the RTC's legislative priorities. He reported that he and Deputy Director Luis Mendez met with state Senator Joe Simitian to discuss possible sponsorship of a bill to update the Service Authority for Freeways and Expressways (SAFE) statute.

16. Welcome new commissioners and solicit committee preferences  
(George Dondero, Executive Director)

George Dondero welcomed incoming Commissioner Ron Graves who is one of the three representatives from the Santa Cruz Metro Transit District. He asked that Commissioners wishing to serve on the Budget & Administration /Personnel Committee contact Chair Johnson or Executive Director Dondero by February 12<sup>th</sup>. In addition, he recommended that the Rail Acquisition Committee be disbanded due to the stage of negotiations, the Commission has had regular closed session and there has not been a need for the Rail Acquisition Committee to meet.

Mr. Dondero thanked outgoing Commissioner Pat Spence for her service.

Commissioner Stone moved and Commissioner Pirie seconded to approve the staff recommendations that the Regional Transportation Commission (RTC):

1. Disband the Rail Acquisition Committee, and
2. Ask individual Commissioners to inform the RTC Chair or Executive Director by February 12<sup>th</sup> of their preferences regarding serving on the RTC's Budget and Administration/Personnel Committee.

The motion passed unanimously.

17. Caltrans report and consider action items

Rich Krumholz, Caltrans District 5, said that the Caltrans budget is sustained in the proposed FY10-11 state budget and that the gas tax swap would pay for bond debt service and help the general fund. He advised that project sponsors be ready for any additional stimulus money coming from the federal government and noted that the \$2.3 billion that California received for rail will mainly be used for new high speed rail projects although some funding will be directed towards upgrading existing Caltrain and inter-city rail lines.

18. Housing within Reach Workshop Series – sponsorship

Executive Director George Dondero said that while the Housing Within Reach workshop series includes a workshop where transportation will be discussed

5-10.a4

and is a worthwhile project, the RTC's budget is already overly impacted; therefore, staff recommends that the RTC not sponsor the workshop series.

**Rick Longinotti** summarized the workshop and emphasized the necessity to improve access to jobs, stores and schools by creating affordable housing so that people are not forced to commute out of the area in order to live in Santa Cruz.

Commissioner Rivas noted that the workshop series was focused on the City of Santa Cruz and did not include the City of Watsonville or the rest of the County and moved to approve the staff recommendations that the Regional Transportation Commission (RTC) not sponsor the Housing within Reach workshop series of Transition Santa Cruz with a donation of \$500.00. Commissioner Campos seconded the motion.

The motion passed unanimously.

19. Programming potential Federal Jobs Bill funds

Senior Planner Rachel Moriconi presented the staff report saying that while it is unclear how much, if any, new funding will be available for projects in Santa Cruz County, it is important for the RTC to select projects to receive projected funds so that project sponsors can meet the tight deadlines. She said that under the best case scenario the RTC could receive as much as \$13 million in funding and recommended approving the proposed project ready list. Projects that would be ready to award contracts within a 90-day deadline include paving and road repair projects in each jurisdiction, Phase 2 of the Green Valley Road Rehabilitation project and the Graham Hill Road Improvement project.

Commissioners discussed whether requiring project sponsors to add accessibility improvements to project descriptions would impede projects from being ready within the anticipated 90 day deadline. It was noted that this requirement was recommended only "where appropriate and feasible".

Chris Schneiter, City of Santa Cruz Public Works, said that projects sponsored by the City of Santa Cruz have already incorporated accessibility improvements as part of the design and the feasibility language in the recommendation would not impede any projects from meeting deadlines.

Commissioner Johnson suggested that the language be changed to "feasible within funding deadlines".

Commissioner Rivas moved and Commissioner Pirie seconded to approve the staff and the Interagency Technical Advisory Committee (ITAC) recommendations that the Regional Transportation Commission (RTC):

5-10.a5

1. Distribute the maximum amount anticipated from a potential new stimulus bill to local jurisdictions by population formula toward projects that could be awarded (under contract) within 90 days of enactment of the bill contingent on provisions of the final bill and with totals for each agency to be adjusted proportionally based on the actual amounts of stimulus funds available to the region;
2. Reevaluate projects if the final bill or state actions include less stringent deadlines for award of funds or make additional funding available to the region, in order to ensure that the most appropriate projects in the region receive these new funds;
3. Authorize staff, in consultation with project sponsors, to redirect funds to backup projects, if projects are at risk of missing deadlines established in the bill or by Caltrans or the CTC; and
4. Require project sponsors to add bicycle lanes, cross-walk striping, curbcuts/access ramps, and other accessibility improvements as part of projects, where appropriate and feasible within funding deadlines.

Additional staff recommendations are that the RTC:

1. Approve \$12.7 million in projects to receive potential stimulus funds that come directly to the region (est. \$5.8 million), plus the region's formula share of State Transportation Improvement Program (STIP) stimulus funds that would come through the CTC (est. \$6.3 million), plus \$575,000 of the region's unprogrammed STIP balance, distributed to local jurisdiction by population formula as shown in Attachment 1 – Scenario A; and
2. Request that the CTC allocate an additional \$2,671,000 in STIP stimulus funds to the Graham Hill Road Safety Project to replace STIP funds currently programmed to the project, as a second priority to road repairs (as requested by County Public Works), if some of the funds flow through the STIP.

**Jack Nelson** said that he would like to see the RTC provide leadership saying that the Commission was willing to fund millions for Highway 1 but could not spare \$500 to sponsor the Housing within Reach workshop series.

The motion passed unanimously.

20. Highway 1 Soquel/Morrissey Auxiliary Lanes project – pre-construction activities

Senior Planner Kim Shultz said that the recommendation before the Commission is in response to the June direction that the RTC become responsible for administering the construction phase of the Highway 1 Soquel/Morrissey Auxiliary Lanes project. He said Parsons Brinckerhoff, the construction management consultant, will conduct pre-construction activities associated with administering the construction phase of the project. He described the project's budget reductions that would allow for the contract to

5-10.06

be implemented this fiscal year. Mr. Shultz said that a full progress report will be presented at the April RTC meeting.

Commissioner Pirie moved and Commissioner Lane seconded to approve the staff recommendations that the Regional Transportation Commission (RTC) approve a resolution authorizing a contract with Parsons Brinckerhoff in the amount of \$22,000 to conduct specified preconstruction activities and to amend the FY 2009/2010 Budget to allocate \$22,000 in savings from other line items in the Auxiliary Lanes project budget.

The motion (Resolution 17-10) passed unanimously.

21. Review of items to be discussed in closed session

The meeting adjourned into closed session at 10:17 am.

#### **CLOSED SESSION**

22. Conference with Real Property Negotiator Pursuant to Government Code 54956.8 for acquisition of the Santa Cruz Branch Rail Line Property: Santa Cruz Branch Rail Line from Watsonville Junction to Davenport

Agency Negotiator: Kirk Trost, Miller Owen & Trost

Negotiation Parties: SCCRTC, Union Pacific

Under Negotiation: Price and Terms

23. Conference with Legal Counsel – Anticipated Litigation. Initiation of litigation to be considered pursuant to subdivision (c) of Government Code Section 54956.9 for one case.

#### **OPEN SESSION**

The meeting reconvened into open session at 12:05

24. Report on closed session

There was nothing to report.

The meeting adjourned at 12:07 pm.

The next Transportation Policy Workshop meeting is scheduled for Thursday, February 18, 2010 at 9:00 a.m. at the SCCRTC office, 1523 Pacific Ave, Santa Cruz, CA

5-10.a7

The next SCCRTC meeting is scheduled for Thursday, March 4, 2009 at 9:00 a.m. at the Santa Cruz County Board of Supervisors Chambers, 701 Ocean St., 5<sup>th</sup> floor, Santa Cruz, CA

Respectfully submitted,

Gini Pineda, Staff

**ATTENDEES**

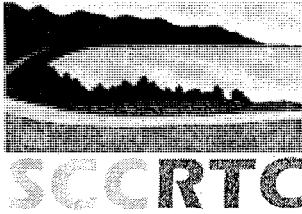
Jack Nelson  
Joel Staker  
Chris Schneiter  
Rick Longinotti

Santa Cruz City Public Works

S:\RTC\TC2010\TC0210\020410minutes.doc

5-10.a8





**Santa Cruz County Regional  
Transportation Commission  
Transportation Policy Workshop**

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**MINUTES**

Thursday February 18, 2010  
9:00 a.m.

SCCRTC Conference Room  
1523 Pacific Avenue, Santa Cruz

1. Introductions

Chair Mark Stone called the meeting to order at 9:03 am. Self introductions were made.

Commissioners present:

Dene Bustichi	John Leopold
Tony Campos	Kirby Nicol
Ron Graves	Ellen Pirie
Norm Hagen (Alt)	Andy Schiffrin (Alt)
Randy Johnson	Mark Stone
Don Lane	

Commissioner absent: Antonio Rivas

2. Oral communications

**Charles Huddleston** imagined Santa Cruz in 2025 with the rail line purchased and run by electricity. He encouraged Commissioners to proceed with purchase of the rail line and consider electricity to power future trains.

**Jack Nelson** expressed concern about government "greenwashing" of environmental issues and quoted author James Hansen who faulted government agencies for saying that they support green policies, but take no action to put the policies in place.

**Les White** asked that people contact state-level elected officials and ask them to oppose the governor's proposed gas tax swap because of the devastating effect it will have on transit. Mr. White also said that asking legislators to insist that Regional Transportation Planning Agencies, such as the RTC, become the

5-10.61

repositories for taxes, in the event that the gas tax swap becomes a reality, would protect transit funding more than if the tax revenues were distributed by AMBAG.

3. Additions or deletions to consent and regular agendas

Executive Director George Dondero said that there were add-on pages for Item 6. He said that the closed session will be taken before the open session and that the open session will reconvene with Item 6 followed by Items 4 and 5.

The Commission adjourned into closed at 9:12 am

7. Review of items to be discussed in closed session –Taken out of order after Item 3

#### **CLOSED SESSION**

9. Conference with Labor Negotiators Pursuant to Government Code 54957.6 – Taken out of order after Item 7

Commission Negotiators: George Dondero and Yesenia Parra

Bargaining Units: Mid-Management Unit and General Representation Unit

8. Conference with Real Property Negotiator Pursuant to Government Code 54956.8 for acquisition of the Santa Cruz Branch Rail Line Property: Santa Cruz Branch Rail Line from Watsonville Junction to Davenport – Taken out of order after Item 9

Agency Negotiator: Kirk Trost, Miller Owen & Trost

Negotiation Parties: SCCRTC, Union Pacific

Under Negotiation: Price and Terms

#### **OPEN SESSION**

10. Report on closed session

There was nothing to report.

#### **CONSENT AGENDA**

*No consent items*

5-10.62

**REGULAR AGENDA**

6. Santa Cruz Branch Rail Line Acquisition – Revised Uniform Transit Application (*Luis Mendez, Deputy Director*) – Taken out of order after closed session

Deputy Director Luis Mendez delivered the staff report and said that the addition of a passenger rail component to the Proposition 116 application would help make the application stronger. He noted that state law does not require and Environmental Impact Report for an active rail line.

Commissioners discussed the flexibility of the plans once the application is submitted, whether the funds would have to be returned if the agency could not afford to run the passenger rail, and if there was a required amount of time that the recreational rail would have to continue to be in service.

Mr. Mendez said that the Proposition 116 language states that funds are to be used to provide for passenger rail, but just by preserving the rail line it is preserved for future passenger rail. He added that the California Transportation Commission (CTC) has never asked that funds be returned.

Commissioners discussed obtaining a standard agreement to clarify CTC requirements, the business plan and the probability of the STIP funds being available, given the state's current economic climate.

Mike Hart, Sierra Railroad, said he is very confident that the recreational rail will be successful. He said that Sierra Railroad deals with travel groups for the other dinner trains that they operate and that the basic business plan for the Santa Cruz line is in place. He said that a detailed plan will take a few months to develop and that the rail line will not have to be subsidized.

Public comment was taken.

**Bill Comfort** presented two alternatives to the staff recommendation to change the policy recommending an environmental impact report for passenger rail. One alternative was to use the existing Big Trees excursion train service and the other was to complete an EIR for the "dinner train" after submitting the Proposition 116 application.

**Charles Huddleston** encouraged going forward with the acquisition process.

**Micah Posner** agreed that the RTC should make the strongest proposal possible in applying for funding.

**Georgiana Clark**, Big Trees Railroad, said that she deals with travel groups and the public and would like to bid on providing the recreational service to Davenport.

5-10.63

**Bruce Sawhill** said that the railroad has been in Santa Cruz since the 1870s and that it is a resource that should be owned and used by the public.

**Marilyn O' Rourke** said that she is concerned that the state will consider the Proposition 116 application deceptive. She disagreed with the recommendation to change the RTC policy regarding the Environmental Impact Report and asked if hazardous materials would be carried on the line.

**Bill Malone** said it is a good idea to add the recreational rail element.

**Peter Scott** endorsed speedy pursuit of the funding.

Commission Alternate Andy Schifrin said that it would be a mistake to remove the requirement to conduct an environmental impact report on the passenger rail for the mid county area, noting that an EIR was done for the section of rail line from Santa Cruz to Watsonville. He moved to approve the staff recommendations, with a change to the fourth recommendation, that the Regional Transportation Commission (RTC):

1. Review and approve with revisions as appropriate the attached revised draft uniform transit application for \$10.2 million in Proposition 116 funds and \$10 million in State Transportation Improvement Program (STIP) funds for acquisition of the Santa Cruz Branch Rail Line right-of-way (ROW) for corridor preservation, rail line improvements & recreational passenger rail service from Santa Cruz to Davenport;
2. Adopt a resolution authorizing the Executive Director to submit a Uniform Transit Application and allocation request for \$10.2 million in Proposition 116 funds and \$10 million in STIP funds for acquisition of the Santa Cruz Branch Rail Line ROW for corridor preservation, rail line improvements and recreational passenger rail service from Santa Cruz to Davenport;
3. Direct staff to seek letters of support from legislators, business groups, community groups, agencies and individuals in support of the above mentioned uniform transit application; and
4. Revise Regional Transportation Plan (RTP) policy 2.4.6 to state, "Retain the option of future in-county passenger rail service for when it is financially feasible, acceptable to the community and, except for the line segment between the Yacht Harbor in Santa Cruz and Davenport, only after the completion of an environmental impact report."

Commissioner Leopold seconded the motion.

Commissioners continued to discuss the staff recommendation to remove the self-imposed policy of requiring an environmental impact report for future in-county passenger rail service. It was noted that applying for the Proposition 116 funds does not mean that the RTC is going to buy the rail line.

The motion (Resolution 18-10) passed with Commissioner Johnson voting "no".

5-10.64

4. Release of the 2010 Draft Regional Transportation Plan – Taken out of order after Item 6

Commissioners Stone and Campos departed the meeting. Commissioner Johnson chaired the remainder of the meeting.

Transportation Planner Grace Blakeslee gave the staff report saying that the 2010 Regional Transportation Plan (RTP) is a minor update to the 2005 RTP with a more extensive update planned for 2012. Executive Director George Dondero said that the chapter on greenhouse gas (GHG) emissions recognizes some of the initiatives currently underway to address GHG issues but that significant challenges are posed because specific direction from the state and sufficient modeling information is not available. He noted that the analysis presented by the study *Moving Cooler* was the primary resource used for the GHG chapter.

Commissioners discussed concerns about some of the strategies proposed to meet emissions reductions, saying that certain suggestions from the groundbreaking study *Moving Cooler, an Analysis of Transportation Strategies for Reducing Greenhouse Gas Emissions*, did not apply to Santa Cruz. Concerns included that language regarding HOV lanes applied to existing lanes as opposed to creating new HOV lanes, that Santa Cruz lacked "expressways", that Santa Cruz already has access to zip cars, that pricing strategies have a higher impact on low income communities and that an equity analysis might be helpful, and that more information was needed before a decision on "bottleneck relief" was made. The executive summary of *Moving Cooler* will be shared with Commissioners.

Executive Director Dondero said that the chapter could be expanded somewhat, but noted that the draft RTP is scheduled to be released March 1<sup>st</sup> and a public hearing held at the April 1<sup>st</sup> RTC meeting. He stressed that the Commission is not being asked to adopt the recommendations in the chapter as policies.

Responding to Commissioner concerns, Mr. Dondero said that including a list of goals for the RTC to achieve in order to reduce GHG emissions could be beneficial even if the Commission does not have the funding to put the goals into practice because it shows awareness of the issues and the steps the RTC would take if funding were available.

Commission Alternate Schiffrin moved and Commissioner Pirie seconded to approve the staff recommendations to:

1. Review and provide input on the proposed new greenhouse gas chapter of the RTP;
2. Authorize staff to release the Draft 2010 Regional Transportation Plan (RTP) and Supplemental Draft Environmental Impact Report (SDEIR) for public review March 1- April 15, 2010;

5-10.65

3. Schedule a public hearing on the Draft RTP and EIR for April 1, 2010 with additional direction to consider the comments made by Commissioners today.

Commissioner Graves asked that the Governor's quote on page 4-5 be removed from the chapter. The maker and second agreed.

**Jack Nelson** said that he sees the chapter as laying a foundation for future RTPs, but that he thought there were factual errors regarding HOV lanes. He added that a vehicle miles traveled (VMT) tax is a regressive tax charging the same rate for gas guzzlers as for more fuel efficient vehicles.

The motion passed unanimously.

5. Highway 1 HOV Lanes Project Sustainable Transportation and Access Rating System (STARS)

Senior Planner Kim Shultz said that the STARS Technical Advisory Committee met on February 5<sup>th</sup> and proposed 12 credits for evaluating the Highway 1 HOV Lanes project. Mr. Shultz said that the committee, using a menu of potential credits, chose 12 credits that would fit within the time and budget constraints of the project and which were not addressing issues already being addressed in the environmental documents required for the project. It was noted that additional credits could be applied for after the project is completed.

Commission Alternate Schiffrin departed the meeting.

After discussion, Commissioner Bustichi moved and Commissioner Pirie seconded to approve the staff recommendations that the Regional Transportation Commission (RTC) approve development of the twelve credits identified by the STARS Technical Advisory Committee shown in Attachment 1 for evaluation and application to the Highway 1 High Occupancy Vehicle (HOV) Lanes Project.

**Bill Malone** said that he is concerned that the STARS system could be used as a tool to justify the end product. He said that part of the methodology described when STARS was first introduced to the Commission was that a project was analyzed when it is started and alternative transportation methods investigated. He encouraged the Commission to take this approach with the highway widening saying that credibility depends on it.

The motion passed unanimously.

11. Next meetings

The meeting adjourned at 12:03 pm.

5-10.66

The next SCCRTC meeting is scheduled for Thursday, March 4, 2010 at 9:00 a.m. at the Board of Supervisors Chambers, 701 Ocean St, Santa Cruz, CA.

The next Transportation Policy Workshop is scheduled for March 18, 2010 at 9:00 am at the SCCRTC Offices, 1523 Pacific Avenue, Santa Cruz, CA.

Respectfully submitted,

Gini Pineda

**ATTENDEES**

Charles Huddleston  
Jack Nelson  
Howard Sosbee  
Les White  
Georgiana Clark  
Patrick Mulhearn  
Bill Comfort  
Peter Scott  
Spike Alper  
Mike Hard  
Bruce Sawhill  
Bill Malone  
Marilyn O'Rourke  
Micah Posner  
Jack Nelson


SCMTD  
Big Trees Railroad  
Assemblymember Monning  
  
CFST  
CFST  
Sierra Railroad  
  
People Power

5-10.67

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010

**TO:** Board of Directors

**FROM:** Angela Aitken, Finance Manager & Acting Assistant General Manager 

**SUBJECT: CONSIDERATION OF EXTENSION OF PURCHASE ORDER/  
CONTRACT FOR EMPLOYMENT OF TEMPORARY HELP THROUGH  
ROBERT HALF INTERNATIONAL FOR TEMPORARY EMPLOYMENT  
STAFFING FOR GRANTS ANALYST WORK THROUGH JUNE 30, 2010  
FOR A TOTAL AMOUNT NOT TO EXCEED \$128,000**

## I. RECOMMENDED ACTION

**That the Board of Directors authorize the General Manager to extend the purchase order/contract with Robert Half International for temporary employment staffing for grants analyst work through June 30, 2010 for a total amount not to exceed \$128,000.**

## II. SUMMARY OF ISSUES

- The employee responsible for Santa Cruz METRO's Grants/Legislative Analyst position was on leave from June 10, 2009 and started to transition back to work November 12, 2009.
- Santa Cruz METRO selected and hired a candidate from Robert Half International who has performed grant analyst duties since June 29, 2009.
- Due to the heavy workload and grant deadlines, Santa Cruz METRO would like to extend the contract through the end of the fiscal year, June 30, 2010.

## III. DISCUSSION

The employee responsible for Santa Cruz METRO's Grants/Legislative Analyst position had been on leave for an extended period of time. Santa Cruz METRO contacted personnel agencies for qualifications and resumes of candidates to fulfill these duties. Santa Cruz METRO selected a candidate from Robert Half International who has performed the duties of the position since June 29, 2009. Santa Cruz METRO's Grants/Legislative Analyst employee started to transition back to work on November 12, 2009. During this transition period, the Board approved the retention of the temporary employee from Robert Half International through April 30, 2010. Due to the heavy workload and grant deadlines, Santa Cruz METRO would like to extend the contract through the end of the fiscal year.

5-11.1



In November of 2009, the contracted employee of Robert Half changed from a temporary employee to a Salaried Professional; a status which includes partial costs of benefits. This accounts for the increased monthly costs of approximately \$9,000 per month June through October 2009 to aprox \$11,000 per month November 2009 through the end of the fiscal year. The recommended do not exceed Robert Half contract amount of \$128,000 is comparable to the fully burdened costs of the current Santa Cruz METRO grants analyst position of aprox \$106,000 per year.

Staff is recommending that the Board of Directors authorize the General Manager to extend the purchase order/contract with Robert Half International for temporary employment staffing for the grants analyst position through June 30, 2010 for a total amount not to exceed \$128,000.

#### **IV. FINANCIAL CONSIDERATIONS**


Funds to support this purchase order/contract are included in the Finance Department FY10 budget.

#### **V. ATTACHMENTS**

**None**

5-11.2

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010  
**TO:** Board of Directors  
**FROM:** Angela Aitken, Finance Manager and Acting Assistant General Manager   
**SUBJECT:** ACCEPT AND FILE DRAFT REPORT ON FY10 TRIENNIAL REVIEW

## I. RECOMMENDED ACTION

**The purpose of this communication is provide a copy of the Federal Transit Administration (FTA) FY10 Triennial Review Report to the Board of Directors.**

## II. SUMMARY OF ISSUES

- FTA performs Triennial Reviews of grantees every three years.
- Santa Cruz METRO recently underwent this review in March 2010.
- As a result of the review Santa Cruz METRO was found to be full compliance on 21 of 24 review areas.
- One deficiency had to do with the calculation of our spare ratio and justification for being over the FTA guideline
- The second deficiency relates to the FTA requirements for procurement as it relates to our MetroBase facility contractors and subcontractors
- The third deficiency was found with the FTA written oversight needed on the drug and alcohol program.

## III. DISCUSSION

The United States Code, Chapter 53 of Title 49 requires that the Federal Transit Administration perform reviews and evaluations of urbanized area formula grant activities at least every three years. Santa Cruz METRO provided volumes of information to the FTA consultant in January and February of this year as part of the desk review, in advance of the March 2010 Triennial Review visit. Santa Cruz METRO was visited by representatives from CDI/DCI Joint Venture in March, to assess grantee management practices, program implementation and an evaluation of compliance with Federal requirements.

As part of the exit interview, the FTA provided METRO staff with the draft final report in March and a final report in April. There are 24 compliance areas that were examined as part of the review. Santa Cruz METRO was in full compliance in 21 areas.

5-12.1

One area where Metro was found to be deficient was with the calculation of our spare ratio and justification for being over the FTA spare ratio guideline of 20%. Santa Cruz Metro has follow-up with the regional office of FTA and we will have proper justification and formulation in place for the 22.9% spare ratio we submitted prior to June 26, 2010 deadline.

The second deficiency relates to the FTA requirements for procurement as it relates to our MetroBase facility contractors and subcontractors. This “flow down” requirement is being addressed and we will be in full compliance before the due date of July 24, 2010.

The third deficiency was found with the FTA written oversight needed on the drug and alcohol program. Santa Cruz METRO was found to have a process within compliance for oversight of vendors and collection sites but lacked written documentation to support implementation and follow-up. This requirement will be addressed prior to the Jul 24, 2010 deadline.

#### **IV. FINANCIAL CONSIDERATIONS**

There are no financial impacts from the FY10 Triennial Review.

#### **V. ATTACHMENTS**

**Attachment A:** FY10 Triennial Review Report

5-12.2

***FINAL REPORT***

**FY2010 TRIENNIAL REVIEW**

of the

**Santa Cruz Metropolitan Transit District  
(Santa Cruz Metro)  
Recipient ID:1675**

**Desk Review: December 2, 2009  
Site Visit: March 22-24, 2010**

**April 2010**

**Prepared for the  
Federal Transit Administration  
Region 9  
San Francisco, California**

by

**CDI/DCI Joint Venture**

5-12.a1

## Table of Contents

I.	TRIENNIAL REVIEW BACKGROUND .....	1
II.	REVIEW PROCESS.....	1
III.	DESCRIPTION OF THE GRANTEE .....	2
IV.	RESULTS OF THE REVIEW .....	4
	1. Legal .....	4
	2. Financial .....	4
	3. Technical .....	4
	4. Satisfactory Continuing Control.....	4
	5. Maintenance .....	5
	6. Procurement.....	5
	7. Disadvantaged Business Enterprise (DBE).....	5
	8. Buy America.....	6
	9. Debarment and Suspension .....	6
	10. Lobbying .....	6
	11. Planning/Program of Projects.....	6
	12. Title VI .....	7
	13. Fare Increases and Major Service Reductions .....	7
	14. Half Fare.....	7
	15. ADA .....	8
	16. Charter Bus.....	8
	17. School Bus.....	8
	18. National Transit Database (NTD) .....	8
	19. Safety and Security.....	9
	20. Drug-Free Workplace.....	10
	21. Drug and Alcohol Program .....	10
	22. Equal Employment Opportunity (EEO).....	10
	23. ITS Architecture .....	10
	24. American Recovery and Reinvestment Act (ARRA).....	11
V.	SUMMARY OF FINDINGS AND CORRECTIVE ACTIONS .....	12
VI.	TRANSIT SECURITY EXPENDITURES .....	14
VII.	ATTENDEES .....	15

5-12.a2

**I. TRIENNIAL REVIEW BACKGROUND**

The United States Code, chapter 53 of title 49, requires the Federal Transit Administration (FTA) of the United States Department of Transportation (USDOT) to perform reviews and evaluations of Urbanized Area Formula Grant activities at least every three years. This requirement is contained in 49 U.S.C. 5307(i).

- (2) At least once every three years, the Secretary shall review and evaluate completely the performance of a recipient in carrying out the recipient's program, specifically referring to compliance with statutory and administrative requirements and the extent to which actual program activities are consistent with the activities proposed under subsection (d) of this section and the planning process required under sections 5303-5306 of this title.
- (3) The Secretary may take appropriate action consistent with the review, audit and evaluation under this subsection, including making an appropriate adjustment in the amount of a grant or withdrawing the grant.

The Triennial Review includes a review of the grantee's compliance in 24 areas. The basic requirements for each of these areas are summarized below.

This report presents the findings from the Triennial Review of the Santa Cruz Metropolitan Transit District (Santa Cruz Metro) of Santa Cruz, California. This review was performed in accordance with FTA procedures (published in FTA Order 9010.1B, April 5, 1993) and included preliminary reviews of documents on file at the Region 9 Office in San Francisco and on-site discussions and review of the procedures, practices, and records of Santa Cruz Metro as deemed necessary. The review concentrated primarily on procedures and practices employed during the past three years; however, coverage was extended to earlier periods as needed to assess the policies in place and the management of grants. During the site visit, administrative and statutory requirements were discussed, documents were reviewed, and facilities were toured. Specific documents examined during the Triennial Review are available in FTA's and Santa Cruz Metro's files.

**II. REVIEW PROCESS**

The desk review was conducted in the Region 9 Office on December 2, 2009. Following the desk review, a review package was sent to Santa Cruz Metro advising it of the site visit and indicating additional information that would be needed and issues that would be discussed.

The site visit to the Santa Cruz Metropolitan Transit District in Santa Cruz, California occurred on March 22-24. The individuals participating in the review are listed in Section VII of this report.

At the entrance conference, the purpose of the Triennial Review and the review process were discussed. During the site visit, administrative and statutory requirements were discussed and documents were reviewed. Santa Cruz Metro's transit facilities were toured to provide an overview of activities related to FTA-funded projects. A sample of maintenance records for FTA-funded vehicles was examined during the site visit.

Upon completion of the review, an exit conference was held with Santa Cruz Metro staff to discuss findings, corrective actions, and schedules. This information is summarized in the table in Section V of this report. A draft copy of this report was provided to Santa Cruz Metro at the exit conference.

### **III. DESCRIPTION OF THE GRANTEE**

Santa Cruz Metropolitan Transit District (Santa Cruz Metro) provides transit service in Santa Cruz County, California, serving all of the Cities of Capitola, Santa Cruz, Scotts Valley and Watsonville and unincorporated areas of Santa Cruz County. Santa Cruz Metro is a Transit District formed under the State of California Public Utilities Code, Section 98000. Santa Cruz Metro directly operates all service and uses two local taxicab companies to supplement its paratransit service as needed. The population of the service area is approximately 268,637 persons.

Santa Cruz Metro operates a network of 42 fixed routes. Service is provided weekdays from 4:15 a.m. to 2:00 a.m. Saturday service is operated from 6:05 a.m. to 3:00 p.m. Sunday service is operated from 6:05 a.m. to 3:00 p.m. The grantee's complementary paratransit service, known as ParaCruz, operates during the same days and hours of service as the fixed routes and is provided within ¼ mile of fixed routes, except the Highway 17 commuter route. ParaCruz uses two local taxicab companies, Yellow Cab and Courtesy Cab, to supplement its ADA paratransit service, as needed.

The basic adult fare for bus service is \$1.50. A reduced fare of \$0.75 is offered to seniors, 62 years or older, valid Medicare card holders, and persons with disabilities during off-peak hours. The fare for ADA paratransit service is \$3.00.

Santa Cruz Metro operates a fleet of 102 buses for fixed-route service. Its bus fleet consists of 35- and 40-foot standard and low floor buses. Over the past three years, Santa Cruz Metro has purchased Compressed Natural Gas (CNG) buses with a long term goal of completely replacing the diesel fleet with CNG buses. The current peak requirement is for 83 vehicles. Santa Cruz Metro has a contingency fleet of nine buses and uses them to support a written energy contingency plan. Santa Cruz Metro also has a fleet of 38 vans, which are directly operated.

Santa Cruz Metro operates from an operations facility at 1200 River Street, Santa Cruz. A new MetroBase Maintenance facility was built on the site of 120 and 138 Golf Club Drive and opened in December 2009. Newly renovated Santa Cruz Metro Administration offices are at 110 Mt. Vernon Street. Fleet parking is at 115 Dubois Street. Santa Cruz Metro provides service to

three transit centers and customer parking facilities located throughout its operating area: Pacific Station, Santa Cruz; Cavallaro Transit Center, Scotts Valley; and Watsonville Transit Center.

Like many transit agencies in California, because of the downturn in the state and national economy, Santa Cruz Metro has lost significant funding from state STA and TDA funds, sales tax revenues, and passenger fares. It has embarked on a complete review of its three to five year financial plan and established a two-year budget framework within which to consider its options for going forward. It has put cost management systems and grants management systems in place and used FTA capital funds to improve the system's productivity and cost effectiveness in the utilization of labor and equipment.

Santa Cruz Metro's National Transit Database Report for FY2009 provided the following financial and operating statistics for its fixed-route and paratransit service:

	Fixed-Route Service	Paratransit Service
Unlinked Passengers	5,793,118	87,726
Revenue Hours	243,250	58,528
Operating Expenses	\$30,618,539	\$3,548,794

Over the past three years, Santa Cruz Metro has completed the following noteworthy projects;

- completed a new bus fuel and wash facility
- purchased and renovated the 110 Vernon Street office building for Santa Cruz Metro Administration offices
- completed and adopted 2008-2012 Short Range Transit Plan
- completed conversion of 40 buses from diesel to CNG.

Noteworthy projects that are on-going include:

- install a facilities video surveillance system for operational security
- construct the MetroBase Maintenance Facility
- complete right-of-way purchase of Pacific Station renovation
- upgrade fleet radio
- purchase five new buses for Highway 17 Express.

ARRA Projects

- purchase 27 new ParaCruz vans – five minivans and 22 raised roof vans for paratransit service
- purchase Smartcard farebox system
- purchase Giro/HASTUS software for dispatch, planning, and customer service
- purchase three paratransit vans for University of California at Santa Cruz.



#### **IV. RESULTS OF THE REVIEW**

The Triennial Review focused on Santa Cruz Metro's compliance in 24 areas. This section provides a discussion of the basic requirements and findings in each area. No deficiencies were found with the FTA requirements in 21 of the 24 areas. Deficiencies were found in Satisfactory Continuing Control, Procurement, and Drug & Alcohol Program. There were no deficiencies in areas related to ARRA grants. There were no repeat deficiencies from the last review.

##### **1. Legal**

Basic Requirement: The grantee must be eligible and authorized under state and local law to request, receive, and dispense FTA funds and to execute and administer FTA funded projects. The authority to take all necessary action and responsibility on behalf of the grantee must be properly delegated and executed.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for legal.

##### **2. Financial**

Basic Requirement: The grantee must demonstrate the ability to match and manage FTA grant funds, cover cost increases and operating deficits, financially maintain and operate FTA funded facilities and equipment, and conduct and respond to applicable audits.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for financial.

##### **3. Technical**

Basic Requirement: The grantee must be able to implement the FTA-funded projects in accordance with the grant application, Master Agreement, and all applicable laws and regulations, using sound management practices.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for technical.

##### **4. Satisfactory Continuing Control**

Basic Requirement: The grantee must maintain control over real property, facilities, and equipment and ensure that they are used in transit service.

Findings: During this Triennial Review of Santa Cruz Metro, deficiencies were found with the FTA requirements for satisfactory continuing control.

Santa Cruz Metro has 102 active revenue vehicles. Maximum peak requirements are for 83 buses. Nineteen spare buses yield a spare ratio of 22.9 percent, exceeding the FTA guideline of 20 percent.

Corrective Action(s) and Schedule: By July 23, 2010, submit to the FTA regional office a fleet management plan to justify the spare ratio of 22.9 percent or to reduce it to the FTA guideline of 20 percent.

**5. Maintenance**

Basic Requirement: Grantees and their subrecipients must keep Federally funded equipment and facilities in good operating order and maintain ADA accessibility features.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for maintenance.

**6. Procurement**

Basic Requirement: FTA grantees use their own procurement procedures that reflect applicable state and local laws and regulations, provided that the process ensures competitive procurement and the procedures conform to applicable Federal law, including 49 CFR Part 18 (specifically Section 18.36) and FTA Circular 4220.1F, "Third Party Contracting Guidance."

Findings: During this Triennial Review of Santa Cruz Metro, deficiencies were found with the FTA requirements for procurement.

A review of the MetroBase facility contract showed that Santa Cruz Metro did not sufficiently monitor the procurement process of the prime contractor to ensure that its subcontractors met Federal requirements for certifications and that the required Federal clauses were included in their subcontractors' contracts.

Corrective Action(s) and Schedule: By July 23, 2010, Santa Cruz Metro must develop and submit to the FTA regional office oversight procedures to ensure that Santa Cruz Metro prime contractors comply with the appropriate FTA procurement requirements for their subcontractors.

**7. Disadvantaged Business Enterprise (DBE)**

Basic Requirement: The grantee must comply with 49 CFR Part 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts. Grantees also must create a level playing field on which DBEs can compete fairly for DOT-assisted contracts.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with USDOT requirements for DBE.

**8. Buy America**

Basic Requirement: Federal funds may not be obligated unless steel, iron, and manufactured products used in FTA funded projects are produced in the United States. The only exceptions are if FTA has granted a waiver or if the product is subject to a general waiver. Rolling stock must have sixty percent domestic content. Also, final assembly of rolling stock must take place in the United States and grantees must conduct a pre-award and post-delivery audit for purchases of rolling stock in order to verify that the 60 percent domestic content and final assembly requirements were met.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for Buy America.

**9. Debarment and Suspension**

Basic Requirement: To protect the public interest from and prevent fraud, waste, and abuse in Federal transactions, persons or entities, which by defined events or behavior, that potentially threaten the integrity of Federally administered non-procurement programs, are excluded from participating in FTA assisted programs.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for debarment and suspension.

**10. Lobbying**

Basic Requirement: Recipients of Federal grants and contracts exceeding \$100,000 must certify compliance with Restrictions on Lobbying before they can receive funds.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for lobbying.

**11. Planning/Program of Projects**

Basic Requirement: The grantee must participate in the transportation planning process in accordance with FTA requirements, SAFETEA-LU, and the metropolitan and statewide planning regulations.

Grantees must develop and/or participate in a locally developed, coordinated public transit-human services transportation plan that identifies the transportation needs of individuals

with disabilities, older adults, and people with low incomes, provides strategies for meeting those local needs, and prioritizes transportation services for funding and implementation.

Each recipient of a Section 5307 grant shall have complied with the public participation requirements of Section 5307(c)(1) through (7). Each grantee is required to develop, publish, afford an opportunity for a public hearing on, and submit for approval a Program of Projects (POP).

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for planning/POP.

## **12. Title VI**

Basic Requirement: The grantee must ensure that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participating in, be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance. The grantee must ensure that Federally supported transit services and related benefits are distributed in an equitable manner.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for Title VI.

## **13. Fare Increases and Major Service Reductions**

Basic Requirement: Section 5307 grantees are expected to have a written locally developed process for soliciting and considering public comment before raising a fare or carrying out a major transportation service reduction.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for fare increases and service reductions.

## **14. Half Fare**

Basic Requirement: During non-peak hours for fixed route service supported with Section 5307 assistance, fares charged elderly persons, persons with disabilities, or an individual presenting a Medicare card will not be more than half the peak hour fare.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for half fare.

**15. ADA**

Basic Requirement: Titles II and III of the Americans with Disabilities Act of 1990 provide that no entity shall discriminate against an individual with a disability in connection with the provision of transportation service. The law sets forth specific requirements for vehicle and facility accessibility and the provision of service, including complementary paratransit service.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for ADA.

**16. Charter Bus**

Basic Requirement: FTA grantees are prohibited from using Federally funded equipment and facilities to provide charter service if a registered private charter operator expresses interest in providing the service. Grantees are allowed to operate community based charter services excepted under the regulations.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for charter bus.

**17. School Bus**

Basic Requirement: Grantees are prohibited from providing exclusive school bus service unless the service qualifies and is approved by the FTA Administrator under an allowable exemption. Federally funded equipment or facilities cannot be used to provide exclusive school bus service. School tripper service that operates and looks like all other regular service is allowed.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for school bus.

**18. National Transit Database (NTD)**

Basic Requirement: Grantees that receive 5307 and 5311 grant funds must collect, record, and report financial and non-financial data in accordance with the Uniform System of Accounts (USOA) and the *National Transit Database (NTD) Reporting Manual* as required by 49 USC 5335(a).

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for National Transit Database.

## 19. Safety and Security

Basic Requirement: Any recipient of Urbanized Area Formula Grant Program funds must annually certify that it is spending at least one percent of such funds for transit security projects or that such expenditures for security systems are not necessary.

Under the safety authority provisions of the Federal transit laws, the Secretary has the authority to investigate the operations of the grantee for any conditions that appear to create a serious hazard of death or injury, especially to patrons of the transit service. States are required to oversee the safety of rail fixed guideway systems through a designated oversight agency, per 49 CFR Part 659, Rail Fixed Guideway Systems, State Safety Oversight. FTA has developed web sites for Bus Safety and Rail Safety. These sites include helpful tools, such as resources, self assessments, and forums.

Under security, a list of 17 Security and Emergency Management Action Items has been developed by FTA and the Department of Homeland Security's Transportation Security Administration (TSA). This list of 17 items, an update to the original FTA Top 20 security action items list, was developed in consultation with the public transportation industry through the Mass Transit Sector Coordinating Council, for which the American Public Transportation Association (APTA) serves as Executive Chair. Security and Emergency Management Action Items for Transit Agencies aim to elevate security readiness throughout the public transportation industry by establishing baseline measures that transit agencies should employ. Additionally, FTA has developed an extensive website for transit security.

The goal of FTA's Safety and Security Program is to achieve the highest practical level of safety and security in all modes of transit. To this end, FTA continuously promotes the awareness of safety and security throughout the transit community by establishing programs to collect and disseminate information on safety/security concepts and practices. In addition, FTA develops guidelines that transit systems can apply in the design of their procedures and by which to compare local actions. Many of the questions in this review area are designed to determine what efforts grantees have made to develop and implement safety, security, and emergency management plans. While there may not be specific requirements associated with all of the questions, grantees are encouraged to implement the plans, procedures, and programs referenced in these questions. For this reason, findings in this area will most often result in advisory comments rather than deficiencies.

Findings: A summary of Santa Cruz Metro's expenditures of Section 5307 funds for security projects is provided in Section VI of this report.

During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for safety and security.

**20. Drug-Free Workplace**

Basic Requirement: FTA grantees are required to maintain a drug-free workplace for all employees and to have an ongoing drug-free awareness program.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for drug-free workplace.

**21. Drug and Alcohol Program**

Basic Requirement: Grantees receiving Urbanized Area Formula Program (Section 5307), Non-Urbanized Area Formula Program (Section 5311), or Capital Investment Program (Section 5309) funds must have a drug and alcohol testing program in place for all safety-sensitive employees.

Findings: During this Triennial Review of Santa Cruz Metro, deficiencies were found with the FTA requirements for the drug and alcohol program.

Santa Cruz Metro has a compliance process for its oversight of vendors and collection sites but lacks documentation to support its implementation and, if necessary, follow-up.

Corrective Action(s) and Schedule: By July 23, 2010, develop and submit to the FTA regional office a written oversight program that describes its process, tasks, schedule, and follow-up for evaluating the compliance of vendors and collection sites with the FTA Drug & Alcohol Program.

**22. Equal Employment Opportunity (EEO)**

Basic Requirement: The grantee must ensure that no person in the United States shall on the grounds of race, color, religion, national origin, sex, age, or disability be excluded from participating in, or denied the benefits of, or be subject to discrimination in employment under any project, program, or activity receiving Federal financial assistance from the Federal transit laws. (Note: EEOC's regulation only identifies/recognizes religion and not creed as one of the protected groups.)

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for EEO.

**23. ITS Architecture**

Basic Requirement: Intelligent Transportation Systems (ITS) projects funded by the Highway Trust Fund and the Mass Transit Account must conform to the National ITS Architecture, as well as to United States Department of Transportation (USDOT) adopted ITS Standards.

Findings: During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for ITS architecture.

**24. American Recovery and Reinvestment Act (ARRA)**

Basic Requirement: Grantees must have the legal, financial, and technical capacity to carry out the proposed program of projects and meet the additional reporting requirements for its ARRA-funded grant activities.

Findings. Santa Cruz Metro has two active ARRA grants. Projects funded by that/those grants are:

- purchase 27 new ParaCruz vans – five minivans and 22 raised roof vans for paratransit service
- Purchase Smartcard farebox system
- Purchase Giro/HASTUS software for dispatch, planning, and customer service, and purchased three paratransit vans for University of California at Santa Cruz.

During this Triennial Review of Santa Cruz Metro, no deficiencies were found with the FTA requirements for ARRA.



**V. SUMMARY OF FINDINGS AND CORRECTIVE ACTIONS**

Review Area	Finding	Deficiency	Corrective Action	Response Date	Date Closed
1. Legal	ND				
2. Financial	ND				
3. Technical	ND				
4. Satisfactory Continuing Control	D-08	Excessive fixed route spare ratio	Submit to the FTA regional office a plan to justify its spare ratio or to reduce it to the FTA guideline of 20%.	July 23, 2010	
5. Maintenance	ND				
6. Procurement	D-15	Subrecipient's and/or third party contractor's procurement process deficient	Develop and submit to the FTA regional office oversight procedures that will monitor and ensure that prime contractors comply with the appropriate FTA procurement requirements for their subcontractors.	July 23, 2010	
7. Disadvantaged Business Enterprise	ND				
8. Buy America	ND				
9. Debarment and Suspension	ND				
10. Lobbying	ND				
11. Planning/POP	ND				
12. Title VI	ND				
13. Fare Increases and Service Reductions	ND				
14. Half Fare	ND				
15. ADA	ND				
16. Charter Bus	ND				
17. School Bus	ND				
18. National Transit Database	ND				
19. Safety and Security	ND				
20. Drug-Free Workplace	ND				
21. Drug and Alcohol Program	D-09	Drug and/or alcohol program vendors not properly monitored	Develop and submit to the FTA regional office a written oversight program that describes its process, tasks, schedule, and follow-up for evaluating the compliance of vendors, collection sites, and test sites with the FTA Drug & Alcohol Program.	July 23, 2010	

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Review Area	Finding	Deficiency	Corrective Action	Response Date	Date Closed
22. Equal Employment Opportunity	ND				
23. ITS Architecture	ND				
24. ARRA	ND				

Findings: ND = No Deficiencies; D = Deficient; AC = Advisory Comment; NA = Not Applicable

**VI. TRANSIT SECURITY EXPENDITURES**

Does the grantee expend one percent or more of its Section 5307 Urbanized Area Formula Grant funds for transit security?

FY2007:	Yes:	X	No:	
FY2008:	Yes:		No:	X
FY2009:	Yes:		No:	X

If no, why does the grantee consider such expenditure unnecessary? (check all that apply)


	No deficiency found from a threat and vulnerability assessment
	TSA/FTA Security and Emergency Management Action Items met or exceeded
X	Other (please describe): Santa Cruz Metro uses state funds as well as Federal sources to support its safety and security program.

Security Funding	FTA Section 5307 Funds (in Dollars)		
	FY 2007	FY 2008	FY 2009
Total amount of 5307 Funds expended	\$3,877,198	\$4,178,317	\$4,753,504
Amount of 5307 Funds expended on security	\$37,987	\$33,457	\$35,371
Percent of 5307 Funds expended on security	1.00%	0.80%	0.74%
<b>Infrastructure/Capital Improvement Security Projects:</b>			
Lighting, Fencing & Perimeter Control			
CCTV and Surveillance Technology			
Communications Systems		\$33,457	\$35,371
Security Planning			
Drills & Tabletop Exercises			
Employee Security Training			
Other Security-Related Infrastructure & Capital Improvements (please list): _____			
<b>Operating/Personnel Expenditures (can only be used by agencies in areas with populations UNDER 200,000):</b>			
Contracted Security Force			
In-house Security Force			
Other Security-Related Operating Expenditures (please list): _____			

**VII. ATTENDEES**

<b>Name</b>	<b>Title/Organization</b>	<b>Phone Number</b>	<b>E-mail Address</b>
<b><i>Santa Cruz Metro</i></b>			
Ciro Aguirre	Operations	831-425-8951	caguirre@scmtd.com
Robyn Slater	Human Resources	831-423-5582	rslater@scmtd.com
Mary Ferrick	Operations	831-425-8951	mferrick@scmtd.com
Frank Bauer	Operations	831-425-8951	fbauer@scmtd.com
Mark Hickey	Paracruz	831-425-4664	mhickey@scmtd.com
April Warnock	Paracruz	831-425-4664	awarnock@scmtd.com
Harlan Glatt	IT	831-426-4663	hglatt@scmtd.com
Debbie Kinslow	Finance	831-426-6080	dkinslow@scmtd.com
Robert Cotter	Maintenance	831-426-6080	rcotter@scmtd.com
Erich Friedrich	Planning	831-426-6080	efriedrich@scmtd.com
Margaret Gallagher	Legal	831-426-6080	pgallagher@scmtd.com
Lloyd Longnecker	Finance-Purchasing	831-426-6080	longnecker@scmtd.com
Thomas Hiltner	Finance	831-426-6080	thiltner@scmtd.com
Angela Aitken	Finance/Administration	831-426-6080	aaitken@scmtd.com
Les White	General Manager	831-426-6080	lwhite@scmtd.com
Tove Beatty	Interim Grants/Legislative	831-426-4663	tbeatty@scmtd.com
Terry Gale	IT	831-426-6080	tgale@scmtd.com
Frank Cheng	Project Manager	831-425-4664	fcheng@scmtd.com
Eileen Wagley	Paracruz	831-426-0199	epavlik@scmtd.com
<b><i>FTA</i></b>			
Audrey Bredehoft	Program Manager (tele-conference)	415-744-2597	Audrey.bredehoft@dot.gov
<b><i>CDI/DCI Joint Venture</i></b>			
Robert Prangley	Reviewer	513-236-7784	rprangley@fuse.net

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010  
**TO:** Board of Directors  
**FROM:** Angela Aitken, Finance Manager, and Acting Assistant General Manager   
**SUBJECT: REVISED PAGES FOUR (4) AND FIVE (5) OF THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDING JUNE 30, 2009**

## I. RECOMMENDED ACTION

**That the Board of Directors accept revised pages four (4) and five (5) of the Audited Financial Statements for the year ending June 30, 2009**

## II. SUMMARY OF ISSUES

- At the meeting of February 26, 2010 the Board of Directors accepted the audited financial statements and reports prepared by the firm of Brown Armstrong, Certified Public Accountants, for the year ending June 30, 2009, with knowledge of an error on page four (4).
- Brown Armstrong staff and Santa Cruz METRO staff reviewed the entire report; recalculated all tables and percentages, and concluded that only pages four (4) and five (5) required slight corrections.
- On March 10, 2010 Brown Armstrong provided two (2) revised pages to reflect corrections to the “2009 to 2008 Increase / Decrease %” in the **Condensed Statement of Net Assets** on page four (4) and to “Non-Operating Revenues” and the related percentage change shown in the **Supplemental Revenue, Expense and Performance Report** on page five (5).

## III. DISCUSSION

At the meeting of February 26, 2010 the Board of Directors accepted the audited financial statements and reports prepared by the firm of Brown Armstrong, Certified Public Accountants, for the year ending June 30, 2009, with knowledge of an error on page four (4).

Brown Armstrong staff and Santa Cruz METRO staff reviewed the entire report; recalculated all tables and percentages, and concluded that only pages four (4) and five (5) required slight corrections.

On March 10, 2010 Brown Armstrong provided two (2) revised pages to reflect corrections to the “2009 to 2008 Increase / Decrease %” in the Condensed Statement of Net Assets on page four (4) and to “Non-Operating Revenues” and the related percentage

5-13.1

change shown in the Supplemental Revenue, Expense and Performance Report on page five (5).

#### **IV. FINANCIAL CONSIDERATIONS**

These corrections have little impact and still present fairly, in all material respects, the financial position of Santa Cruz METRO. Measures are in place between Brown Armstrong and Santa Cruz METRO staff so this type of error will not occur in the future.

#### **V. ATTACHMENTS**

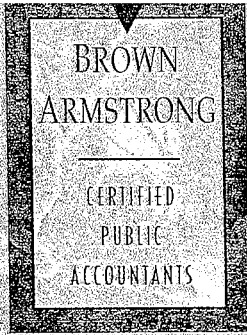
**Attachment A:** Letter from Brown Armstrong, with Revised Pages four (4) and five (5) of the (Audited) Financial Statements for the year ending June 30, 2009

Prepared by: Debbie Kinslow

Date Prepared: April 2, 2010

5-13.2

Peter C. Brown, CPA  
Burton J. Armstrong, CPA, MST  
Andrew J. Paulden, CPA  
Steven R. Starbuck, CPA  
Clms M. Thornburgh, CPA  
Eric H. Xin, CPA, MBA  
Richard L. Hale, CPA, MST  
Allan K. Keeter, CPA



■ Main Office  
4200 Truxtun Ave., Suite 300  
Bakersfield, California 93309  
Tel 661-324-4971 Fax 661-324-4997  
e-mail: info@bacpas.com  
■ 560 Central Avenue  
Shafter, California 93263  
Tel 661-746-7145 Fax 661-746-7218  
■ 8365 N. Fresno Street, Suite 440  
Fresno, California 93720  
Tel 559-476-3592 Fax 559-476-3593

March 10, 2010

**Attachment** A

Ms. Angela Aitken  
Santa Cruz Metropolitan Transit District  
110 Vernon Street  
Santa Cruz, California 95060-2130

Dear Ms. Aitken:

Enclosed are revised pages of the Financial Statements for the Santa Cruz Metropolitan Transit District for the year ended June 30, 2009. Please incorporate these pages into your existing copies.

Please call if you have any questions.

Sincerely,

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

A handwritten signature in black ink, appearing to read "SRS", is written over the printed name.

By: Steven R. Starbuck

SRS:tmy:jam  
Enclosures  
PfxEngagement\74043\6/30/09 Audit\FS\Transmittal - Revised

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**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
JUNE 30, 2009 AND 2008**

The MetroBase project is also a necessary component for providing Compressed Natural Gas (CNG) to Santa Cruz METRO's fleet. In January 2007 Caltrans executed a grant agreement with Santa Cruz METRO to convert up to forty (40) buses from diesel to CNG fuel engines. By June 2008, thirty-one (31) of the conversions had been completed and, by June 2009, all forty (40) buses had been converted. Fueling Santa Cruz METRO's fleet with CNG, a cleaner fuel source, will comply with the California Air Resource Board (CARB) requirements. Capital additions to the CNG Bus Conversion project for the year totaled \$1,382,989.

In October 2003 Culver CityBus entered into a contract with New Flyer of America for the manufacture, purchase and delivery of an indefinite quantity of 40-foot, low- and standard-floor CNG buses. The contract specifically authorized other public agencies to have the right to "piggy-back" onto the contract for CNG buses. Utilizing the "piggy-back" feature allowed by the Culver CityBus contract, Santa Cruz METRO executed an agreement with New Flyer of America for the purchase of thirteen (13) replacement buses. Santa Cruz METRO then entered into a grant agreement with Caltrans in February 2007 to replace eight (8) local fixed-route buses and five (5) buses for the Highway 17 Express service. The thirteen (13) replacement buses were funded with Federal, State and Local funds totaling \$5,925,254.

**Condensed Statement of Net Assets:**

	2009	2008	2007	2009 to 2008		2008 to 2007	
				Increase/(Decrease) Amount	%	Increase/(Decrease) Amount	%
Total Assets	\$ 112,044,106	\$ 105,036,300	\$ 85,616,653	\$ 7,007,806	7%	\$ 19,419,647	23%
Total Liabilities	\$ 25,853,950	\$ 24,760,587	\$ 22,262,083	\$ 1,093,363	4%	\$ 2,498,504	11%
Total Net Assets	\$ 86,190,156	\$ 80,275,713	\$ 63,354,570	\$ 5,914,443	7%	\$ 16,921,143	27%

Total Assets increased this year due to construction in progress and capital additions. Total Liabilities increased primarily due to the implementation of Governmental Accounting Standards Board (GASB) accounting standards 43 and 45 related to "other post employment benefits" (OPEB's) and the addition of restricted capital grant funds (Proposition 1B PTMISEA).

An increase or decrease in net assets is an indicator of the financial health of Santa Cruz METRO. For the fiscal year ended June 30, 2009, Santa Cruz METRO's net assets increased by \$5,914,443 due to capital additions related to on-going construction of the Consolidated MetroBase Project, and the purchase of thirteen (13) fixed route buses.

**Condensed Statement of Revenues, Expenses and Change in Fund Net Assets:**

	2009	2008	2007	2009 to 2008		2008 to 2007	
				Increase/(Decrease) Amount	%	Increase/(Decrease) Amount	%
Operating Revenues	\$ 8,769,185	\$ 8,272,058	\$ 7,730,499	\$ 497,127	6%	\$ 541,559	7%
Operating Expenses	(41,975,092)	(38,683,643)	(31,952,451)	(3,291,449)	9%	(6,731,192)	21%
Operating Loss	(33,205,907)	(30,411,585)	(24,221,952)	(2,794,322)	9%	(6,189,633)	26%
Non-operating Revenues(Expenses)	24,877,839	28,164,895	33,133,407	(3,287,056)	-12%	(4,968,512)	-15%
Capital Grant Contributions	14,242,511	19,167,833	6,659,395	(4,925,322)	-26%	12,508,438	188%
Increase (Decrease) in Net Assets	\$ 5,914,443	\$ 16,921,143	\$ 15,570,850	\$ (11,006,700)	-65%	\$ 1,350,293	9%



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
JUNE 30, 2009 AND 2008**

Operating Revenues increased by 6% due to increased ridership for UC Santa Cruz, Cabrillo College, and the Highway 17 Express.

Operating Expenses increased by 9% primarily due to the implementation of GASB accounting standards 43 and 45 related to "other post employment benefits" (OPEB's).

Non-operating Revenues decreased by 12% due to lower than anticipated sales tax revenue, Transportation Development Act (TDA) revenue, and a significant reduction in interest income.

Capital Contributions are capital grant funds received for facilities improvements and the purchase of capital equipment including revenue vehicles. Capital contributions decreased by 26% from the prior year due to the receipt of a non-recurring State funded grant (AB3090) received last year related to construction of the Consolidated MetroBase Project, and the continued diversion of State Transit Assistance Program (STA) funds this fiscal year.

**Supplemental Revenue, Expense and Performance Report:  
(based on FTA account grouping guidelines)**

	2009	2008	2007	2009 to 2008 % Change	2008 to 2007 % Change
<b>Revenues</b>					
Passenger Fares	\$ 8,769,185	\$ 8,272,058	\$ 7,730,499	6.0%	7.0%
Sales and Use Tax <sup>(1)</sup>	14,923,139	17,054,735	17,652,773	-12.5%	-3.4%
Non-Operating Revenues <sup>(2)</sup>	731,908	1,558,759	2,032,515	-53.0%	-23.3%
TDA <sup>(3)</sup>	5,696,249	6,313,334	6,165,834	-9.8%	2.4%
Federal Operating Assistance	3,615,707	3,375,281	3,338,212	7.1%	1.1%
<b>Total Operating Revenue</b>	<b>\$ 33,736,188</b>	<b>\$ 36,574,167</b>	<b>\$ 36,919,833</b>	<b>-7.8%</b>	<b>-0.9%</b>
<b>Expenses</b>					
Route Operation	\$ 21,752,897	\$ 20,834,142	\$ 19,872,415	4.4%	4.8%
Vehicle Maintenance	4,982,067	4,998,255	4,811,254	-0.3%	3.9%
Facilities Maintenance	1,667,389	1,333,439	1,281,359	25.0%	4.1%
General Administration <sup>(4)</sup>	8,515,251	7,763,787	6,592,585	9.7%	17.8%
<b>Total Operating Expense (excluding depreciation)</b>	<b>\$ 36,917,604</b>	<b>\$ 34,929,623</b>	<b>\$ 32,557,613</b>	<b>5.7%</b>	<b>7.3%</b>
<b>Performance Indicators</b>					
Total Passengers	5,987,518	5,888,213	5,695,910	1.7%	3.4%
Revenue Hours	243,241	257,705	260,099	-5.6%	-0.9%
Revenue Miles	3,766,435	3,709,152	3,685,802	1.5%	0.6%
Farebox Recovery Ratio <sup>(5)</sup>	23.8%	23.7%	23.7%	0.2%	0.0%
Cost/Passenger	\$ 6.17	\$ 5.93	\$ 5.72	4.0%	3.7%
Cost/Hour <sup>(6)</sup>	\$ 151.77	\$ 135.54	\$ 125.17	12.0%	8.3%
Cost/Mile	\$ 9.80	\$ 9.41	\$ 8.83	4.2%	6.6%
Full Time Equivalent Employees	314	323	318	-2.8%	1.6%
Active Fleet - Fixed Route	112	112	115	0.0%	-2.6%
Active Fleet - Paratransit	38	38	34	0.0%	11.8%

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010

**TO:** Board of Directors

**FROM:** Harlan Glatt, Senior Database Administrator

**SUBJECT: CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH PROVIDER ELAVON TO SET UP A SEPARATE CHANNEL SUITABLE FOR WEBSITE CREDIT CARD TRANSACTIONS**

## I. RECOMMENDED ACTION

**Authorize the General Manager to execute a contract with Provider Elavon to set up a separate channel suitable for website credit card transactions, distinct from the existing channel for point-of-sale transactions.**

## II. SUMMARY OF ISSUES

- Santa Cruz Metropolitan Transit District (METRO) has accepted credit cards from its customers for the purchase of bus passes and tickets at the Pacific Station Information Booth in downtown Santa Cruz since 2001. Elavon (formerly Nova) is the established Merchant Account for these transactions.
- METRO staff believed that with the utilization of Authorize.net as a Payment Gateway for credit card transactions via METRO's website, that the money would be transferred via the existing Elavon Merchant Account that was currently being used for the Pacific Station Information Booth transactions.
- However, METRO was informed by Elavon when the first online credit card transactions failed, that the existing Merchant Account was in fact not suitable for online transactions, which are considered a higher level of financial risk than point-of-sale transactions. A separate channel is needed to process online transactions.
- Elavon has temporarily allowed the outstanding transactions to clear through the existing merchant account until a new contract is in place providing the necessary separate channels.

## III. DISCUSSION

Santa Cruz Metropolitan Transit District (METRO) launched its new website on March 18, 2010, which enables the public to purchase bus passes online with a credit card.

In order to facilitate credit card payments on the website, METRO requires both the services of a Payment Gateway to authorize (or reject) charges to the customer card at the

time of purchase, and a Merchant Account to broker the transfer of funds from the customer's credit card into METRO's Wells Fargo bank account.

On Feb. 26, 2010, the METRO Board of Directors authorized the METRO General Manager to execute a contract with Authorize.net as a Payment Gateway. METRO staff's intent was to utilize METRO's existing Merchant Account (Elavon, formerly Nova). This Elavon Merchant Account has been in place since 2001 for point-of-sale credit card transactions through a dial-up swipe-card terminal at the Pacific Station Information Booth.

METRO staff was informed by Elavon when the first online transactions failed, that the existing Merchant Account was not suitable for online transactions, because they are a higher level of financial risk, and that a separate channel would be needed for the purpose of online transactions.

Keeping both types of transaction channels separate will also benefit METRO by providing separate financial statements for point-of-sale versus website transactions, rather than a combined statement, making it easier to track. It will also not disrupt both service channels if there is ever a problem with one channel.

Elavon has temporarily allowed all outstanding transactions to clear through the existing merchant account until a new contract is in place providing separate channels.

## VI. FINANCIAL CONSIDERATIONS

The schedule of fees incurred with Elavon are outlined in Attachment C.

The execution of this new contract will actually lower some fees for both payment channels (See Attachment D). METRO currently offers passes for online purchase with no additional Shipping & Handling fee. The language on the website reads:

There is currently no charge for postage and handling!

\* This is an introductory offer, and is subject to change.

As of June 10<sup>th</sup> 2010 at the start of Summer Service, METRO will introduce a flat fee of \$1.50 for Shipping & Handling on both the website and mail-in form provided in *Headways*. This will help offset all overhead costs incurred.

## V. ATTACHMENTS

- Attachment A:** Elavon PDPA (Payment Device Processing Agreement)
- Attachment B:** Elavon Schedule I (Processing Services for Government Entities and Institutions, outlines exemptions to the PDPA)
- Attachment C:** Elavon Schedule A (Schedule of Fees)
- Attachment D:** Elavon Schedule of Fees under current contract

5-14.2



**PAYMENT DEVICE PROCESSING AGREEMENT**

This Payment Device Processing Agreement ("Agreement") is entered into as of the Effective Date by and among the entity identified below as the Merchant (together with any affiliated entities listed on Schedule B to the Agreement), referred to collectively as the "Merchant," **Elavon, Inc.** ("Elavon") and **Member**, as designated on the Merchant Application, and includes the following Terms of Service (the "TOS") and all Schedules and other attachments to the Agreement, each of which is incorporated in full by this reference. The Agreement governs the Merchant's receipt and use of the Processing Services.

**PAYMENT DEVICE PROCESSING SERVICES ELECTED BY MERCHANT.** Merchant elects the following Payment Device Processing Services as described in the Agreement (including all applicable Schedules) and subject to the additional terms and conditions of the applicable provisions of the Merchant Operating Guide (the "MOG"):

- TOS, General Provisions and the MOG
- Schedule A, Schedule of Fees
- Schedule B, Affiliated Entities
- Schedule C, Merchant Application (Large Relationship)
- Substitute Form W-9 (required)

Payment Device Processing Services Available to Merchants Generally (check desired Processing Services):

- Credit Card Services
- Debit Card (signature-based) Services
- Debit Card (PIN-based) Services
- Bill Payment (Pinless Debit) Services
- DCC Services
- Wireless Services
- Contactless Services
- Schedule D, Electronic Gift Card Services
- Schedule E, Electronic Check Services
- Schedule J, Processing Services for Convenience Fees
- Schedule K, Enterprise Billing Solutions Services

Payment Device Processing Services Available to Merchants Operating in Certain Merchant Categories (check desired Processing Services):

- EBT Services
- Hospitality Services
- No Signature Required Program Services
- Schedule F, Petroleum Services
- Schedule I, Processing Services for Government Entities and Institutions

Payment Device Processing Services Available to Merchants Operating in Certain Jurisdictions (check desired Processing Services):

- Schedule G, Processing Services in Canada
- Schedule H, Processing Services in Puerto Rico

IN WITNESS WHEREOF, the parties hereto have executed the Agreement

\_\_\_\_\_,  
on behalf of itself and each of the affiliated entities  
identified on Schedule B (the "MERCHANT"):

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ELAVON, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
("Effective Date")

**MEMBER**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

5-14.a<sup>1</sup>

**TERMS OF SERVICE****Section A - General Provisions Applicable to All Services****1) DEFINITIONS; RULES OF CONSTRUCTION.**

Capitalized terms used in the Agreement and in any applicable Schedule shall have the meanings ascribed to such terms in the Glossary set forth in Section B of this TOS or in such Schedules. All Schedules are expressly incorporated in their entirety and made a part of the Agreement. Captions in the Agreement and in the attached Schedules are for convenience only and do not constitute a limitation of the terms in the Agreement. Singular terms shall include the plural, and vice versa, unless the context otherwise requires. The word "day" shall mean "calendar day", unless specifically stated otherwise. In the event of a conflict between the terms of Section A - General Provisions, and any applicable Schedule, the terms of the applicable Schedule shall prevail.

**2) ACCEPTANCE OF PAYMENT DEVICES.**

Merchant shall determine in accordance with the Payment Network Regulations and the Agreement which types of Payment Devices and Processing Services it will agree to accept as a form of payment from its Customers by selecting the applicable Processing Services on page 1 of the Agreement and/or on the appropriate Schedule. The terms and conditions for the acceptance of the applicable Payment Devices and Merchant's use of the Processing Services are set forth in the Agreement and in the Merchant Operating Guide (the "MOG"), incorporated herein by this reference and located at our website [https://www.merchanteconnect.com/CWRWeb/tech\\_supp\\_ort.do](https://www.merchanteconnect.com/CWRWeb/tech_supp_ort.do). Each Schedule to the Agreement shall be governed by the TOS and the applicable provisions of the MOG, as well as by the terms set forth in the Schedule.

**3) TRANSACTIONS.**

- a) **Merchant Compliance.** Merchant must comply with all the requirements under the Agreement. Merchant must also comply with the procedures set forth in the MOG and any other guides, manuals, or rules provided in writing by Elavon from time to time.
- b) **Settlement of Transactions.** Subject to the other provisions of the Agreement and subject to Merchant's compliance with the terms of the Agreement and the Payment Network Regulations, Elavon and Member will process Transactions daily, and if Merchant maintains its DDA with Member, provisional credit for Transactions (less recoupment of any Chargebacks, returns, adjustments, fees (subject to Section (A)(5)(a)), fines, penalties, assessments from the Payment Networks and other amounts due to Elavon or Member under the Agreement) may be available as soon as the next

banking day after the banking day on which Elavon and Member process the Transactions. Regardless of where Merchant maintains its DDA, Merchant acknowledges and agrees that Elavon and Member may use either "direct" (ACH debit authority pursuant to which Chargebacks, returns, adjustments, fees (subject to Section (A)(5)(a)), fines, penalties, assessments from the Payment Networks and other amounts due to Elavon or Member under the Agreement are debited from the DDA) or "net" (pursuant to which Chargebacks, returns, adjustments, fees (subject to Section (A)(5)(a)), fines, penalties, assessments from the Payment Networks and other amounts due to Elavon or Member under the Agreement are netted from Transaction proceeds) methods to recover any amounts owed by Merchant to Elavon or Member under the Agreement. To the extent required, Merchant authorizes and appoints Elavon or Member to act as Merchant's agent to collect Transaction amounts from the Customer, the Issuer or the Customer's financial institution.

- i) **Deposits.** Merchant agrees that the Agreement is a contract of financial accommodation within the meaning of the Bankruptcy Code, 11 U.S.C. Section 365, as amended from time to time. Merchant acknowledges that its obligation to Elavon and Member for all amounts owed under the Agreement arises out of the same transaction as Elavon's and Member's obligation to deposit funds to the DDA and such amounts are owed in the ordinary course of business.
- ii) **Provisional Credit.** Merchant acknowledges that all credits for funds provided to it are provisional and subject to reversal in the event that Elavon and Member do not receive payment of corresponding settlement amounts from the Payment Networks. Merchant further acknowledges that all credits are subject to adjustments for inaccuracies and errors (including rejects) and Chargebacks in accordance with the Agreement and the Payment Network Regulations, whether or not a Transaction is charged back by the Issuer or Customer. Merchant authorizes Elavon or Member to initiate reversal or adjustment (debit or credit) entries and to initiate or suspend such entries in accordance with the Agreement as may be necessary to grant or reverse provisional credit for any Transaction. Further, Elavon may delay Merchant-issued Cardholder credits for up to five (5) business days for accounting verification. Cardholder credits issued by Merchant to PIN-Debit Cards will not be subject to this delay.



- iii) **Chargebacks.** Merchant agrees to accept for Chargeback, and will be liable to Elavon and Member in the amount of any Transaction disputed by the Cardholder or Issuer for any reason under the Payment Network Regulations. Merchant authorizes Elavon and Member to offset from funds due Merchant or to debit the DDA or the Reserve Account for the amount of all Chargebacks. Merchant will fully cooperate with Elavon and Member in complying with the Payment Network Regulations regarding all Chargebacks.
  - iv) **Original Transaction Receipts.** Under no circumstances will Elavon or Member be responsible for processing returns, refunds, or adjustments related to Transactions not originally processed by Elavon and Member.
  - c) **DDA and ACH Authorization.** Merchant will establish and maintain with Member (or with another ACH participating financial institution) one or more DDAs to facilitate payment for Transactions. Merchant will maintain sufficient funds in the DDA to accommodate all Transactions contemplated by the Agreement and all Chargebacks, returns, adjustments, fees, fines, penalties, assessments from the Payment Networks and other payments due under the Agreement. Merchant irrevocably authorizes Elavon, Member, and their respective authorized vendors and agents who provide services under the Agreement at Merchant's request, to initiate ACH debit and credit entries to the DDA or the Reserve Account for any products or services requested by Merchant in order to make payments to or collect payments from Merchant due under the Agreement. The foregoing authorizations will remain in effect after termination of the Agreement until all of Merchant's obligations to Elavon and Member have been paid in full. Elavon and Member have the right to delay, within their reasonable discretion, crediting the DDA with funds related to Transactions in order to investigate any Transactions related to suspicious or fraudulent activity or funds for Transactions for which Elavon or Member have not received funding from the applicable Payment Networks. Elavon and Member will endeavor to investigate or process any delayed Transactions expeditiously and will endeavor to notify Merchant if any Transactions are delayed for more than forty-eight (48) hours. Elavon has the right to rely upon written instructions submitted by Merchant requesting changes to the DDA. In the event Merchant changes the DDA, the ACH debit and credit authorization established hereunder will apply to the new account and Merchant shall provide Elavon and Member such information regarding the new DDA as they deem necessary to effect payments to and from the DDA as provided under the Agreement. It may take Elavon up to ten (10) business days after Elavon's receipt of a written notice from Merchant to reflect in its system any change to Merchant's DDA.
  - d) **Depository Institution.** Merchant authorizes its depository institution to grant Elavon and/or Member access to any and all information or records regarding the DDA reasonably requested by Elavon and/or Member to debit or credit the DDA and to otherwise exercise their rights under the Agreement with respect to the DDA.
  - e) **Asserted Errors.** It is the responsibility of Merchant to reconcile the statements regarding Transaction activity received from Elavon, any Payment Network, and any third party vendors with the statements Merchant receives for Merchant's DDA. Merchant must promptly examine all statements relating to the DDA and promptly notify Elavon and Member in writing of any errors in the statement Merchant received from Elavon. Merchant's written notice must include: (i) Merchant name and account number; (ii) the dollar amount of the asserted error; (iii) a description of the asserted error; and (iv) an explanation of why Merchant believes an error exists and the cause of it, if known. That written notice must be received by Elavon within forty-five (45) days of the date of the Elavon statement containing the asserted error. If Merchant fails to provide such notice to Elavon within said forty-five (45) days, Elavon and Member shall not be liable to Merchant for any errors Merchant asserts at a later date. Merchant may not make any claim against Elavon or Member for any loss or expense relating to any asserted error for forty-five (45) days immediately following Elavon's receipt of Merchant's written notice. During that forty-five (45) day period, Elavon (i) will be entitled to investigate the asserted error, and Merchant shall not incur any cost or expense in connection with the asserted error without notifying Elavon, and (ii) notify Merchant of its proposed resolution of the asserted error.
- 4) **SECURITY INTERESTS, RESERVE ACCOUNT, RECOUPMENT, AND SET-OFF.**
- a) **Security Interests.**
    - i) **Security Agreement.** The Agreement constitutes a security agreement under the Uniform Commercial Code. Merchant grants to Elavon and Member a security interest in and lien upon: (a) all funds at any time in the Reserve Account, regardless of the source of such funds, and (b) all funds underlying present and future Transaction Receipts in process by Member or Elavon (collectively, the "Secured Assets"). These security interests and liens will secure all of Merchant's obligations under the Agreement. Elavon and Member may execute this security interest, without notice or demand of any kind, by making an immediate

withdrawal or by restricting Merchant's access to the Secured Assets.

- ii) **Perfection.** Upon request of Elavon or Member, Merchant will execute one (1) or more control agreements or other documents to evidence or perfect this security interest. Merchant represents and warrants that no other Person has a security interest in the Secured Assets. With respect to such security interests and liens, Elavon and Member will have all rights afforded under the Uniform Commercial Code, any other applicable law and in equity. Merchant will obtain from Elavon and Member written consent prior to granting a security interest of any kind in the Secured Assets to a third party. Merchant agrees that this is a contract of recoupment and Elavon and Member are not required to file a motion for relief from a bankruptcy action automatic stay to realize any of the Secured Assets. Nevertheless, Merchant agrees not to contest or object to any motion for relief from the automatic stay filed by Elavon or Member. If Merchant fails to control agreements or other documents to evidence or perfect the security interest or lien within ten (10) days of Elavon's or Member's request, Merchant authorizes and appoints Elavon as Merchant's attorney in fact to sign Merchant's name to any control agreement or other documents used for the perfection of any security interest or lien granted hereunder.
- b) **Reserve Account.**
- i) **Establishment.** Elavon may establish a Reserve Account in the Reserve Amount upon the occurrence of a Reserve Event for the purpose of providing security and a source of funds to pay Elavon and Member for any and all amounts that may be owed by Merchant hereunder. Elavon and Member shall have sole control of the Reserve Account.
- ii) **Reserve Amount.** The Reserve Amount is equal to the aggregate dollar value of: [(average % credits to processing volume during the same period + average % Chargebacks to processing volume during the same period) multiplied by four] multiplied by [average monthly processing volume] plus [one month's average fees] plus [# days delayed delivery multiplied by the average day's processing volume]. For purposes of this calculation, the number of days delayed delivery means the number of days between the date on which the Cardholder's Payment Device is charged and the date the product is shipped to the Cardholder (if the goods are being shipped) or the date the Cardholder receives the product or service. Further, for purposes of this calculation, Elavon

will determine, in its sole reasonable discretion, the applicable period considering factors such as Merchant's Transaction volume and seasonality.

- (A) **Reserve Event.** The following will constitute Reserve Events: (a) fraudulent activity in any monthly period that equals or exceeds one percent (1%) of Merchant's average monthly volume over the preceding twelve (12) month period, (b) Chargebacks in any monthly period that equal or exceed one percent (1%) of the total dollar value of incoming items to Elavon, (c) Elavon's reasonable belief that a Merchant not approved by Elavon to engage in delayed delivery transactions has accepted deposits but has not delivered the goods or services, (d) the commencement of a Bankruptcy Proceeding by or against Merchant, (e) termination of the Agreement for any reason or the occurrence of an event listed in Section (A)(12)(b)(ii)(B) or (C) giving Elavon or Member the right to terminate the Agreement, (f) nonpayment of amounts owed by Merchant to Elavon or Member, (g) fines or assessments imposed or reasonably expected to be imposed by the Payment Networks, (h) the occurrence of a material adverse change in Merchant's financial condition, (i) assignment of the Agreement by, or a change in control of, Merchant without Elavon's consent, and (j) revocation, termination or non-renewal of any guaranty, indemnity agreement, letter of credit or any other Alternate Security provided in connection with the Agreement, if applicable.
- iii) **Funding.** Elavon and Member may fund the Reserve Account (in each case up to the Reserve Amount) by any one or more of the following means.
- (A) Elavon and Member may require Merchant to deposit funds into the Reserve Account;
- (B) Elavon and Member may debit the DDA; and/or
- (C) Elavon and Member may deposit into the Reserve Account funds they would otherwise be obligated to pay Merchant.
- iv) **Use of Funds in Reserve Account.** Elavon or Member may, without notice to Merchant, apply funds in the Reserve Account against any outstanding amounts Merchant owes under the Agreement. Also, Elavon or Member may debit the Reserve Account to exercise their rights under the Agreement including, without limitation, their rights of set-off and recoupment to collect any amounts due to

- Elavon or Member. Further, Merchant agrees that Elavon or Member may be required to send funds in a Reserve Account to a third party in response to a tax levy or other court order.
- v) **Termination of Reserve Account.** Funds held in the Reserve Account shall remain in the Reserve Account, and shall be used only to pay amounts due to Elavon and Member (except as otherwise provided in the Agreement), until the Merchant has paid in full all amounts owing or that may be owed under the Agreement, including all Chargebacks, returns, adjustments, fees, fines, penalties, assessments from the Payment Networks and any other payments due under the Agreement. In no event shall Merchant be entitled to a return of any funds remaining in the Reserve Account before two hundred seventy (270) days following the effective date of termination of the Agreement. Notwithstanding the foregoing, if Elavon and Member determine that the Reserve Event that gave rise to the establishment of the Reserve Account has been sufficiently cured, Elavon and Member may, in their sole discretion, terminate the Reserve Account and/or release funds from the Reserve Account prior to the termination of the Agreement.
- vi) **Alternate Security.** In lieu of or in addition to establishing and funding a Reserve Account, Elavon may, in its sole and absolute discretion, accept an alternative form of security ("Alternate Security") for the purpose of providing a source of funds to pay Elavon and Member for any and all amounts owed by Merchant. Elavon retains the right, at any time, to reject Alternate Security previously accepted by Elavon and/or to require funding of a Reserve Account so that the amount of funds held in a Reserve Account, taken together with amounts represented by any Alternate Security accepted by Elavon, equal the Reserve Amount.
- c) **Recoupment and Set-off.** Elavon and Member have the right of recoupment and set-off. This means that they may offset any outstanding or uncollected amounts owed to them hereunder from:
- (i) any amounts they would otherwise be obligated to deposit into the DDA; and (ii) any other amounts they may owe Merchant under the Agreement. Merchant acknowledges that in the event of a Bankruptcy Proceeding, in order for Merchant to provide adequate protection under Bankruptcy Code Section 362 to Elavon and/or Member hereunder, Elavon and Member may require the creation of a Reserve Account and either of them shall have the right to offset against the Reserve Account for any and all obligations Merchant may owe to Elavon and Member, without regard to whether the obligations relate to Transactions initiated or processed before or after the initiation of the Bankruptcy Proceeding.
- d) **Remedies Cumulative.** The rights conferred upon Elavon and Member in this section are not intended to be exclusive of each other or of any other rights and remedies of Elavon and Member under the Agreement, at law or in equity. Rather, each and every right of Elavon and Member under the Agreement, at law or in equity is cumulative and concurrent and in addition to every other right.
- 5) **PROCESSING SERVICES; FEES; OTHER AMOUNTS OWED; TAXES.** Elavon and Member will provide Merchant with Processing Services in accordance with the Agreement. Merchant will compensate Elavon and Member for Processing Services as indicated on Schedule A, Schedule of Fees, and in any other Schedules executed by Elavon, Member and Merchant.
- a) **Fees.** Merchant will pay Elavon and Member fees in the ordinary course of business for all Processing Services, supplies, and equipment in accordance with Schedule A, any amendment to Schedule A and any additional application or setup form(s) or schedules provided by Elavon and Member in writing to Merchant. Such fees will be calculated and debited from the DDA or the Reserve Account once each day or month for the previous day's or month's activity as applicable, or will be deducted from the funds due Merchant under the Agreement.
- b) **Research.** In addition, Merchant will pay Elavon at its standard rates for research as set forth on Schedule A including, but not limited to, research required to respond to any third party or government subpoena, levy, garnishment or required reporting on Merchant's account.
- c) **Change of Fees.** The fees set forth in the Agreement and any additional application or set up form will not be amended by Elavon for the Initial Term of the Agreement except as provided in Schedule A or to pass through to Merchant increases in interchange, assessments, or fees imposed by a third party. Notwithstanding the previous sentence, the Card Processing Fees set forth in Section III of Schedule A may be adjusted during the Initial Term or any Renewal Term in Elavon's or Member's discretion, without further consent or agreement from Merchant, to pass through any new fees imposed upon Elavon or Member by any third parties (including any Payment Network) in connection with the Processing Services.
- d) **Other Amounts Owed.** Merchant will promptly pay Elavon or Member any amount incurred by Elavon or Member attributable to the Agreement, including, without limitation, Chargebacks, returns, adjustments, fees, fines, penalties, assessments (including all fines, penalties, or assessments by the Payment Networks as a result of Merchant's Transaction processing), and any other payments



due under the Agreement. Elavon or Member may offset these amounts from funds otherwise owed by Elavon or Member to Merchant or may debit these amounts from Merchant's DDA or Reserve Account by ACH. In the event such offset or ACH debit does not fully reimburse Elavon or Member for the amount owed, Merchant will promptly pay Elavon or Member such amount upon demand. Elavon will charge interest on all uncollected amounts owed to Elavon or Member that are more than thirty (30) days past due at a rate equal to the lesser of (i) the product of the uncollected amounts and the then-current Federal Funds Rate plus 10% (calculated and computed on the basis of a 365-day year), or (ii) the maximum daily rate of interest permitted under applicable law.

- e) **Taxes.** Merchant is also obligated to pay all taxes and other charges imposed by any governmental authority on the goods and services provided under the Agreement excluding the income taxes attributable to Elavon or Member. If Merchant is a tax-exempt entity, Merchant will provide Elavon and Member with an appropriate certificate of tax exemption.

6) **ACCURACY OF INFORMATION; INDEMNIFICATION; LIMITATION OF LIABILITY.**

- a) **Accuracy of Information.** Merchant must promptly notify Elavon in writing of any material changes to the information provided in the Merchant Application, in the bid process if applicable, or otherwise in the Agreement, including, without limitation, any additional location or new facility at which Merchant desires to use the Processing Services, the form of entity (e.g., partnership, corporation, etc.), change in control, material changes to the type of goods and services provided and/or payments accepted, and how Transactions are completed (e.g., by telephone, mail, electronic commerce, or in person at Merchant's place of business). The notice must be received by Elavon at least ten (10) business days prior to the change. Merchant will promptly provide any additional information reasonably requested by Elavon. Elavon has the right to rely upon written instructions submitted by Merchant to request changes to Merchant's business information. Merchant may request written confirmation of Elavon's consent to the changes to the Merchant's business information.
- b) **Indemnification.**
- i) **By Merchant.** Merchant will be liable for and indemnify, defend, and hold harmless Elavon, Member and their respective employees, officers, directors, and agents against all claims by third parties for losses, damages, liabilities or expenses, including all reasonable attorneys' fees and other costs and expenses paid or incurred by Member and/or Elavon, any

Transaction processed under the Agreement, any breach by Merchant of the Agreement, Merchant's negligence, gross negligence or willful misconduct, any action taken by Elavon or Member with respect to the DDA or Reserve Account in accordance with the Agreement, or any Merchant Bankruptcy Proceeding, but excluding claims to the extent attributable to Elavon's or Member's negligence, willful misconduct, or breach of the Agreement.

- ii) **By Elavon.** Elavon will be liable for and indemnify, defend, and hold harmless Merchant and its employees, officers, directors, and agents against all claims made by third parties for losses, damages, liabilities or expenses arising out of Elavon's breach of the Agreement, negligence, gross negligence, or willful misconduct, but excluding claims to the extent attributable to Merchant's negligence, gross negligence, willful misconduct, or breach of the Agreement.
- c) **Limitation of Liability.** Merchant acknowledges that fees for the Processing Services provided to Merchant by Elavon and Member are very small in relation to the funds advanced to Merchant for Transactions and consequently Elavon's and Member's willingness to provide these services is based on the liability limitations contained in the Agreement. Therefore, in addition to greater limitations on Elavon's or Member's liability that may be provided elsewhere, any liability of Elavon and Member under the Agreement, whether to Merchant or any other party, whatever the basis of the liability, will not exceed, in the aggregate, an amount equal to the lesser of (a) the fees paid by Merchant to Elavon and Member during the last three (3) months, exclusive of fees and variable costs incurred by Elavon and Member to process Transactions, such as Interchange costs, assessments, and fees imposed by a third party or, (b) fifty thousand dollars (\$50,000). In no event will the parties, or their agents, officers, directors, or employees be liable to any other party to the Agreement for indirect, exemplary, punitive, special, or consequential damages.
- d) **Performance; Disclaimer of Warranties.** EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE AGREEMENT, ELAVON AND MEMBER MAKE NO WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE PROCESSING SERVICES, AND NOTHING CONTAINED IN THE AGREEMENT WILL CONSTITUTE SUCH A WARRANTY. ELAVON AND MEMBER DISCLAIM ALL IMPLIED WARRANTIES, INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. No party hereto shall be liable for any failure or delay in its performance of

the Agreement if such failure or delay arises for reasons beyond the control of such party and without the fault or negligence of such party.

7) **REPRESENTATIONS AND WARRANTIES; COVENANTS.**

a) **Merchant Representations and Warranties.**

Merchant represents and warrants to Elavon and Member the following as of the Effective Date:

- i) **Information.** Merchant is validly existing and duly organized under the laws of the jurisdiction in which it was formed with all necessary authority, qualifications, licenses and registrations necessary to conduct its business, in all jurisdictions where Merchant conducts business, in compliance with all Laws and Payment Network Regulations. All written information provided in the Merchant Application, in the bid process if applicable, the assumptions in Schedule A or any other document submitted to Elavon or Member is true and complete and properly reflects the business, financial condition and ownership of Merchant in all material respects.
- ii) **Authority and Power.** Merchant and the person signing the Agreement on Merchant's behalf have the power to execute and perform the Agreement. The person executing the Agreement is duly authorized to bind Merchant and each affiliated entity identified in Schedule B to all provisions of the Agreement as if each affiliated entity had executed the Agreement, and such person is authorized to execute any document and to take any action on behalf of Merchant which may be required by Elavon to carry out the Agreement. Further, the signing and/or performing in accordance with the Agreement will not violate any Law, or conflict with any other agreement to which Merchant is subject.
- iii) **MasterCard MATCH™ System and Consortium Merchant Negative File.** Merchant has never been placed on the MasterCard MATCH™ system (formerly known as the Combined Terminated Merchant File), or been named to the Consortium Merchant Negative File maintained by Discover or, if it has, it has disclosed this fact to Elavon in writing.
- iv) **No Litigation.** There is no action, suit, or proceeding pending, or to Merchant's knowledge, threatened that would reasonably be expected to materially impair Merchant's ability to carry on Merchant's business substantially as now conducted or which would materially and adversely affect Merchant's financial condition or operations.

b) **Merchant Covenants.** Merchant covenants the following to Elavon and Member during the Initial Term and any Renewal Term:

- i) **Compliance with Laws and Payment Network Regulations.** Merchant will comply with all Laws and Payment Network Regulations.
- ii) **Business Use.** Merchant is obtaining and using the Processing Services from Elavon and Member for business purposes only and to facilitate lawful business Transactions between Merchant and its Customers. Merchant will not submit Transactions for processing to Elavon or Member for any businesses, materially different products, or methods of selling other than those set forth in the Merchant Application without the prior written consent of Elavon. Merchant also acknowledges that the DDA into which debits and credits are made is being used for lawful business purposes only.
- iii) **Transactions.** To the best of Merchant's knowledge, all Transactions are bona fide. No Transaction involves the use of a Payment Device for any purpose other than the payment to Merchant or a return or adjustment related to such payment. No Transaction involves a Cardholder obtaining cash from Merchant unless allowed by the Payment Network Regulations and agreed to in writing by Elavon. All Transactions will be accepted at entities properly identified to Elavon and Member on Schedule B attached hereto.
- iv) **Responsibility for Actions.** Merchant is responsible for any violations of this Agreement that result from the actions of or failure to act by Merchant's officers, directors, employees, agents, Value Added Servicers, business invitees, and those of any other Person who, with or without Merchant's consent or cooperation, obtains access to information related to Transactions from Merchant or access to systems under Merchant's control, but excluding all actions or failures to act to the extent attributable to Elavon's or Member's breach of the Agreement, negligence or willful misconduct.

c) **Elavon and Member Representations and Warranties.** Elavon and Member, each on their own behalf and not on behalf of the other, represent and warrant to Merchant the following as of the Effective Date of the Agreement:

- i) **Information.** Elavon is a corporation validly existing and organized under the laws of the State of Georgia. Member is a banking association validly existing and organized in the United States.
- ii) **Corporate Power.** Elavon, Member and the persons signing the Agreement on behalf of

each of them have the power to execute and perform the Agreement. The persons executing the Agreement are duly authorized to bind Elavon and Member, as applicable, to all provisions of the Agreement and such persons are authorized to execute any document and to take any action on behalf of Elavon and Member, respectively, which may be required to carry out the Agreement. Further, the signing and/or performing in accordance with the Agreement will not violate any Law, or conflict with any other agreement to which they are respectively subject.

- iii) **No Litigation.** There is no action, suit, or proceeding pending, or to Elavon's or Member's knowledge threatened, which if decided adversely would impair Elavon's or Member's ability to carry on their business substantially as now conducted or which would adversely affect Elavon's or Member's financial condition or operations.
  - d) **Elavon and Member Covenants.** Elavon and Member, each on their own behalf and not on behalf of the other, covenants to Merchant the following during the Initial Term and any Renewal Term:
    - i) **Compliance with Laws and Payment Network Regulations.** Elavon and Member will comply with all Laws and Payment Network Regulations including the requirements of the Payment Card Industry ("PCI") Data Security Standard, as applicable to them and their respective systems, for the Processing Services provided under the Agreement. The Merchant may review Elavon's current PCI compliance status on the Payment Network websites as available.
    - ii) **Responsibility for Actions.** Elavon and Member are responsible for any violations of this Agreement that result from the actions of or failure to act by their officers, directors, employees and agents; but excluding actions or failures to act to the extent attributable to Merchant's breach of the Agreement, negligence or willful misconduct.
- 8) **AUDIT AND INFORMATION.**
- a) **Audit.**
    - i) **Elavon or Member Audit.** In the event that Elavon or Member reasonably suspects that they are subject to a financial or reputational risk due to Merchant's actions or omissions, Merchant authorizes Elavon and Member to perform an audit or inspection of Merchant's operations to confirm compliance with the Agreement upon reasonable advance notice and at Elavon's or Member's expense. Merchant agrees to cooperate, in good faith, with any such audit conducted by Elavon or Member.

- ii) **Data Compromise, Security, and Payment Network Audit.** In addition to Merchant's obligations under Section 13(c)(i), in the event of a known or suspected data compromise, security incident, the occurrence of suspicious activity, or otherwise if required by the Payment Networks, Merchant will obtain, at the request of Elavon, Member or any Payment Network, and submit a copy of a forensic audit from a qualified incident response assessor of the information security of Merchant's business at Merchant's expense. Merchant acknowledges and agrees that the Payment Networks have the right to audit Merchant's operations to confirm compliance with the Payment Network Regulations.

b) **Information.**

- i) **Authority.** Merchant authorizes Elavon and Member to make, upon receipt of the Merchant Application and from time to time, any business credit or other inquiries they consider reasonably necessary to review the Merchant Application or continue to provide Processing Services under the Agreement. Merchant also authorizes any Person or credit reporting agency to compile information to answer those business credit inquiries and to furnish that information to Elavon.
- ii) **Financial Information.** Upon the request of either Elavon or Member, Merchant will provide Elavon and Member audited financial statements prepared by an independent certified public accountant selected by Merchant. Within one hundred twenty (120) days after the end of each fiscal year, Merchant will furnish Elavon and Member, as requested, a financial statement of profit and loss for the fiscal year and a balance sheet as of the end of the fiscal year, each audited as provided above. Merchant shall also provide Elavon and Member such interim financial statements and other information as Elavon or Member may request from time to time. Notwithstanding the foregoing, Merchant shall not be obligated to provide financial statements or similar information other than those included in Merchant's filings with the Securities and Exchange Commission so long as Merchant remains registered and obligated to file financial statements (including annual reports on Form 10-K and quarterly reports on Form 10-Q) pursuant to the Securities Exchange Act of 1934, as amended.
- iii) **Merchant Information.** Merchant agrees that any information about Merchant or any of its principals, affiliates or agents that is provided to Elavon or Member on the Merchant Application or otherwise obtained by Elavon or Member in connection with the Agreement may

- be (A) used by Elavon and Member, and their respective affiliates and agents, in order to provide the Processing Services and related functions to Merchant and to respond to any further application for services; (B) disclosed and shared for reporting purposes to credit rating agencies, in accordance with the Payment Network Regulations, to Issuers and to the financial institution where the DDA is maintained; (C) used or disclosed in the course of any actual or potential sale, reorganization or other change to Elavon's or Member's business; (D) collected, used and disclosed as required or permitted by Law (e.g., for tax reporting or in response to a subpoena); and (E) retained for such periods of time as required by Elavon and Member to perform their obligations and exercise their rights under the Agreement.
- c) **Customer Identification.** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each Person who opens an account. Accordingly, Merchant must provide certain information and identifying documents to allow Elavon and Member to identify Merchant.
- 9) **FRAUD MONITORING.** Merchant is solely responsible for monitoring its Transactions. Elavon and Member are under no duty to monitor Merchant's Transactions for fraudulent or other suspicious activity.
- 10) **BUSINESS CONTINUITY.**
- a) **Merchant.** Merchant is solely responsible for all Transactions and Transaction Receipts until such time as the Transaction Receipts have been received and validated by Elavon. Merchant will maintain sufficient "backup" information and data (e.g., Transaction Receipts or detailed reporting) with respect to Transactions and will provide such information and data to Elavon or Member upon request in order to reconstruct any information or data lost due to any malfunction of Merchant's or Elavon's or Member's systems. Elavon is under no duty to recreate lost Transactions or Transaction Receipts unless such loss results from Elavon's breach of the Agreement.
- b) **Elavon and Member.** Elavon and Member are required, pursuant to federal banking regulations, to establish, maintain, and test an effective and comprehensive business continuity plan ("BCP"). Elavon and Member maintain BCPs that are commercially reasonable within the industry for the Processing Services. Elavon and Member will continue to adhere to their respective BCPs and will modify those plans from time to time to meet the objectives and requirements of their respective businesses.
- 11) **THIRD PARTIES.**
- a) **Products or Services.** Merchant may desire to use a Value Added Servicer to assist Merchant with its Transactions. Merchant shall not utilize any such third parties unless Merchant has disclosed such use to Elavon previously in writing, and unless such Value Added Servicer is fully compliant with all Laws and Payment Network Regulations. Any Value Added Servicer used by Merchant must be registered with the Payment Networks prior to the performance of any contracted services on behalf of Merchant. Further, as between the parties to the Agreement, Merchant will be bound by the acts and omissions of any Value Added Servicer and Merchant will be responsible for compliance by such Value Added Servicer with all Laws and Payment Network Regulations. Merchant will indemnify and hold harmless Elavon and Member from and against any loss, cost, or expense incurred in connection with or by reason of Merchant's use of any third parties, including Value Added Servicers. Neither Elavon nor Member is responsible for any Value Added Servicer, nor are they responsible for any Transaction until Elavon receives data for the Transaction in the format required by Elavon.
- b) **Third Party Contractors.** Merchant acknowledges and understands that Elavon or Member may use the services of third party service providers in connection with the performance of their obligations under the Agreement, including any Schedule to the Agreement. Except as otherwise provided in the Agreement, Elavon and Member shall be responsible for the performance of their obligations hereunder notwithstanding any use of or delegation of any responsibility to a third party service provider.
- 12) **TERM AND TERMINATION.**
- a) **Term.** Unless terminated as set forth below, the Agreement, including all Schedules hereto executed as of or following the Effective Date, will remain in effect for the Initial Term, as defined on Schedule A, Schedule of Fees, following the Effective Date set out on page 1 of the Agreement. Thereafter, the Agreement, including all Schedules thereto, will automatically renew for successive Renewal Terms, as defined on Schedule A, Schedule of Fees, unless terminated as set forth below. If Merchant processes Transactions beyond the Initial Term or Renewal Term, then the terms of the Agreement shall govern such Transaction processing.
- b) **Termination.**
- i) **By Merchant.**
- (A) The Agreement may be terminated by Merchant effective at the end of the Initial Term or any Renewal Term by providing written notice of an intent not to renew to Elavon at least ninety (90) days prior to the expiration of the then current term.

- (B) The Agreement may be terminated by Merchant if any of the following conditions remain uncured thirty (30) days after Merchant provides Elavon and Member written notice of the existence of the condition:
- (1) Elavon has failed to pay Merchant an undisputed amount owed to Merchant under the Agreement; or
  - (2) Elavon or Member has failed to perform a material obligation under the Agreement.
- ii) **By Elavon or Member.**
- (A) The Agreement may be terminated by Elavon or Member effective at the end of the Initial Term or any Renewal Term by providing written notice of an intent not to renew to Merchant at least ninety (90) days prior to the expiration of the then current term.
- (B) The Agreement may be terminated by Elavon or Member if, after providing thirty (30) days written notice, any of the following conditions remain:
- (1) The occurrence of Excessive Activity.
  - (2) The acceptance of Card Not Present or Convenience Fec Transactions without proper disclosure to Elavon and Member in the Agreement or an amendment to the Agreement.
  - (3) The failure to pay Elavon or Member any amount Merchant owes Elavon or Member.
  - (4) The failure by Merchant to perform a material obligation of the Agreement.
- (C) The Agreement may be terminated by Elavon or Member immediately upon the occurrence of one or more of the following:
- (1) The occurrence of a material adverse change in Merchant's financial condition.
  - (2) The garnishment or attachment of Merchant's deposit accounts with Member, Alternate Security, the DDA, the Reserve Account, or any of Merchant's property in the possession of Elavon or Member.
  - (3) The commencement of a Bankruptcy Proceeding by or against Merchant.
  - (4) Any representation, warranty or covenant by Merchant is false or misleading in any material respect as of the date made, or becomes false or misleading in any material respect at any time during the term of the Agreement.
- (5) Any Payment Network requires Elavon or Member to terminate the Agreement or cease processing transactions for Merchant.
  - (6) Any change, not approved by Elavon, that constitutes a material change in the types of goods and services Merchant sells or in the methods by which Merchant sells them, or any change that results in Merchant's violation of Elavon's or Member's underwriting policy.
  - (7) Assignment of the Agreement or a change in control of Merchant without Elavon's written consent.
  - (8) Revocation, termination or non-renewal of any guaranty, indemnity agreement, letter of credit or other Alternate Security executed in connection with the Agreement, if applicable.

The parties' rights of termination under the Agreement are cumulative. A party may exercise its termination rights with respect to an individual Schedule to the Agreement or the participation of any affiliate without terminating other Processing Services or Schedules, provided that any termination of the Agreement in whole shall automatically terminate all related Processing Services and Schedules. A specific right of termination in this section shall not limit any other right of the party to terminate the Agreement or any Schedule expressed elsewhere.

c) **Notice of Termination.**

- i) Notice of termination by Merchant, Elavon, or Member must be given in writing. Termination shall be effective on the date specified by the written notice; provided, however Merchant agrees that closing Merchant's account with Elavon may take up to thirty (30) days following Elavon's receipt of written notice of termination. In those limited instances where Merchant's account is reinstated by Elavon following termination by either Merchant or Elavon in the Initial or any Renewal Term, all of Merchant's obligations under the Agreement are likewise reinstated and will renew for successive Renewal Terms effective on the date of reinstatement.

d) **Action upon Termination.**

- i) **Accounts.** All obligations of a party regarding Transactions processed prior to termination will survive termination. Funds related to Transactions processed prior to termination may be placed in a Reserve Account until Merchant pays all amounts Merchant owes Elavon or Member or for which Merchant is liable under the Agreement. Merchant must maintain enough funds in the DDA following

termination to cover all Chargebacks, returns, adjustments, fees, fines, penalties, assessments from the Payment Networks and other amounts due under the Agreement for a reasonable time, but in any event, not less than 180 days from termination.

- ii) **Equipment.** If Merchant's equipment is leased, Merchant is obligated to honor the terms and conditions of Merchant's leasing contract. If Merchant's equipment is owned or supplied by Elavon, Merchant must return all equipment to Elavon and pay Elavon any amounts Merchant owes for such equipment within thirty (30) days.
- iii) **Early Termination Fee.** If Merchant terminates the Agreement before the end of the Initial Term, except for termination pursuant to Section (A)(12)(b)(i)(B), Merchant will immediately pay Elavon and Member, as liquidated damages, an early termination fee as specified on Schedule A, Schedule of Fees. Merchant agrees that the early termination fee is not a penalty, but rather is reasonable in light of the financial harm caused by Merchant's early termination. In addition to the foregoing, if Merchant terminates the Agreement during the Initial Term, other than a termination under Section (A)(12)(b)(i)(B), any incentives, discounts or credits granted by Elavon to Merchant, as reflected on Schedule A, Schedule of Fees, will be immediately due and payable to Elavon in accordance with Schedule A.

13) **COMPLIANCE WITH LAWS AND PAYMENT NETWORK REGULATIONS; MATCH™ AND CONSORTIUM MERCHANT NEGATIVE FILE.**

- a) **Compliance with Laws and Payment Network Regulations.** Merchant, Elavon and Member agree to comply with all applicable Payment Network Regulations, including all requirements applicable to obtaining authorization for ACH debits from or charges to a consumer account, as applicable, and with any policies and procedures provided by Elavon or Member. Merchant, Elavon and Member further agree to comply with all Laws applicable to the selected Processing Services, including without limitation, Laws related to: (i) Payment Devices; (ii) electronic fund transfers; (iii) confidential treatment of information; and (iv) the Fair and Accurate Credit Transactions Act of 2003 (FACTA), including its requirements relating to the content of Transaction Receipts provided to Cardholders. Merchant will execute and deliver to Elavon and Member all documents they may from time to time reasonably deem necessary to verify Merchant's compliance with this provision.
- b) **Privacy Laws.** In addition to Section (A)(14)(b), each party hereto must take all commercially

reasonable steps to protect the confidentiality of Cardholder and Transaction information and shall establish and maintain physical, technical and administrative safeguards to prevent unauthorized access by third parties to such Cardholder and Transaction information and in a manner that complies with applicable Laws, including without limitation the federal Health Insurance Portability and Accountability Act, the federal Gramm-Leach-Bliley Act, FACTA or other applicable privacy laws.

- c) **MATCH™ and Consortium Merchant Negative File.** Merchant acknowledges that Member and/or Elavon is required to report Merchant's business name and the name of Merchant's principals to the MATCH™ listing maintained by MasterCard and accessed by Visa or to the Consortium Merchant Negative File maintained by Discover, if applicable, pursuant to the requirements of the Payment Network Regulations. Merchant specifically consents to Elavon's and Member's fulfillment of the obligations related to the listing of Merchant in such databases, and Merchant waives all claims and liabilities Merchant may have as a result of such reporting.
- d) **Security Program Compliance.** Merchant must comply with the requirements of the Payment Card Industry (PCI) Data Security Standard (PCI DSS) including the Cardholder Information Security Program (CISP) of Visa, the Site Data Protection Program (SDP) of MasterCard, the Data Security DISC Program and the PCI DSS regulations of Discover Network, and the security programs of any other Payment Network regarding which Merchant accepts a Payment Device, as applicable, and any modifications to, or replacements of such programs that may occur from time to time (collectively, "Security Programs"). Upon request, Elavon will provide Merchant with the respective website links to obtain the current requirements of the Visa, MasterCard, and Discover Network Security Programs. Merchant will not disclose Cardholder or Transaction information to any third party, except to an agent of Merchant assisting in completing a Transaction, or as otherwise required or permitted by Laws and the Payment Network Regulations. Merchant must maintain all systems and media containing Cardholder and Transaction information in a secure manner to prevent unauthorized access to or disclosure of such information. All Value Added Services must comply with the requirements of those Security Programs. Merchant is responsible for Merchant's own actions or inactions, those of Merchant's officers, directors, shareholders, employees and agents, including any Value Added Services (collectively, "Merchant's Agents"). Merchant shall indemnify and hold Elavon and Member harmless from any liability, loss, cost, or

expense resulting from the violation of any of the Security Program requirements by any of Merchant's Agents.

c) **Data Compromise.**

i) **Notice and Investigation.** Merchant acknowledges and agrees that Cardholder data and bank account information obtained by Merchant in connection with any Transaction is the property of the financial institution that issued the Payment Device or holds the Customer's account. Merchant must notify Elavon and Member within twenty-four (24) hours (and if notice is given orally, it must be confirmed in writing within the same twenty-four hour period), if Merchant knows or suspects that Cardholder Data, Customer information, or Transaction information has been accessed or used without authorization from Merchant, Merchant's Agents or systems within Merchant's or its agent's control (a "Data Incident"). The notice must include: (a) a detailed written statement about the Data Incident including the contributing circumstances, (b) the form, number and range of compromised account information, (c) specific account numbers compromised, and (d) details about the ensuing investigation and Merchant's security personnel who may be contacted in connection with the Data Incident. Merchant must fully cooperate with the Payment Networks, Elavon and Member in the forensic investigation of the Data Incident. Within seventy-two (72) hours of becoming aware of the Data Incident, Merchant must engage the services of a data security firm acceptable to the Payment Networks and/or to Elavon and Member to assess the vulnerability of the compromised data and related systems. Merchant must provide weekly written status reports to Elavon and Member until the forensic audit is complete. Merchant must promptly furnish updated lists of potential or known compromised account numbers and other documentation or information that the Payment Networks and/or Elavon and Member may request. In addition, Merchant must provide all audit reports to Elavon and Member, and such audits must be completed to the satisfaction of the Payment Networks and/or of Elavon and Member. If Merchant fails to supply the forensic audits or other information required by the Payment Networks and/or by Elavon and Member, Merchant will allow Elavon or Member to perform or have performed such audits at Merchant's expense.

ii) **Preservation of Records.** In the event of a Data Incident, Merchant must take immediate steps to preserve all business records, logs and

electronic evidence relating to the Data Incident. Merchant shall cooperate with Elavon and Member to rectify, correct and resolve any issues that may result from the Data Incident, including providing Elavon and Member with (and obtaining any necessary waivers for) all relevant information to verify Merchant's ability to prevent future data incidents in a manner consistent with the Agreement.

iii) **Liability for Data Incident.** Without waiving any of Elavon's and Member's rights and remedies, Merchant is liable for all fraudulent transactions related to any Data Incident and all costs Elavon or Member incur as a result of such Data Incident, including any fees, fines, penalties and/or assessments by the Payment Networks, claims from third parties, all costs related to the notification of Cardholders or Customers and cancellation, re-issuance of Payment Devices (including underlying accounts), forensic investigation, and PCI DSS review for a report of compliance.

iv) **Elavon Data Compromise.** If Elavon suffers a data incident and Cardholder, Customer, or Transaction information has been accessed from Elavon, its employees or agents, or systems within Elavon's control, then Elavon will follow all applicable Payment Network Regulations with respect to such data incident including providing the required reporting and forensic audits to the Payment Networks.

14) **USE OF TRADEMARKS; CONFIDENTIALITY; PASSWORDS.**

a) **Use of Trademarks.** Merchant may use and display the Payment Networks' marks, and shall display such marks in accordance with the standards for use established by the Payment Networks. Merchant's right to use all such marks will terminate upon termination of the Agreement or upon notice by a Payment Network to discontinue such use, and Merchant must thereafter promptly return any materials displaying the marks. Merchant's use of promotional materials provided by the Payment Networks will not indicate, directly or indirectly, that such Payment Networks endorse any goods or services other than their own and Merchant may not refer to any Payment Networks in stating eligibility for Merchant's products or services.

b) **Confidentiality.**

i) **Cardholder and Transaction Information.** Merchant, Elavon and Member shall, at all times, protect the confidentiality of Cardholder and Transaction information in accordance with all applicable Laws and Payment Network Regulations. Merchant, Elavon and Member must maintain Cardholder and Transaction information for such time periods as may be required by Laws and the Payment Network

Regulations and thereafter destroy, in a manner that will render the data unreadable, all such media that they no longer deem necessary or appropriate to maintain. Further, Merchant, Elavon and Member must take all steps reasonably necessary to ensure that Cardholder and Transaction information is not disclosed to unauthorized parties or otherwise misused. Merchant may not retain or store magnetic stripe or CVV2/CVC2 data after authorization for record keeping or additional authorization processing.

- ii) **Bankruptcy.** In the event of failure or other suspension of Merchant's business operations, including any Bankruptcy Proceeding, Merchant must not sell, transfer, or disclose any materials that contain Cardholder or Transaction information to third parties. Merchant must:
  - (A) Return this information to Elavon, or
  - (B) Provide acceptable proof of destruction of this information to Elavon.
- iii) **Confidential Information Generally.** Each party shall at all times protect the other parties' Confidential Information. The Receiving Party will not use a Disclosing Party's Confidential Information in any way directly or indirectly detrimental to the Disclosing Party. Each party recognizes that the disclosure or unauthorized use of Confidential Information will injure the Disclosing Party. Each party further recognizes and agrees that the injury that the Disclosing Party will suffer for any actual or threatened breach by the Receiving Party of the covenants or agreements contained herein cannot be compensated by monetary damages alone, and the Receiving Party therefore agrees that the Disclosing Party, in addition to and without limiting any other remedies or rights which it may have under the Agreement or otherwise, shall be entitled to equitable relief, including injunction and specific performance. The Receiving Party further agrees to waive any requirement for the securing or posting of any bond in connection with such equitable remedy.
- c) **Passwords.** If Merchant receives a password from Elavon to access any of Elavon's databases or services, Merchant will: (i) keep the password confidential; (ii) not allow any other Person to use the password or gain access to Elavon's or any of its agent's databases or services; (iii) be liable for all action taken by any user of the password that obtained access to the password from Merchant; and (iv) promptly notify Elavon if Merchant believes Elavon's databases or services or Merchant's information has been compromised by use of the password. If Merchant receives passwords from a third party for products or services related to

Transaction processing, Merchant must protect such passwords in the manner required by such third party and indemnify, defend, and hold Elavon and Member harmless from any losses, costs, or expenses that arise from Merchant's use or misuse of such third party passwords.

- d) **Proprietary Interest.** Merchant has no interest whatsoever, including, without limitation, copyright interests, franchise interests, license interests, patent rights, property rights, or other interest in any services, software, or hardware provided by Elavon, unless specifically agreed to in a separate license or use agreement between Merchant and Elavon. Nothing in the Agreement shall be construed as granting Merchant any patent rights or patent license in any patent which Elavon may obtain in respect to Elavon's services, software, or equipment. Merchant will make no attempt to duplicate or otherwise ascertain the components, circuit diagrams, logic diagrams, flow charts, source and object code, schematics or operation of, or otherwise attempt to reverse engineer any of Elavon's services, equipment, or software.
- e) **Actions upon Termination.** Upon the request of the Disclosing Party or upon the termination of the Agreement, the Receiving Party shall promptly return all Confidential Information and all copies of such Confidential Information in the Receiving Party's possession or in the possession of its agents and/or will deliver to the Disclosing Party, destroy or irreversibly erase, as the Disclosing Party shall request, all originals and copies prepared by the Receiving Party or its agents or prepared for the Receiving Party's use containing or reflecting any Confidential Information of the Disclosing Party. In the event a dispute arises between the parties in relation to the Confidential Information (or a part thereof) or the Agreement, the Receiving Party may retain a copy of such Confidential Information (or part thereof) as, in the Receiving Party's discretion, reasonably exercised, is necessary for its defense of the dispute and its retention and use of such Confidential Information shall continue to be subject to the terms of the Agreement.
- f) **Disclosure of Confidential Information.** In the event that the Receiving Party and/or its agents become legally required or compelled (by deposition, interrogatory, request for documents, subpoena, civil investigative demand or by any similar process or court or administrative order) to disclose Confidential Information, then the Receiving Party shall provide the Disclosing Party with prompt prior written notice of such legal requirement so that the Disclosing Party may seek a protective order or other appropriate remedy and/or waive compliance with the terms of this Section 14. In the event that such protective order or other remedy is not obtained, and regardless of whether



the Disclosing Party waives compliance with the terms of this Section 14, the Receiving Party agrees to disclose only that portion of the Confidential Information which the Receiving Party, as advised by the written opinion of counsel, is legally required to be disclosed and to exercise best efforts to obtain assurances that confidential treatment will be accorded such Confidential Information.

15) **MISCELLANEOUS PROVISIONS.**

- a) **Entire Agreement.** The Agreement (including all Schedules, attachments, exhibits, addenda and other documents incorporated by reference into the Agreement or any of its Schedules, attachments, exhibits or addenda) and any amendment or supplement to it, constitutes the entire agreement between the parties, and all prior or other representations, written or oral, are merged in and superseded by the Agreement. In the event of a conflict between the documents comprising the Agreement, the following order of priority will apply: (i) any amendment or Schedule to the Agreement; (ii) the TOS; (iii) the Payment Network Regulations; (iv) the Merchant Operating Guide; and (v) any other guides or manuals provided to Merchant from time to time.
- b) **Jurisdiction and Venue; Governing Law.** All matters arising out of or related to the Agreement will be governed by and construed in accordance with the Laws of the State of Georgia. The parties agree that all performances and Transactions under the Agreement will be deemed to have occurred in the State of Georgia and that Merchant's entry into and performance of the Agreement will be deemed to be the transaction of business within the State of Georgia. Jurisdiction and venue for any claim or cause of action arising under the Agreement (other than collection actions by Elavon or Member relating to amounts owed by Merchant under the Agreement) shall be exclusively in the United States District Court for the Northern District of Georgia, and the parties submit to personal jurisdiction of, and waive any personal jurisdiction or inconvenient forum objection to, that court. If subject matter jurisdiction does not exist in the United States District Court for the Northern District of Georgia, then the exclusive forum and venue for any such action shall be the courts of the State of Georgia located in Fulton County and the parties submit to personal jurisdiction of, and waive any personal jurisdiction or inconvenient forum objection to, such court. Merchant, Elavon and Member hereby jointly and severally waive any and all right to trial by jury in any action or proceeding relating to the Agreement. Merchant, Elavon and Member each represents to the other that this waiver is knowingly, willingly and voluntarily given.
- c) **Exclusivity.** During the Initial Term and any Renewal Term of the Agreement, Merchant will not

enter into an agreement with any other entity that provides processing services similar to those provided by Elavon and Member as contemplated by the Agreement without Elavon and Member's written consent.

- d) **Construction.** Any alteration or strikeover in the text of the Agreement or any Schedule thereto will have no binding effect and will not be deemed to amend the Agreement. The headings used in the Agreement are inserted for convenience only and will not affect the interpretation of any provision. The language used will be deemed to be the language chosen by the parties to express their mutual intent, and no rule of strict construction will be applied against any party.
- e) **Assignability.** The Agreement may not be assigned by Merchant, directly or by operation of law, without the prior written consent of Elavon. If Merchant, nevertheless, assigns the Agreement without Elavon's consent, the Agreement will be binding on the assignee as well as Merchant. Elavon will not transfer or assign the Agreement without the prior written consent of Merchant, provided that such consent shall not be required for (i) the assignment or delegation to an affiliate of Elavon, or (ii) the assignment or delegation to any Person into or with which Elavon shall merge or consolidate, or who may acquire substantially all of Elavon's stock or assets.
- f) **Notices.** Any written notice to the other party under the Agreement will be deemed received upon the earlier of: (i) actual receipt; or (ii) five (5) business days after being deposited in the United States mail, or (iii) one (1) business day after being deposited with a nationally recognized overnight carrier. Such notices will be addressed to the Merchant's last address shown on the records of Elavon, or to Elavon at 7300 Chapman Highway, Knoxville, TN 37920.
- g) **Bankruptcy.** Merchant will immediately notify Elavon of any Bankruptcy Proceeding initiated by or against Merchant. Merchant will include Elavon on the list and matrix of creditors as filed with the Bankruptcy Court, whether or not a claim may exist at the time of filing. Merchant acknowledges that the Agreement constitutes an executory contract to make a loan, or extend other debt financing or financial accommodations to, or for the benefit of Merchant, and, as such, cannot be assumed or assigned in the event of Merchant's bankruptcy.
- h) **Customer Contact.** Merchant authorizes Elavon and Member to contact Merchant's Customers or their Issuer if Elavon or Member determines that such contact is necessary to obtain information about any Transaction between Merchant and a Customer.
- i) **Telephone Recording.** For quality assurance and training purposes Merchant authorizes Elavon to

monitor and record telephone conversations at any time. The decision to record any conversation shall be solely in Elavon's discretion and pursuant to applicable Law.

- j) **Communication with Merchant.** Merchant agrees that Elavon and Member may provide Merchant with information about their services including, without limitation, information about new products and/or services by telephone and/or electronic mail.
- k) **Amendments.** Except as otherwise provided in the Agreement, amendments to the Agreement shall be in writing and signed by the parties. Notwithstanding the foregoing, Elavon and Member may amend or modify the Agreement, to the extent such changes are required by or attributable to changes in the Payment Network Regulations or other Laws, upon written notice to Merchant. Elavon or Member will inform Merchant of such a change in a periodic statement or other written notice, and such change will become effective not less than thirty (30) days following the issuance of the notice. Notwithstanding the previous sentence, changes to fees authorized by the Agreement will be effective upon notice to Merchant, unless a later effective date is provided.
- l) **Severability and Waiver.** If any provision of the Agreement is found to be illegal or otherwise unenforceable, the invalid or unenforceable provision shall be deemed to be curtailed or revised to the extent necessary to make such provision valid and enforceable and all other provisions of the Agreement shall remain enforceable and unaffected thereby. None of the failure, the delay by any party to exercise, or the partial exercise of any right under the Agreement will operate as a waiver or estoppel of such right, nor shall such amend the Agreement. All waivers requested by a party must be signed by the waiving party.
- m) **Independent Contractors.** Elavon, Member, and Merchant will be deemed independent contractors and no one will be considered an agent, joint venturer, or partner of the other, unless and to the extent otherwise specifically provided herein. The Agreement has been entered into solely for the benefit of the parties hereto and is not intended to create an interest in any third party.
- n) **Survival.** All of the obligations of each party hereto that by their nature should survive termination or expiration of the Agreement in order to achieve its purposes, including, without limitation, Sections 3, 4, 5, 6, 7, 10, 12, 13, 14, and 15(b) of the TOS, shall so survive and remain binding upon and for the benefit of the parties hereto.
- o) **Counterparts; Facsimile Signatures; Delivery.** The Agreement may be signed in one or more counterparts, each of which shall constitute an original and all of which, taken together, shall constitute one and the same agreement. Delivery of

the various documents and instruments comprising the Agreement may be accomplished by a facsimile transmission, and such a signed facsimile or copy shall constitute a signed original.

- p) **Force Majeure.** Elavon and Member shall not be considered in default in performance of their obligations to the extent such performance is delayed by force majeure affecting their ability to so perform. Force majeure shall include, but not be limited to, hostilities, restraint of rulers or peoples, revolution, civil commotion or riots, strike, lockout, epidemic, accident, fire, flood, earthquake, windstorm, explosion, lack of or failure of telecommunication facilities, regulation or ordinance, demand or requirement of any government or governmental agency, or any court, tribunal or arbitrator(s), having or claiming to have jurisdiction over the subject matter of the Agreement or over the parties hereto, or any act of God or any act of government or any cause whether of the same or different nature existing now or in the future which is beyond the reasonable control of Elavon and Member.

#### Section B - Glossary

- 16) **ACH Rules:** The NACHA Operating Rules and Operating Guidelines, which govern the interregional exchange and settlement of ACH transactions.
- 17) **Agreement:** The Payment Device Processing Agreement, including the TOS, MOG, any Schedules, attachments, exhibits, addenda, the Merchant Application, amendments, or additions as permitted under the terms of the Agreement.
- 18) **Alternate Security:** The security described in Section (A)(4)(b)(vi).
- 19) **American Express:** American Express Travel Related Services Company, Inc.
- 20) **ACH:** Automated Clearing House.
- 21) **ACH Network:** The funds transfer system governed by the ACH Rules. The ACH Network allows participating depository financial institutions to clear interbank entries electronically.
- 22) **Bankruptcy Proceeding:** With respect to a Person means (i) that the Person or any subsidiary of such Person shall: (a) commence a voluntary case under the Bankruptcy Code of 1978, as amended, or other federal bankruptcy laws (as now or hereafter in effect); (b) file a petition seeking to take advantage of any other applicable laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debts or any other similar conservatorship or receivership proceeding instituted or administered by any regulatory agency or body; (c) consent to or fail to contest, in a timely and appropriate manner, any petition filed against it in an involuntary case under such bankruptcy laws or other applicable laws; (d) apply for or consent to, or fail to contest in a

- timely and appropriate manner, the appointment of, or the taking of possession by, a trustee, receiver, custodian, liquidator, or similar entity of such Person or of all or any substantial part of its assets, domestic or foreign; (e) admit in writing its inability to pay its debts as they become due; (f) make a general assignment for the benefit of creditors; (g) make a conveyance fraudulent as to creditors under any applicable law; or (h) take any action for the purpose of effecting any of the foregoing; or (ii) that a case or other proceeding shall be commenced against the Person or any subsidiary of such Person in any court of competent jurisdiction, or through any regulatory agency or body, seeking: (a) relief under the Bankruptcy Code of 1978, as amended, or other federal bankruptcy laws (as now or hereafter in effect) or under any other applicable laws, domestic or foreign, relating to bankruptcy, insolvency, reorganization, winding up or composition, or adjustment of debts; or (b) the appointment of a trustee, receiver, custodian, liquidator or the like of such Person or of all or any substantial part of the assets, domestic or foreign, of such Person or any other similar conservatorship or receivership proceeding instituted or administered by any regulatory agency or body.
- 23) **Card Not Present:** The processing environment where the Payment Device is not physically presented to the Merchant by the Cardholder as the form of payment at the time of the Transaction. Card Not Present includes, but is not limited to, Mail Order, Telephone Order, and Electronic Commerce Transactions.
- 24) **Card Present:** The processing environment where the Payment Device is physically presented to the Merchant by the Cardholder as the form of payment at the time of the Transaction.
- 25) **Cardholder:** (i) the individual in whose name a Payment Device has been issued, or (ii) any individual who possesses or uses a Payment Device and who purports to be the person in whose name the Payment Device was issued or who purports to be an authorized user of the Payment Device.
- 26) **Chargeback:** A Transaction disputed by a Cardholder or Issuer pursuant to the Payment Network Regulations.
- 27) **Confidential Information:** All information or items proprietary to any party to the Agreement, of which another party to the Agreement obtains knowledge or access as a result of the relationship formed as a result of the Agreement, including, but not limited to, the following types of information and other information of a similar nature (whether or not reduced to writing): scientific, technical, or business information, product makeup lists, ideas, concepts, designs, drawings, techniques, plans, calculations, system designs, formulae, algorithms, programs, software (source and object code), hardware, manuals, test procedures and results, identity and description of computerized records, identity and description of suppliers, customer lists, processes, procedures, trade secrets, "know-how," marketing techniques and material, marketing and development plans, price lists, pricing policies, and all other financial information.
- 28) **Convenience Fee:** A fee charged by Merchant for an added convenience to the Cardholder for the use of a Payment Device in a Transaction in accordance with the Payment Network Regulations.
- 29) **Credit Card:** A card or device associated with a revolving line of credit that may be used to purchase goods and services from Merchant or to pay an amount due to Merchant. A "Credit Card" includes any of the following cards or devices that are associated with a line of credit extended to the Person to whom the card or device is issued: (i) a Visa card or other card or device bearing the symbol(s) of Visa U.S.A., Inc. or Visa International, Inc. (including Visa Gold cards); (ii) a MasterCard card or other card or device bearing the symbol(s) of MasterCard International Incorporated (including MasterCard Gold cards); (iii) a Discover Network card or other card or device bearing the symbol(s) of Discover Network; or (iv) any card or device bearing the symbol of any other Credit Card Association.
- 30) **Credit Card Associations:** (i) Visa.; (ii) MasterCard; (iii) American Express; (iv) Discover Network; (v) Diners; (vi) JCB; and (vii) any other organization or association that hereafter contracts with Elavon and/or Member to authorize, capture, and/or settle Transactions effected with Credit Cards or signature-based Debit Cards issued or sponsored by such organization or association, and any successor organization or association to any of the foregoing.
- 31) **Customer:** A client of Merchant who elects to conduct a payment Transaction with Merchant through presentation of a Payment Device (including a Cardholder).
- 32) **Debit Card:** A card or device bearing the symbol(s) of one or more EFT Networks or Credit Card Associations, which may be used to purchase goods and services from Merchant or to pay an amount due to Merchant by an electronic debit to the Cardholder's designated deposit account. A "Debit Card" includes (i) a card or device that bears the symbol of a Credit Card Association and may be used to conduct signature-based, offline debit Transactions; and (ii) a card or device that bears the symbol of an EFT Network and can be used to conduct PIN-based, online debit Transactions.
- 33) **Demand Deposit Account (DDA):** The commercial checking account at a financial institution acceptable to Elavon and Member designated by Merchant to facilitate payment for Transactions, Chargebacks, returns, adjustments, fees, fines, penalties, assessments from the Payment Networks and other payments due under the Agreement.
- 34) **Diners:** Diners Club International Ltd.
- 35) **Disclosing Party:** The party providing the Confidential Information to the other party directly or indirectly (via one or more third parties acting on behalf of and at the

- direction of the party providing its Confidential Information).
- 36) **Discover:** DFS Services LLC.
  - 37) **Discover Network:** The payment network operated and maintained by Discover.
  - 38) **EBT Card:** A card utilized for electronic benefits transfers.
  - 39) **ECS Association:** Visa (in its operation of the Visa POS Check Service), NACHA and any regional ACH association or network, the Federal Reserve (in its processing of ACH entries or Demand Drafts or other legal replacements or substitutes for a Paper Check, including under the Check Clearing for the 21<sup>st</sup> Century Act or under applicable provisions of the Uniform Commercial Code), and any other organization or association used by Elavon and/or Member in connection with the ECS that is hereafter designated as an ECS Association by Elavon from time to time.
  - 40) **EFT Networks:** (i) Interlink Network Inc., Maestro U.S.A., Inc., STAR Networks, Inc., NYCE Payments Network, LLC, PULSE Network LLC, ACCEL/Exchange Network, Alaska Option Services Corporation, Armed Forces Financial Network, Credit Union 24, Inc., NETS, Inc., and SHAZAM, Inc.; and (ii) any other organization or association that hereafter authorizes Elavon and/or Member to authorize, capture, and/or settle Transactions effected with Debit Cards, and any successor organization or association to any of the foregoing.
  - 41) **Effective Date:** The date set forth in the signature block of Elavon on page I of the Agreement.
  - 42) **Elavon:** As applicable, Elavon, Inc., a Georgia corporation, and any affiliate or subsidiary of Elavon, Inc. that provides Processing Services to a Merchant related to Transactions. Elavon is a registered member service provider of each Member. Elavon may also be referred to as "Servicer" in the Agreement, the MOG or other documents provided to Merchant in connection with the Processing Services.
  - 43) **Electronic Check Services (ECS):** The service offering by Elavon pursuant to which Transactions effected via an ACH Payment Device are presented for clearing and settlement by or through an ECS Association.
  - 44) **Electronic Commerce Transaction:** A Transaction that occurs when the Cardholder uses the Internet to make a payment to a Merchant.
  - 45) **Electronic Gift Card (EGC):** A special stored value card provided by Merchant that is redeemable for merchandise, services or other Transactions.
  - 46) **Excessive Activity:** The occurrence, during any monthly period, of Chargebacks and/or Retrieval Requests in excess of one percent (1%) of the gross dollar amount of Merchant's Transactions or returns in excess of two and one-half percent (2.5%) of the gross dollar amount of Transactions.
  - 47) **Interchange:** The clearing and settlement system for Visa, MasterCard and, where applicable, Discover Credit Cards and Debit Cards, where data is exchanged between Elavon and the Issuer through the applicable Payment Network.
  - 48) **Issuer:** The financial institution or other entity that issued the Credit Card or Debit Card to the Cardholder.
  - 49) **JCB:** JCB International Co., Ltd.
  - 50) **Laws:** All applicable local, state, and federal statutes, regulations, ordinances, rules, and other binding law in effect from time to time.
  - 51) **Mail Order/Telephone Order (MO/TO) Transaction:** For MO, a Transaction that occurs when the Cardholder uses the mail to make a payment to a Merchant and for TO, a Transaction that occurs when the Cardholder uses a telephone to make a payment to a Merchant.
  - 52) **MasterCard:** MasterCard International Incorporated.
  - 53) **Member:** The sponsoring Member designated on the Merchant Application or on a particular Schedule hereto, as applicable. Any Member may be changed by Elavon at any time and the Merchant will be provided notice of same.
  - 54) **Merchant:** The entity set out in the first page of the Agreement and the affiliated entities listed on Schedule B attached hereto, jointly and severally. Entities may be added to Schedule B by substituting a new Schedule B that is in writing and signed by all parties, and Merchant may add additional accounts or locations that are owned by Merchant without the need to execute a new Schedule B.
  - 55) **Merchant Application:** The Merchant Application attached hereto as Schedule C and any additional document containing information regarding Merchant's business that is submitted to Elavon and Member in connection with Merchant's application for Processing Services, including documents submitted by Merchant as a part of the bid process, if applicable.
  - 56) **Merchant Operating Guide (MOG):** Elavon's operating manual that prescribes rules and procedures governing Transactions and Merchant's use of the Processing Services. The MOG may be amended from time to time by Elavon in its sole discretion, which amendments will be effective upon notice to Merchant.
  - 57) **NACHA—The Electronic Payments Association:** The national association that establishes standards, rules, and procedures governing the ACH Network, including the ACH Rules.
  - 58) **Payment Device:** Any device or method used for the purpose of obtaining credit or debiting a designated account including a Credit Card, Debit Card, and any other financial transaction device or method, including an Electronic Gift Card, check (whether converted into electronic form or used as a source document for an electronic fund transfer), EBT Card, stored value card, "smart" card, or other device created to be used for the purpose of obtaining credit or debiting a designated account, that is now or hereafter effected through Transactions with Merchants.
  - 59) **Payment Network:** Any Credit Card Association, EFT Network, ECS Association, governmental agency or

authority, and any other entity or association that issues or sponsors a Payment Device.

- 60) **Payment Network Regulations:** Individually and collectively, as the context may dictate, all rules and operating regulations of the EFT Networks, Credit Card Associations and ECS Associations, and all rules, operating regulations, and guidelines for Transactions issued by Elavon from time to time, including, without limitation, all amendments, changes, and revisions made thereto from time to time.
- 61) **Person:** Any individual, firm, corporation, business trust, partnership, governmental agency or authority, or other entity and shall include any successor (by merger or otherwise) of such entity.
- 62) **POS Device:** A terminal, software or other point-of-sale device at a Merchant location that conforms with the requirements established from time to time by Elavon and the applicable Payment Network.
- 63) **Processing Services:** The Payment Device processing services and other related products and services received by Merchant pursuant to the Agreement.
- 64) **Receiving Party:** The recipient of Confidential Information from the other party directly or indirectly (via one or more third parties acting on behalf of and at the direction of the other party).
- 65) **Reserve Account:** The account established pursuant to Section (A)(4).
- 66) **Reserve Amount:** The amount established pursuant to the calculation set forth in Section (A)(4).
- 67) **Reserve Event:** The events designated in Section (A)(4).
- 68) **Retrieval Request:** A request initiated by a Cardholder or Issuer that requires the Merchant to produce a legible copy of the Cardholder's signed Transaction Receipt within a specified period of time.
- 69) **Servicer:** See "Elavon."
- 70) **TOS:** These Terms of Service and all additions, amendments, modifications and replacements to the TOS, as applicable.
- 71) **Transaction:** Any action between a Cardholder using a Payment Device and a Merchant that results in activity on the Cardholder's account (e.g., payment, purchase, refund, or return).
- 72) **Transaction Receipt:** The paper or electronic record evidencing the purchase of goods or services from, or payment to, a Merchant by a Cardholder using a Payment Device.
- 73) **Value Added Servicer:** Any entity that stores, processes, transmits or accesses Payment Device data or Transaction data on behalf of Merchant or that provides software to Merchant for transaction processing, storage, or transmission, except to the extent such services are performed by the entity in its capacity as an agent of Elavon performing Elavon's obligations under the Agreement.
- 74) **Visa:** Visa U.S.A., Inc.



**SCHEDULE A**  
**SCHEDULE OF FEES**

[Separately Provided]

5-14. a19



**SCHEDULE B**  
**AFFILIATED ENTITIES**

Check one:

Merchant named on page 1 only, and all locations will operate under Federal Tax ID Number \_\_\_\_\_.

Merchant named on page 1, with Federal Tax ID Number \_\_\_\_\_ and the following affiliate(s) (a separate Form W-9 must be submitted for each entity identified below):

Name	Tax ID Number
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**MERCHANT, on behalf of itself and each of the affiliated entities identified above:**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ELAVON, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

(Schedule B "Effective Date")

**MEMBER**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

5-14.a20



**SCHEDULE C**  
**MERCHANT APPLICATION (LARGE RELATIONSHIP)**

[Separately Provided]

5-14.a21





**SCHEDULE I**  
**PROCESSING SERVICES FOR GOVERNMENT ENTITIES AND INSTITUTIONS**

**PROCESSING SERVICES FOR GOVERNMENT ENTITIES AND INSTITUTIONS.** Merchant elects and agrees to accept the Payment Device Processing Services for government entities and institutions, as such services are further described in this Schedule and the Exhibits hereto, and subject to the terms and conditions of the applicable provisions of the Agreement. Except as expressly modified pursuant to this Schedule, all terms and conditions of the Agreement, including all other Schedules to the Agreement, remain in full force and effect and shall govern the relationship among the parties to this Schedule I.

Capitalized terms used and not otherwise defined in this Schedule I shall have the meanings ascribed to them in the Agreement or in the Merchant Operating Guide ("MOG"), which is incorporated herein by this reference.

**IN WITNESS WHEREOF**, the parties hereto have executed this Schedule I to the Agreement.

\_\_\_\_\_,  
**on behalf of itself and each of the affiliated entities  
identified on Schedule B to the Agreement (the  
"MERCHANT"):**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ELAVON, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

(Schedule I "Effective Date")

**MEMBER**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Section A – General Provisions Applicable to All Merchants under this Schedule**

- 1) **Fees.** Elavon and Member will be compensated for the Processing Services provided under this Schedule as provided in the Agreement as such Agreement may be modified by this Schedule.
- 2) The following provisions hereby replace the like-numbered provisions of the Agreement or are hereby inserted or deleted from the Agreement, as indicated, for Merchants operating under this Schedule.
  - a) **Section (A)(4)(a)(i) Security Agreement.** is deleted.
  - b) **Section (A)(4)(a)(ii) Perfection.** is deleted.
  - c) **Section (A)(6)(a) Accuracy of Information.** is revised to read as follows:  
 “a) **Accuracy of Information.** Merchant must promptly notify Elavon in writing of any material changes to the information provided in the Merchant Application, in the bid process if applicable, or otherwise in the Agreement, including, without limitation, any additional location or new facility at which Merchant desires to use the Processing Services provided under this Schedule, the form of entity, change in control, material changes to the type of goods and services provided and/or payments accepted, and how Transactions are completed (e.g., by telephone, mail, electronic commerce, or in person at Merchant’s place of business). The notice must be received by Elavon at least ten (10) business days prior to the change. Merchant will promptly provide any additional information reasonably requested by Elavon. Merchant will be responsible for all losses and expenses incurred by Elavon or Member arising out of Merchant’s failure to provide proper notice or requested information for any such change, and will not make any claims against Elavon or Member for any losses sustained by Merchant as a result of such failure. Elavon may immediately terminate the Agreement upon a material change to the information in the Merchant Application if such change is not approved by Elavon. Elavon has the right to rely upon written instructions submitted by Merchant to request changes to Merchant’s business information. Merchant may request written confirmation of Elavon’s consent to the changes to the Merchant’s business information.”
  - d) **Section (A)(6)(b)(i) Merchant Responsibilities.** is revised to read as follows:  
 “i) **Merchant Responsibilities.** As between Merchant, Elavon and Member, Merchant will be responsible for, and at its own expense, defend itself against any suits, claims, losses, demands or damages arising out of or in connection with (A) any dispute with a Customer, Cardholder or any third party relating to any Transaction, (B) any

action taken by Elavon or Member with respect to the DDA or Reserve Account in accordance with the Agreement, or (C) any breach by Merchant of any obligation under this Agreement. Merchant will not make any claims against Elavon or Member for any liabilities, claims losses, costs, expenses and demands of any kind or nature, arising out of or in connection with any of the foregoing suits, claims, losses, demands or damages.”

- e) **Section (A)(6)(b)(ii) Elavon Responsibilities.** is revised to read as follows:  
 “ii) **Elavon Responsibilities.** Elavon will be responsible for and will at its own expense defend itself against any suits, claims, losses, demands or damages arising out of (A) Elavon’s breach of the Agreement, or (B) Elavon’s negligence, gross negligence or willful misconduct.”
- f) **Section (A)(8)(b)(ii) Financial Information.** is revised to read as follows:  
 “ii) **Financial Information.** Upon the request of either Elavon or Member, Merchant will provide Elavon and Member audited financial statements prepared by an independent certified public accountant selected by Merchant, or if Merchant is audited by a governmental authority, then Merchant will provide financial statements from such governmental authority. Within one hundred twenty (120) days after the end of each fiscal year (or in the case of a government entity, when available), Merchant will furnish Elavon and Member, as requested, a financial statement of profit and loss for the fiscal year and a balance sheet as of the end of the fiscal year, each audited as provided above. Merchant shall also provide Elavon and Member such interim financial statements and other information as Elavon or Member may request from time to time.”
- g) **Section (A)(11)(a) Products or Services.** is revised to read as follows:  
 “a) **Products or Services.** Merchant may desire to use a Value Added Servicer to assist Merchant with its Transactions. Merchant shall not utilize any Value Added Servicer unless Merchant has disclosed such use to Elavon previously in writing, and unless such Value Added Servicer is fully compliant with all Laws and Payment Network Regulations. Any Value Added Servicer used by Merchant must be registered with the Payment Networks prior to the performance of any contracted services on behalf of Merchant. Further, as between the parties to this Agreement, Merchant will be bound by the acts and omissions of its Value Added Servicer and Merchant will be responsible for compliance by such Value Added Servicer with all Laws and Payment Network Regulations. Merchant will be responsible for any loss, cost, or expense incurred in connection with or by reason of Merchant’s use of any Value

Added Servicer. Neither Elavon nor Member is responsible for the Value Added Servicer, nor are they responsible for any Transaction until Elavon receives data for the Transaction in the format required by Elavon.

- h) **Section (A)(12)(d)(iii) Early Termination Fee. [DELETED]**
- i) **Section (A)(13)(d) Security Program Compliance.** is revised to read as follows:  
 “d) **Security Program Compliance.** Merchant must comply with the requirements of the Payment Card Industry (PCI) Data Security Standard (PCI DSS) including the Cardholder Information Security Program (CISP) of Visa, the Site Data Protection Program (SDP) of MasterCard, the Data Security DISC Program and the PCI DSS regulations of Discover Network, and the security programs of any other Payment Network as to which Merchant accepts a Payment Device, as applicable, and any modifications to, or replacements of such programs that may occur from time to time (collectively, “Security Programs”). Upon request, Elavon will provide Merchant with the respective website links to obtain the current requirements of the Visa, MasterCard, and Discover Network Security Programs. All Value Added Servicers from whom Merchant procures services must comply with the requirements of those Security Programs. Merchant, and not Elavon or Member, is responsible for Merchant’s own actions or inactions, those of Merchant’s officers, directors, shareholders, employees and agents, including any Value Added Servicer (collectively, “Merchant’s Agents”). Merchant shall be responsible for any liability, loss, cost, or expense resulting from the violation of any of the Security Program requirements by Merchant or any of Merchant’s Agents.”
- j) **Section (A)(14)(c) Passwords.** is revised to read as follows:  
 “c) **Passwords.** If Merchant receives a password from Elavon to access any of Elavon’s databases or services, Merchant will: (i) keep the password confidential; (ii) not allow any other entity or person to use the password or gain access to Elavon’s databases or services; (iii) be responsible for all action taken by any user of the password that obtained access to the password from Merchant; and (iv) promptly notify Elavon if Merchant believes Elavon’s databases or services or Merchant’s information has been compromised by use of the password. If Merchant receives passwords from a third party for products or services related to Transaction processing, Merchant must protect such passwords in the manner required by such third party and be responsible any losses, costs, or expenses that

arise from Merchant’s use or misuse of such third party passwords.”

- k) **Section (A)(15)(b) Jurisdiction and Venue; Governing Law.** is deleted.
- l) **Section (A)(15)(c) Exclusivity.** is deleted.
- 3) In addition to the termination rights set forth in Section (A)(12)(b)(i) of the Agreement, Merchant shall have the following termination right added to the Agreement as Section (A)(12)(b)(i)(C):  
 “C) The Agreement may be terminated by Merchant in the event that sufficient legislative appropriation is not available, provided that Merchant gives Elavon and Member sixty (60) days notice prior to termination.”

**Section B – Elavon Fee Collection Models**

- 4) **Direct Debit Fee Collection Model.** If Merchant elects the Direct Debit fee collection model on Exhibit A to this Schedule I, Section (A)(5)(a), Fees, of the Agreement remains unchanged and in full force and effect.
- 5) **Compensating Balances Fee Collection Model.** If Merchant elects the Compensating Balances fee collection model on Exhibit A to this Schedule I, Section (A)(5)(a), Fees, of the Agreement is hereby replaced with the following provision:
  - a) **Section (A)(5)(a) Fees.** Notwithstanding any provisions of Section (A)(3)(b) or Section (A)(3)(c) to the contrary, with respect to the collection of fees by Elavon and Member, Merchant will pay Elavon and Member fees in the ordinary course of business for services, supplies, and equipment in accordance with Schedule A, any amendment to Schedule A and any additional application or setup form(s) provided by Elavon and Member in writing to Merchant. Elavon will send Member an invoice reflecting the amount of fees due, and Member will enter such amount in Merchant’s compensating balance calculation. Member will pay Elavon such amount, on Merchant’s behalf, within thirty (30) days. Alternatively, Elavon may net out the fees due from any funds due Merchant under the Agreement.
- 6) **Monthly Net Settlement Fee Collection Model.** If Merchant elects the Monthly Net Settlement fee collection model on Exhibit A to this Schedule I, Section (A)(5)(a), Fees, of the Agreement is hereby replaced with the following provision:
  - a) **Section (A)(5)(a) Fees.** Notwithstanding any provisions of Section (A)(3)(b) or Section (A)(3)(c) to the contrary, with respect to the collection of fees by Elavon and Member, Merchant will pay Elavon and Member fees in the ordinary course of business for services, supplies, and equipment in accordance with Schedule A, any amendment to Schedule A and any additional application or setup form(s) provided by Elavon

and Member in writing to Merchant. Such fees will be calculated daily and will be offset by Elavon and Member against amounts owed by Elavon and Member to Merchant for: (i) on the first day of each month for the prior month's Processing Services, and (ii) following the first day of the month for fees and other amounts owed to Elavon and Member pursuant to Schedule A that are not available or reasonably calculable as of the last day of a particular month. In the event that the funds owed by Elavon and Member to Merchant on the first day of a calendar month are insufficient to offset amounts Merchant owes to Elavon and Member for Processing Services provided during the prior month, Elavon and Member may offset any unpaid balance owed by Merchant against future amounts Elavon and Member owe or will owe to Merchant until Merchant's financial obligations are fully satisfied.

#### **Section C – Government/Public Institution Service Fees**

- 7) **Government/Public Institution Service Fees.** If Merchant is both eligible to charge or to have Elavon charge Government/Public Institution Service Fees (as defined on Exhibit B hereto) and has elected on Exhibit A to manage or to have Elavon manage Government/Public Institution Service Fees, then Merchant shall comply with the Government/Public Institution Service Fee Terms and Conditions attached hereto as Exhibit B.

**EXHIBIT A  
GOVERNMENT/PUBLIC INSTITUTION SERVICE FEE ENROLLMENT**

**ENROLLMENT FORM FOR GOVERNMENT/PUBLIC INSTITUTION SERVICE FEE PROGRAMS**

Date:	Pricing Quote #:	<input type="checkbox"/> New Location <input type="checkbox"/> Add/Update Service	Rep Name:	Rep Phone #:
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<b>Merchant Information</b>	Existing MID:	Chain #:
	DBA Name:	DBA Phone #:
	Contact Name (first & last):	DBA Fax #:
	DBA Address:	City, State, Zip:
	Contact Name (First and Last):	Training Phone # (if different):
	Goods or Services Sold:	Federal Tax ID:

<b>Processing Options</b>	<b>Processing Options:</b>
	Elavon Fee Collection Model (check one): <input type="checkbox"/> Direct Debit <input type="checkbox"/> Compensating Balances (when available) <input type="checkbox"/> Monthly Net Settlement
	Government/Public Institution Service Fee Funding Model (check one if Merchant elects Government/Public Institution Service Fees (GPISF) assessment): <input type="checkbox"/> Elavon-managed <sup>1</sup> <input checked="" type="checkbox"/> Merchant-managed <sup>2</sup>
	Government/Public Institution Service Fee Services Programs (check all that apply, but only if Merchant elects GPISF assessment): <input type="checkbox"/> MasterCard Convenience Fee Program for Education and Government Merchants <input checked="" type="checkbox"/> Visa Tax Payment Program
	Government/Public Institution Service Fee Pricing (applicable only if Merchant elects GPISF assessment): Card Service Fee % _____ Visa Consumer Debit (tax only): \$ _____ ACH (via Electronic Check Services): \$ _____ Minimum Annual Fees (if applicable): \$ _____
	Payment/Transaction Types for GPISF Assessment (not all payment/transaction types are supported for all programs) (check all that apply, but only if Merchant elects GPISF assessment): <input type="checkbox"/> Credit – (check all that apply): <input type="checkbox"/> Visa <input type="checkbox"/> MasterCard <input type="checkbox"/> Discover (available if Elavon-acquired) <input type="checkbox"/> Signature Debit – (check all that apply): <input type="checkbox"/> Visa <input type="checkbox"/> MasterCard <input type="checkbox"/> Discover (available if Elavon-acquired) <input type="checkbox"/> PIN-Based Debit <input type="checkbox"/> ACH (via Electronic Check Services)
	Elavon Product Supporting GPISF Assessment to be Used by Merchant (check all that apply): <input type="checkbox"/> Enterprise Billing Solutions (Schedule K required if checked) <input type="checkbox"/> Service Fee Terminal (VeriFone vx570) <input type="checkbox"/> Limited Acceptance (Visa, MasterCard, and Discover credit cards only) <input type="checkbox"/> MasterCard and Discover credit cards and signature debit cards <input checked="" type="checkbox"/> Merchant Proprietary Solution or Value-Added Service <input type="checkbox"/> Other _____

<b>Merchant Acknowledgment</b>	By signing below, Merchant warrants the truthfulness and accuracy of the information provided, agrees to pay the fees set forth herein and agrees to abide by the Terms & Conditions for Assessment of Government/Public Institution Service Fees.		
	Signature _____	Name & Title _____	Date _____

1. "Elavon-managed" means that Elavon establishes the amount of the Government/Public Institution Service Fee charged and retains the Government/Public Institution Service Fee in lieu of Merchant's obligation to pay Elavon the per transaction fees as set forth in the Agreement.  
 2. "Merchant-managed" means that Merchant establishes the amount of the Government/Public Institution Service Fee charged and retains the Government/Public Institution Service Fee Merchant pays Elavon the per transaction fees as set forth in the Agreement for all such Transactions.

**5-14.65**

**EXHIBIT B**

**TERMS AND CONDITIONS FOR ASSESSMENT OF GOVERNMENT/PUBLIC INSTITUTION SERVICE FEES**

**ASSESSMENT OF GOVERNMENT/PUBLIC INSTITUTION SERVICE FEES.** Terms and Conditions (“T&Cs”) for Assessment of Government/Public Institution Service Fees.

**1) APPLICABILITY OF AGREEMENT.** If Merchant has requested authority to charge or to have Elavon charge a Government/Public Institution Service Fee to its Customers for Eligible Transactions, the following provisions apply to such Eligible Transactions and the related Government/Public Institution Service Fees charged. Any other Transactions or fees, including Convenience Fees, are governed by the standard provisions set forth in the Agreement, as modified by the applicable Schedules thereto. Merchant agrees to the following provisions, as and to the extent applicable, in addition to the terms and conditions of the Agreement.

**2) RULES OF CONSTRUCTION.** These T&Cs are intended to complement and are subject to your Agreement. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Agreement or the MOG. In the event of a conflict between these T&Cs and other terms of the Agreement or the MOG, the terms of these T&Cs shall prevail.

**3) DEFINITIONS.**

**a) Agreement.** The Terms of Service (TOS) or the Payment Device Processing Agreement, as applicable.

**b) Government/Public Institution Service Fee.** The fee charged by Elavon or Merchant, at Merchant’s election, to Customers conducting Eligible Transactions (as described herein, as applicable) at Merchants operating in certain designated merchant category codes (“MCCs”). For the avoidance of doubt, fees referred to as a “service fee” or “convenience fee” (in the context of the MCCs described herein) as used in the applicable rules of the Credit Card Associations, where the fee is processed as a separate Transaction from the underlying purchase or payment Transaction, are included within the definition of, and are referred to herein, as a “Government/Public Institution Service Fee.”

**4) GOVERNMENT/PUBLIC INSTITUTION SERVICE FEE SERVICES.**

**a) Government/Public Institution Service Fee Services.** At Merchant’s election, Merchant may choose to charge a Government/Public Institution Service Fee (a Merchant-managed Government/Public Institution Service Fee) or to have Elavon charge a Government/Public Institution Service Fee (an Elavon-managed Government/Public Institution Service Fee) to its Customers for Eligible Transactions, in each case provided that Merchant is in compliance with the Payment Network Regulations and Laws, including the Electronic Fund Transfer Act and Regulation E. If Merchant elects an Elavon-managed Government/Public Institution Service Fee, Merchant agrees that any Government/Public Institution Service Fee

collected in connection with an Eligible Transaction will be retained by Elavon and Member and that such amount constitutes Elavon’s and Member’s property, and Merchant has no right, title or interest in such amounts. Further, if Merchant elects an Elavon-managed Government/Public Institution Service Fee, Merchant agrees that Elavon may adjust the Government/Public Institution Service Fee amount from time to time as necessary or appropriate to accommodate changes in Payment Network fees (including Interchange fees), material changes in average ticket size and/or monthly Transaction volume, Interchange classification or downgrades, changes in Chargeback rates, or changes in Payment Devices accepted and/or payment channels offered by Merchant. Additionally, Elavon may immediately terminate the Processing Services for Government/Public Institution Service Fees if Merchant’s Chargeback rates materially exceed industry averages. If Merchant elects a Merchant-managed Government/Public Institution Service Fee, Merchant will receive and retain the Government/Public Institution Service Fee collected in connection with Eligible Transactions and will pay regular per transaction fees to Elavon and Member for the Processing Services provided by Elavon and Member with respect to such Transactions. Merchant agrees that the minimum annual Transaction fees (which includes any Elavon-retained Government/Public Institution Service Fees) paid to Elavon and Member for Transactions processed under this Schedule shall be at least equal to the “Minimum Annual Fees” amount identified on Exhibit A hereto. For any partial period of less than a full year during the term of this Schedule, the actual amount of fees paid by Merchant to Elavon for Transactions processed under this Schedule shall be annualized to determine if Merchant has satisfied this obligation. At the end of each year (the first of which shall begin on the Schedule I Effective Date and each successive year of which shall begin immediately upon the conclusion of the preceding year), Elavon may notify Merchant if the actual Transaction fees paid by Merchant in respect of this Schedule is less than the Minimum Annual Fees amount. In the event that Merchant’s actual Transaction processing fees under this Schedule for any such period are less than the Minimum Annual Fees, Merchant shall promptly pay Elavon and Member the difference.

**b) Conflict of Laws.** To the extent Merchant’s state or other governing body has passed legislation that requires assessment of Government/Public Institution Service Fees by government agencies as a component of card acceptance, such laws may conflict with Payment Network Regulations. Merchant bears all responsibility and liability associated therewith, including all assessments, fees, fines and penalties levied by the Payment Networks.

**5) REQUIREMENTS FOR GOVERNMENT/PUBLIC INSTITUTION SERVICE FEES.** Elavon may update or

revise the provisions of this Section 5 upon written notice to Merchant.

**a) Merchants Accepting Visa Cards for Eligible Transactions.**

The following requirements apply to Merchants accepting Visa Credit Cards and/or Visa signature Debit Cards that desire to charge or to have Elavon charge a Government/Public Institution Service Fee on certain Transactions. If Merchant also accepts and wishes to charge or to have Elavon charge a Government/Public Institution Service Fee on certain Transactions paid by MasterCard and/or Discover Network cards, the requirements of this Section (5)(a) also apply to Merchant in connection with the assessment of Government/Public Institution Service Fees on Transactions involving those Payment Devices.

**i) Eligible Merchants.** Merchants operating in MCC 9311 (Taxes) are eligible to charge or to have Elavon charge a Government/Public Institution Service Fee to Customers in connection with Eligible Transactions listed in Section (5)(a)(ii) below.

**ii) Eligible Transactions.** Eligible Merchants may charge or have Elavon charge a Government/Public Institution Service Fee only in connection with the following “Eligible Transactions”:

- 1) Federal personal income taxes;
- 2) State personal income taxes;
- 3) Real estate and other property taxes;
- 4) Federal business income taxes;
- 5) State business income taxes;
- 6) Federal payroll/unemployment taxes;
- 7) State payroll/unemployment taxes; or
- 8) Sales and use taxes.

**iii) Transaction Requirements.** The following requirements apply to Eligible Transactions under this Section (5)(a).

- 1) Merchant must provide Elavon with the necessary documentation to facilitate Elavon’s registration of Merchant in the “Visa Tax Payment Program,” the “MasterCard Convenience Fee for Eligible Government and Education Payments” program and/or the convenience fee program of Discover Network, in each case to the extent applicable and required.
- 2) The Government/Public Institution Service Fee must be disclosed to the Cardholder prior to the completion of the Transaction, and the Cardholder must be given the option to cancel the Transaction if the Cardholder does not wish to pay the Government/Public Institution Service Fee.
- 3) The Government/Public Institution Service Fee must apply in the same amount regardless of the Credit Card type or signature Debit Card type (with the exception of Visa Consumer Signature Debit) accepted for payment of a given Eligible Transaction within a particular payment channel. This requirement does not apply to payments made by ACH, cash, check or PIN-based Debit Card.
- 4) The Government/Public Institution Service Fee must not be advertised or otherwise communicated as an offset to the merchant discount rate.
- 5) The Government/Public Institution Service Fee cannot be charged for recurring payments. The

Government/Public Institution Service Fee is designed for one-time payments, not for payments in which a Cardholder authorizes recurring charges or debits.

6) Merchant must accept Visa as a means of payment in all channels (i.e., face-to-face, mail/telephone, and Internet environments, as applicable).

7) Merchant must feature the opportunity to pay with Visa at least as prominently as all other payment methods.

**b) Merchants Not Accepting Visa Cards for Eligible Transactions.** The following requirements apply to Merchants accepting Credit Cards and/or signature Debit Cards other than Visa (i.e., Merchants accepting MasterCard cards and/or Discover Network cards but not accepting Visa cards) that desire to charge or to have Elavon charge Government/Public Institution Service Fees on Eligible Transactions.

**i) Eligible Merchants.** Merchants operating in MCCs 8211 (Elementary Schools), 8220 (Colleges/Universities), 9211 (Courts), 9222 (Fines), 9311 (Taxes) and 9399 (Miscellaneous Government Services) are eligible to charge or to have Elavon charge a Government/Public Institution Service Fee to Customers in connection with Eligible Transactions listed in Section (5)(b)(ii) below.

**ii) Eligible Transactions.** Eligible Merchants may charge or have Elavon charge a Government/Public Institution Service Fee only in connection with the following “Eligible Transactions”:

- 1) Payments to elementary and secondary schools for tuition and related fees, and school-maintained room and board;
- 2) Payments to colleges, universities, professional schools and junior colleges for tuition and related fees, and school-maintained room and board;
- 3) Payments to federal courts of law that administer and process court fees, alimony and child support payments;
- 4) Payments to government entities that administer and process local, state and federal fines;
- 5) Payments to local, state and federal entities that engage in financial administration and taxation; or
- 6) Payments to Merchants that provide general support services for the government.

**iii) Transaction Requirements.** The following requirements apply to Eligible Transactions under this Section (5)(b).

- 1) Merchant must provide Elavon with the necessary documentation to facilitate Elavon’s registration of Merchant in the “MasterCard Convenience Fee for Eligible Government and Education Payments” program and/or the convenience fee program of Discover Network, in each case to the extent applicable and required.
- 2) The Government/Public Institution Service Fee must be disclosed to the Cardholder prior to the completion of the Transaction, and the Cardholder must be given the option to cancel the Transaction if the Cardholder does not wish to pay the Government/Public Institution Service Fee.
- 3) The Government/Public Institution Service Fee must apply in the same amount regardless of the Credit Card or signature Debit Card type accepted for payment of a given Eligible Transaction within a particular payment channel.

This requirement does not apply to payments made by ACH, cash, check or PIN-based Debit Card.

4) The Government/Public Institution Service Fee must not be advertised or otherwise communicated as an offset to the merchant discount rate.

**c) Additional Requirements for Merchants Utilizing Proprietary Solutions or Value Added Servicers.**

**i) POS Devices.** Merchant is responsible for ensuring that its software, POS Devices and card acceptance procedures fully comply with Elavon's instructions, including with respect to programming of software and POS Devices to handle Eligible Transactions to ensure proper assessment of Government/Public Institution Service Fees. If the Government/Public Institution Service Fee is Elavon-managed, Merchant is further responsible for complying with all requirements as provided by Elavon from time to time to appropriately process the Eligible Transactions to qualify for optimal Interchange rates within five (5) days of Elavon's communication to Merchant of the same. If Merchant fails to make changes to its POS Devices or card acceptance procedures requested by Elavon within five (5) days of the request, Elavon may, in its discretion, discontinue the program or suspend a certain payment type. Further, if Merchant fails to make such changes and the Government/Public Institution Service Fee is Elavon-managed, Elavon may adjust the Government/Public Institution Service Fee amount, bill the Merchant for charges in excess of the Government/Public Institution Service Fee to recover losses related to Transactions that did not qualify for optimal Interchange rates or for applicable Credit Card Associations' reimbursement programs, including, but not limited to, losses related to Merchant's failure to distinguish between pricing of Visa signature Debit Cards and all other card types for transactions processed within the Visa Tax Payment Program.

**ii) Approval Required to Charge or Adjust Government/Public Institution Service Fee.** Merchant may not charge or adjust Government/Public Institution Service Fees unless Merchant has disclosed such fees to Elavon previously in writing and Merchant has been approved by Elavon to charge or adjust such Government/Public Institution Service Fees. If Merchant charges or adjusts a Government/Public Institution Service Fee without having disclosed such fee or adjustment previously in writing and obtained Elavon's consent, Merchant will be in breach of the Agreement and Elavon may immediately terminate the Agreement in addition to pursuing any other remedies available under the Agreement, Laws and Payment Network Regulations.

**iii) Value Added Servicer.** Merchants accepting Visa cards for Eligible Transactions who utilize proprietary solutions or Value Added Servicers to manage a Government/Public Institution Service Fee must comply with Attachment 1, attached hereto.

**6) ADDITIONAL PROCESSING REQUIREMENTS.**

If Merchant voids an underlying Eligible Transaction, the associated Government/Public Institution Service Fee must be voided as well. If Merchant processes a refund for an underlying Eligible Transaction, Merchant must disclose to Customers that Government/Public Institution Service Fees are non-refundable. Merchants that desire to charge or to have Elavon charge Government/Public Institution Service Fees will be assigned separate MIDs for use in connection with Eligible Transactions and related Government/Public Institution Service Fees. MIDs assigned for use with Eligible Transactions and/or Government/Public Institution Service Fees may not be used to process Transactions that are not Eligible Transactions.

**7) PAYMENT AND TRANSACTION TYPES SUPPORTED.** Government/Public Institution Service Fee capability for Credit Cards and/or signature Debit Cards depends on the Merchant's MCC, as described above, and the Payment Network Regulations of the applicable Credit Card Association. Government/Public Institution Service Fee capability is supported only through Elavon products specified on Exhibit A hereto. Not all payment and transaction types are supported for all products. Additionally, Merchant proprietary software, POS Devices, or Value Added Servicers may be certified to process Elavon-managed Government/Public Institution Service Fee Transactions. Closed network prepaid cards, electronic benefits transfer, and dynamic currency conversion are not supported for Government/Public Institution Service Fee processing.





**ATTACHMENT 1 to T&Cs**  
**GOVERNMENT/PUBLIC INSTITUTION SERVICE FEE PROCESSING REQUIREMENTS FOR**  
**MERCHANTS USING PROPRIETARY SOLUTIONS OR A VALUE ADDED SERVICER**

**I. Underlying Eligible Transactions**

The following data must be inserted in the listed fields when creating the authorization and clearing requests for the underlying Eligible Transaction (the tax liability payment).

FIELD NAME	VALUE
Merchant Category Code	9311 – Tax Payments
Merchant Name	The following lists the format and information for each type of tax collected for this field: <ul style="list-style-type: none"> <li>▪ Federal tax payments, you must use “US Treasury Tax Payment”</li> <li>▪ State Income Tax: NN – State Income Tax, where NN represents the state, for example, CA – State Income Tax</li> <li>▪ For all other taxes: Taxing Authority – Tax Type, for example:               <ul style="list-style-type: none"> <li>✓ Sales Tax: NN Franchise Tax Board – Sales Tax</li> <li>✓ Business Income Tax: NN Franchise Tax Board – Business Income</li> <li>✓ Property Tax: NN Funds E-Pay – Real Estate</li> </ul> </li> </ul>
Merchant City	Merchant customer service phone number.
Merchant State	Merchant state two letter acronym (NN), for example, CA; (not the state of the provider).
ECI Indicator	<ul style="list-style-type: none"> <li>▪ Use 1 or 4 for phone-initiated (MOTO) payments.</li> <li>▪ Use 5, 6, 7, 8 or 9 for Internet-initiated payments.</li> </ul>
Merchant Verification Value	This value is used for large federal tax payment requests only. If appropriate, Visa will assign and notify you of your unique MVV value.
Local Tax	In the Sales Draft Record (TC05), Transaction Record 6 (TCR6), positions 5-16 (“Local Tax”), insert the value of “0” = “0%” tax rate.
Local Tax Included	In the TC05, TCR6, position 17 (“Local Tax Included”), insert a value of “2” = Transaction is not subject to tax.

**II. Government/Public Institution Service Fee Transactions**

The following data must be inserted in the listed fields when creating the authorization and clearing requests for the Government/Public Institution Service Fee.

FIELD NAME	VALUE
Merchant Category Code	9311 – Tax Payments
Merchant Name	The following lists the format and information for each type of tax collected: <ul style="list-style-type: none"> <li>▪ Federal tax payments, you must use “US Treasury Tax Payment Service Fee”</li> <li>▪ State Income Tax: NN – State Income Tax Service Fee, for example, CA – State Income Tax Service Fee</li> <li>▪ For all other taxes: Taxing Authority – Tax Type Service Fee, for example:               <ul style="list-style-type: none"> <li>✓ Sales Tax: NN Franchise Tax Board – Sales Tax Service Fee</li> <li>✓ Business Income Tax: NN Franchise Tax Board – Business Income Service Fee</li> <li>✓ Property Tax: NN Funds E-Pay – Real Estate Service Fee</li> </ul> </li> </ul>
Merchant City	Merchant service phone number.
Merchant State	Merchant state two letter acronym (NN), for example, CA; (not the state of the provider).
ECI Indicator	<ul style="list-style-type: none"> <li>▪ Use 1 or 4 for phone-initiated (MOTO) payments.</li> <li>▪ Use 5, 6, 7, 8 or 9 for Internet-initiated payments.</li> </ul>
Local Tax	In the Sales Draft Record (TC05), Transaction Record 6 (TCR6), positions 5-16 (“Local Tax”), insert the value of “0” = “0%” tax rate.
Local Tax Included	In the TC05, TCR6, position 17 (“Local Tax Included”), insert a value of “2” = Transaction is not subject to tax.

**5-14.69**

## SCHEDULE A - SCHEDULE OF FEES

### I. ASSUMPTIONS / MERCHANT PROFILE

Legal Entity Name	Santa Cruz Metro District
Business Segment	Services - Government
Category Description	Government Services-Not Elsewhere Classified
MCC	9399
Multiple MCCs?	No
Locations	2
Initial Contract Term (yrs)	3
Date Fees Last Updated	April 12 2010

	Annual Volume	Average Ticket	Annual Transactions
VISA	\$ -	\$ -	0
MasterCard	\$ -	\$ -	0
Discover	\$ -	\$ -	0
American Express	\$ -	\$ -	0
JCB & Diners	\$ -	\$ -	0
PIN-Debit	\$ -	\$ -	0
Checks	\$ -	\$ -	0
EBT	\$ -	\$ -	0
Other	\$ -	\$ -	0
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0</b>

### II. ACCOUNT IMPLEMENTATION & MAINTENANCE FEES

	Merchant Fee	Application	Comments
Account Set-Up & Implementation Fee	\$ 150.00	Per MID	Waived
Application Fee	\$ 200.00	Per MID	waived
Rush Fee	\$ 75.00		Per
Monthly Statement Fee	\$ 5.00	Per MID	
Supply Fee	\$ -		cost to district
Terminal reprogram Fee (per unit)	\$ 100		waived
Onsite Training	\$ -		phone training only
Research Fee	\$ 75.00	Per Hour	
Other Fee	\$ -		

### III. CARD PROCESSING FEES

Pricing Type: **Tiered**

Tiered Rate Pricing - The rate will be determined by the data elements passed at the time the transaction settled.

		Per Item (\$)
Qualified Debit Rate	2.1000%	\$ 0.3500
Qualified Credit Rate	2.3900%	\$ 0.1000
Qualified Rewards Rate	2.4500%	\$ 0.1000
Mid-Qual Credit Rate	2.9000%	\$ 0.1400
Commercial Credit Rate	2.9500%	\$ 0.2400
Non-Qual Credit Rate	3.5000%	\$ 0.2000

Billing Method: **Gross**

Interchange, assessments, and dues will be assessed on all Visa, MasterCard, and Discover settled volume.

Service may adjust Merchant's pricing if (i) Merchant's annualized Visa/MasterCard/Discover average ticket or volume falls below projections by more than twenty percent (20%), or (ii) Merchant's Visa/MasterCard/Discover average ticket or volume for any month falls below fifty percent (50%) of such Visa/MasterCard/Discover average ticket or volume for any month falls below fifty percent (50%) of such Visa/MasterCard/Discover average ticket or volume during the same month the previous calendar year.

### IV. AUTHORIZATION FEES - Servicer

	Combination	IP % Dial
Telecom Method		50% 50%
Additional Fee for Telecom	\$ -	
Visa	\$ -	
MasterCard	\$ -	
American Express	\$ -	
Diners	\$ -	
JCB	\$ -	
EBT	\$ -	
PIN-Debit	\$ 0.3500	Pass-Through
Other Card Type	\$ -	0.0000%
Other Card Type	\$ -	0.0000%

5-14.01

**SCHEDULE A - SCHEDULE OF FEES**

Voice (VRU) Authorization	\$	0.75
Voice Authorization with Address Verification	\$	0.50
Operator-Assist Authorization	\$	1.25
Bank Referral Authorization	\$	4.00

**V. OTHER TRANSACTION FEES & SERVICES**

Batch Header Fee (per occurrence)	\$	-
AVS Fee (per occurrence)	\$	-
ACH Fee (per occurrence)	\$	-
ACH Returned Item Fee (per occurrence)	\$	20.00
FedWire Settlement (per occurrence, where available)	\$	-
Chargeback Fee (per occurrence)	\$	15.00
Monthly Minimum (per location)	\$	20.00
Monthly Minimum Start Date		5/1/2010
Other Fee		N/A
Other Fee	\$	-

**VI. OPTIONAL SERVICES**

**A. Reporting**

Merchant Connect Basic			
Setup Fee			Waived
Monthly Fee			Waived
Merchant Connect Premium			
Setup Fee			Waived
Monthly Fee	1 User	\$	39.90
	2-5 Users	\$	39.90
	6-10 Users		na
	11+ Users		na

**B. Foreign Networks & Gateways**

Using a third party network or gateway below requires Servicer to add an additional fee per authorization. For foreign networks, this is a separate authorization fee, and for gateways, this Servicer fee will be added to the Servicer authorization fee noted in Section IV.

	Dial	IP
<input type="checkbox"/> TSYS Acquiring Solutions (Vital) Foreign Network		
<input type="checkbox"/> ADS Foreign Network		
<input type="checkbox"/> BuyPass Foreign Network		
<input type="checkbox"/> Global (Mapp or NDC) Foreign Network		
<input type="checkbox"/> MerchantLink Gateway		
<input type="checkbox"/> Pay by Touch Gateway		
<input type="checkbox"/> Other		

**C. Equipment/Software**

Equipment Type	Purchase		Monthly Fee	Application	
	Price/Unit			Per Relationship	Per Unit
virtual merchant	\$	1,295	\$	10.00	Per MID
virtual merchant	\$	100.00	\$	-	Per Unit
mag/key pads	\$	-	\$	-	

**Notes:** 1) Shipping and handling fees are included in the equipment price. 2) All newly purchased equipment from Servicer is warranted for one year from date of purchase. Servicer will replace defective equipment. Merchant will pay a \$35/unit swap fee for the shipping and handling of the replacement equipment. After the first year, merchant will be quoted a new equipment cost based on market pricing. 3) Merchant owned equipment is not warranted by Servicer, but Merchant may purchase new equipment at market pricing from Servicer. 4) See additional pricing sheet as needed.

**5-14.C2**

**SCHEDULE A - SCHEDULE OF FEES**

**VII. VALUE ADDED PRODUCTS**

**VIII. National PCI**

**Annual PCI Compliance Program Fee Schedule**

Level	Number of MIDs in Relationship	IP	Non-IP
A	1 to 10	\$175.00	\$55.00
B	11 to 50	\$135.00	\$45.00
C	51 to 100	\$100.00	\$35.00
D	100+	\$85.00	\$30.00

Pricing Option (Select One):

All merchants must comply with the requirements of the Payment Card Industry Data Security Standards ("PCI DSS"). Elavon requires Level 4 merchants (determined based on transaction volume) to validate PCI DSS compliance on an annual basis, with initial validation to occur no later than ninety (90) days after account approval. Merchant will be charged either the Annual PCI Fee or the Annual Administration Fee described above. Elavon will waive this fee in year one, charging the fee in subsequent years on or about the anniversary date of account approval. Annual Administration Fee will be charged to merchants that use the services of another qualified assessor and attest to PCI DSS validation on the website designated by Elavon. Any merchant that has not validated PCI DSS compliance within ninety (90) days of account approval, or in subsequent years on or before the anniversary date of account approval, will be charged a monthly non-compliance fee until Elavon is provided with validation of compliance. Merchant may be eligible for Data Breach Coverage following account approval and PCI DSS compliance validation. See the PCI Compliance Program Overview for coverage details and conditions. Pricing is subject to change with a

PCI Compliance Validation Process: Complete your Payment Card Industry Data Security Standard (PCI DSS) validation. Visit our PCI website, <http://pci.elavon.com>, for education and tips on protecting cardholder data. You can also connect with our Visa® and MasterCard® accredited Qualified Security Assessor (QSA) and Approved Scanning Vendor (ASV). You must provide a certificate of compliance validation within ninety (90) days of account approval to avoid a monthly non-compliance fee.

**IX. TERM**

Term:

Initial Term of five (5) years with one (1) year Renewal Terms

Early Termination Fee \$ - X number of months remaining

**MERCHANT ACKNOWLEDGEMENT**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**5-14.03**

MERCHANT SERVICES  
 7300 CHAPMAN HWY  
 KNOXVILLE, TN 37920  
 000097324 1 AT 0.357 106481544006051 P

**Merchant Billing Statement**

Statement Date: 03/31/2010  
 Store Number: 0000000000  
 Merchant Number: 0000960500695168  
 Chain Number: 00000  
 DBA Name: SANTA CRUZ METRO TRANSIT

**Card Association Fees**

Description	Amount	Item Count	Percentage Rate	Per Item Rate	Fee Amount
VISA FEE					
IAF	100.00	2	0.4500	0.0000	0.45
ISA FEE	100.00	2	0.4000	0.0000	0.40
ACQUIRER PROCESSING FEE	0.00	229	0.0000	0.0500	11.45
VISA FEE Fee Totals					12.30
M/C FEE					
ACCESS FEES	0.00	72	0.0000	0.0500	3.60
M/C FEE Fee Totals					3.60
<b>Total Card Association Fees</b>					<b>15.90</b>

5-14.81

Attachment D

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010  
**TO:** Board of Directors  
**FROM:** Robert Cotter, Manager of Maintenance  
**SUBJECT:** **CONSIDERATION OF AWARD OF CONTRACT WITH SCHINDLER ELEVATOR CORPORATION FOR REPAIRS TO THE ELEVATOR LOCATED AT 138 GOLF CLUB DRIVE, SANTA CRUZ FOR AN AMOUNT NOT TO EXCEED \$8,400.**

## I. RECOMMENDED ACTION

**That the Board of Directors authorize the General Manager to execute a contract with - Schindler Elevator Corporation for repairs to the elevator located at 138 Golf Club Drive, Santa Cruz for an amount not to exceed \$8,400.**

## II. SUMMARY OF ISSUES

- The elevator at 138 Golf Club Drive has been damaged during the heavy rains of the past few weeks.
- The firm that installed the elevator has reviewed the damage and has provided a cost estimate for repairs.

## III. DISCUSSION

The elevator at 138 Golf Club Drive has been damaged during the heavy rains of the past few weeks. Water and oil has entered the elevator shaft and needs to be pumped out. Contractor has stated that packing also needs to be replaced. District Counsel has reviewed the agreement supplied by the Contractor. The agreement has an indemnification clause that requires approval of the Board of Directors before repairs can be authorized.

Staff recommends that the Board of Directors authorize the General Manager to sign a contract with Schindler Elevator Corporation for repairs to the elevator located at 138 Golf Club Drive, Santa Cruz for an amount not to exceed \$8,400.

## IV. FINANCIAL CONSIDERATIONS

Funds to support contract are included in the Maintenance FY10 Operating budget.

## V. ATTACHMENTS

**Attachment A:** Proposed Agreement received from Schindler Elevator Corporation

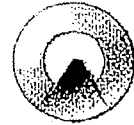
5-15.1

Board of Directors  
Board Meeting of April 23, 2010  
Page 2

Prepared By: Lloyd Longnecker, Purchasing Agent  
Date Prepared: April 15, 2010

5-15.2

# Attachment A



**Schindler**

**SCHINDLER ELEVATOR CORPORATION**  
555 McCormick Street  
San Leandro, CA 94577-1107  
Phone: 510-382-2228  
Fax: 510-382-2250

## UPGRADE ORDER AGREEMENT

**Date:** 03/12/2010

**Estimate Number:** RJOS-83GUJH (2010 2)

**To:**  
Metrobase Maintenance Bldg  
138 Golf Club Dr  
Santa Cruz, CA 95060-2121

**Customer:**  
Metrobase Maintenance Bldg  
138 Golf Club Dr  
Santa Cruz, CA 95060-2121

**Attn:**

Schindler hereby proposes to furnish and install the following with respect to the equipment located at the above building:

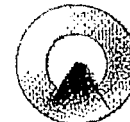
Furnish labor and materials to pump water and oil out of the elevator pit and replace the packing.

**Price:** \$7,658 00, plus applicable taxes. (Quotations valid for 60 days; price based upon work during regular working hours of regular working days.)

**Payment:** Payable in full within 30 days of Invoice. Schindler retains title to any equipment furnished hereunder until final payment is made. Late or non-payment will result in assessment of interest charged at a rate of 1 1/2% per month or the highest legal rate available, and any attorneys' fees, expenses and costs of collection.

5-15.a1





**Schindler**

The attached terms and conditions are incorporated herein by reference

Acceptance by you as owner's agent or authorized representative and subsequent approval by our authorized representative will be required to validate this agreement.

Proposed:

\_\_\_\_\_

By: Rachel Jones

For: Schindler Elevator Corporation

Title: Sales Representative

Date: 3/12/2010

Approved:

\_\_\_\_\_

By: Bradley Lay

Title: District Manager

Date: \_\_\_\_\_

Accepted:

\_\_\_\_\_

By: \_\_\_\_\_

For: Metrobase Maintenance Bldg

Title: \_\_\_\_\_

Date: \_\_\_\_\_

5-15.a2



**Schindler**

**TERMS AND CONDITIONS**

1. Any changes to the building to meet local or state codes are to be made by Purchaser. Any changes in the Work required due to building conditions discovered in the performance of the Work will be paid by Purchaser.
2. No work, service materials or equipment other than as specified hereunder is included or intended.
3. Purchaser retains its normal responsibilities as Owner of the equipment which is subject of this Agreement.
4. Schindler will not be liable for damages of any kind, in excess of the Price of this Agreement, nor in any event for special, indirect, consequential or liquidated damages
5. Any cutting and patching is by others and not included in this work
6. Neither party shall be responsible for any loss, damage, detention or delay caused by labor trouble or disputes, strikes, lockouts, fire, explosion, theft, lightning, wind storm, earthquake, floods, storms, riot, civil commotion, malicious mischief, embargoes, shortages of materials or workmen, unavailability of material from usual sources, government priorities or requests or demands of the National Defense Program, civil or military authority, war, insurrection, failure to act on the part of either party's suppliers or Subcontractors, orders or instructions of any federal, state, or municipal government or any department or agency thereof, acts of God, or by any other cause beyond the reasonable control of either party. Dates for the performance or completion of the work shall be extended by such delay of the time as may be reasonably necessary to compensate for the delay
7. Schindler guarantees that the equipment will comply with the foregoing specifications and if promptly notified in writing will, at Schindler's expense, correct any defects in such equipment occurring within one year from the date of final acceptance, which are not due to ordinary wear and tear or to improper use, care and maintenance. The correction of such defects constitutes the limit of the responsibility. **THERE ARE NO OTHER WARRANTIES OR GUARANTEES, EXPRESSED OR IMPLIED, OTHER THAN OF TITLE** The equipment installed under this agreement requires maintenance service, such as periodic examinations, lubrication and adjustment made by competent elevator mechanics. This guarantee is not intended to supplant this normal servicing of the equipment and it is not to be construed that Schindler will provide free maintenance service of this type, except as may be provided under other provisions of the contract, or that Schindler will correct, without charge, breakage, maladjustment or other troubles occurring as a result of improper or inadequate maintenance
8. Purchaser agrees to defend, indemnify and hold Schindler harmless from and against any claims, lawsuits, demands, judgments, damages, costs and expenses arising out of this Agreement except to the extent caused by or resulting from the sole and direct fault of Schindler.
9. Any proprietary material, information, data or devices contained in the equipment or work provided hereunder, or any component or feature thereof, remains our property. This includes, but is not limited to, any tools, devices, manuals, software (which is subject to a limited license for use in this building/premises/ equipment only), modems, source/ access/ object codes, passwords and the Schindler Remote Monitoring feature ("SRM") (if applicable) which we will deactivate and remove if the Agreement is terminated

5-15.a3

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010  
**TO:** Board of Directors  
**FROM:** Frank Cheng, MetroBase Project Manager  
**SUBJECT:** **CONSIDERATION OF CONTRACT EXTENSION WITH DMC CONSTRUCTION, INC. FOR CONSTRUCTION REMODEL OF THE BUILDING LOCATED AT 110 VERNON STREET THROUGH AUGUST 11, 2010 TO CLOSEOUT THE PROJECT.**

## I. RECOMMENDED ACTION

**That the Board of Directors authorize the General Manager to execute a contract amendment with DMC Construction, Inc. for the construction remodel of the building located at 110 Vernon Street through August 11, 2010 to closeout the project.**

## II. SUMMARY OF ISSUES

- Santa Cruz METRO's contract for remodel construction of the building located at 110 Vernon Street requires an extension of the term in order to complete construction issues in order to closeout the project.

## III. DISCUSSION

Santa Cruz METRO's contract with DMC Construction, Inc. requires an extension of the contract term through August 11, 2010 in order to closeout the project. Staff recommends that the Board of Directors authorize the General Manager to sign a contract extension with DMC Construction, Inc. to extend the contract term through August 11, 2010 to closeout the project.

## IV. FINANCIAL CONSIDERATIONS

Funds to support contract are included in the Administration's Department FY09 & FY10 Capital Budget.

## V. ATTACHMENTS

None


Prepared By: Lloyd Longnecker, Purchasing Agent  
Date Prepared: April 15, 2010

5-16.1

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010

**TO:** Board of Directors

**FROM:** Angela Aitken, Finance Manager & Acting Assistant General Manager 

**SUBJECT:** **PUBLIC HEARING: RECEIVE PUBLIC COMMENTS IN CONSIDERATION OF ADOPTING THE *BRT AND REGIONAL TRANSIT COORDINATION IN MONTEREY BAY STUDY***

## I. RECOMMENDED ACTION

**That the Board receive public comments today through May 12, 2010 in consideration of adopting the *BRT and Regional Transit Coordination in Monterey Bay* study at the Board meeting of May 21, 2010.**

## II. SUMMARY OF ISSUES

- In January 2006, the Monterey Bay Unified Air Pollution Control District (Air District) jointly awarded \$80,000 from the FY06 AB2766 Motor Vehicle Emissions Reduction Program to Monterey-Salinas Transit and Santa Cruz METRO to evaluate the feasibility of Bus Rapid Transit (BRT) on specific corridors in the Monterey Bay area.
- Monterey-Salinas Transit (MST) executed the grant agreement with the Air District and awarded a contract to Wilbur Smith Associates in September 2006 to conduct an overview and to evaluate specific corridors for BRT feasibility in Monterey and Santa Cruz counties.
- Wilbur Smith Associates evaluated the Watsonville to Santa Cruz corridor and incorporated its findings into the Short Range Transit Plan, as related in the attached memo from Wilbur Smith Associates (Attachment A).
- Wilbur Smith Associates produced an overview of BRT concepts along with recommendations for planning a regional network as detailed in the attached *BRT and Regional Transit Coordination in Monterey Bay* (Attachment B).
- The grant agreement between MST and the Air District requires that the Santa Cruz METRO Board of Directors consider adopting the *BRT and Regional Transit Coordination in Monterey Bay* study at a public hearing.
- Staff recommends that the Board receive public comments today through May 12, 2010 in consideration of adopting the *BRT and Regional Transit Coordination in Monterey Bay* study at the Board meeting of May 21, 2010.

7.1

### III. DISCUSSION

Santa Cruz METRO and Monterey-Salinas Transit (MST) collaborated on a joint grant application to the Monterey Bay Unified Air Pollution Control District (Air District) for funding from the AB2766 Motor Vehicle Emission Reduction Program to study Bus Rapid Transit (BRT) for congested corridors in Monterey and Santa Cruz counties. The Air District awarded a grant of \$80,000 in FY06 AB2766 funds to Santa Cruz METRO and MST for the Monterey Bay Bus Rapid Transit Study Project. As the lead agency, MST executed the grant agreement with the Air District in January 2006.

The scope of work of the BRT project had three goals: 1) an overview of BRT feasibility as a public transit option in the Monterey Bay area; 2) a report for MST to serve as the basis for their application to the Federal Transit Administration (FTA) for funding from the Very Small Starts program; and, 3) a preliminary feasibility study to identify BRT corridors in the Santa Cruz METRO service area.

Santa Cruz METRO and MST coordinated to evaluate proposals and select a consultant to perform the BRT feasibility study. In September, 2006, MST awarded a contract to Wilbur Smith Associates for the BRT project and work began on October 18, 2006.

In March 2007, the Santa Cruz METRO Board of Directors designated the corridor between Watsonville and Santa Cruz as the corridor to be evaluated for BRT feasibility in Santa Cruz County. Wilbur Smith Associates analyzed the high-intensity transit routes between Santa Cruz and Watsonville and evaluated the feasibility of BRT service. During the same period, Santa Cruz METRO contracted with Wilbur Smith Associates to update Santa Cruz METRO's Short Range Transit Plan. The BRT feasibility evaluation was the basis for a trunk line between Watsonville and Santa Cruz in the trunk-and-feeder model presented in the Short Range Transit Plan. The attached memorandum from Wilbur Smith Associates (Attachment A) describes the work performed for Monterey Bay BRT Study and its relationship to the Short Range Transit Plan.

In July 2009, Wilbur Smith Associates delivered a regional overview of BRT planning in the Monterey Bay area. The attached *BRT and Regional Transit Coordination in Monterey Bay* makes recommendations for planning a regional BRT network in the Monterey Bay area. The primary recommendations are to establish a regional Connectivity Council through a Memorandum of Understanding among the regional transportation agencies. The Connectivity Council would secure funding to hire a Mobility Manager to perform public relations and planning tasks to create a regional strategy, goals and priorities for developing the regional BRT network.

The grant agreement between the Air District and MST requires that the Board of Directors hold a public hearing and consider adopting the *BRT and Regional Transit Coordination in Monterey Bay*. Santa Cruz METRO published notices on April 8, 2010, in both English and Spanish for today's public hearing in the *Santa Cruz Sentinel* and in the *Watsonville Pajaronian*. The study

is accessible on Santa Cruz METRO's web site and comments can be submitted via e-mail to BRT@scmttd.com. Comments will be accepted through May 12, 2010. At the Board meeting of May 21, 2010, staff will present the public comments and responses for consideration in adopting the *BRT and Regional Transit Coordination in Monterey Bay*. The public comments, staff reports and minutes of the Board meetings will be submitted to the Air District along with the *BRT and Regional Transit Coordination in Monterey Bay* in order to conclude the study.

Staff recommends that the Board receive public comments today through May 12, 2010 in consideration of adopting the *BRT and Regional Transit Coordination in Monterey Bay* study at the Board meeting of May 21, 2010.

#### **IV. FINANCIAL CONSIDERATIONS**

There is no financial impact.

#### **V. Attachments**

**Attachment A:** Memo from Wilbur Smith Associates to Santa Cruz METRO Board of Directors

**Attachment B:** *BRT and Regional Transit Coordination in Monterey Bay*

*Staff Report prepared by Thomas Hiltner, Grants/Legislative Analyst*

*Date Prepared: April 14, 2010*

7.3

# Attachment A

**MEMO** To: Board of Directors, Santa Cruz METRO

Date: March 30, 2010

From: Marlene Connor, Project Manager, Wilbur Smith Associates

Subject: Monterey Bay Bus Rapid Transit Study

## Background

Wilbur Smith Associates was selected to complete a Monterey Bay Bus Rapid Transit Study. The study initially consisted of three parts, a Regional BRT Overview, and work scopes individually negotiated with Monterey Salinas Transit (MST) and Santa Cruz METRO.

## Projects

MST, which had discussed the potential for BRT implementation for a number of months, was focused on the development of a specific project formatted to comply with the guidelines for funding as an FTA Very Small Starts application. This focus was reinforced and assisted by additional resources provided by the Air District Board for development of a specific corridor MST project. The selected corridor, on Lighthouse and Fremont, was successfully presented to FTA for funding and has moved forward into project development

A Regional Plan which conceptually identified regional connections and projects was also completed.

## Santa Cruz METRO

The Santa Cruz METRO Board acted to consider the BRT conceptually for the long distance corridor between Watsonville and Santa Cruz. Based on conversations with METRO staff, the thought of more frequent service in the Watsonville to Santa Cruz corridor was considered logical because of its status as one of METRO's highest ridership corridors. The development of initial BRT planning concepts was incorporated into the operations planning components within the Short Range Transit Plan which was then underway.

7.a1

**BRT and  
Regional Transit Coordination  
in Monterey Bay**



July 2009

7.61



## Table of Contents

Introduction	3
Bus Rapid Transit	5
BRT in the Monterey Bay	5
California High-Speed Rail and Other Rail Connections	6
Regional Transit Planning	9
TAMC Projects and Planning	11
Santa Cruz County Regional Transportation Commission	14
AMBAG (The Association of Monterey Bay Area Governments)	14
Monterey Bay Unified Air Pollution Control District (MBUAPCD)	15
Creating the Monterey Bay Public Transportation Vision	16
Moving Forward	19

## List of Exhibits

<u>Exhibit</u>	<u>Page</u>
Exhibit 1: Monterey Bay Study Area	4
Exhibit 2: Proposed High-Speed Rail System	7
Exhibit 3: Northern California Proposed HSR Station Stops	8
Exhibit 4: Initial San Jose to Merced Alignment from the California High-Speed Rail Strategic Plan	9
Exhibit 5: Amtrak Thruway Program	10
Exhibit 6: TAMC Regional Transit Connection Project	11
Exhibit 7: TAMC Fixed Guideway Service Project	12
Exhibit 8: TAMC Proposed System Approach	13
Exhibit 9: MBUAPCD Transportation Control Measure	15

## Introduction

The goal of this part of the project is to consider the role of a Conceptual Regional BRT Plan that can incorporate both the broader perspectives of the affected regional agencies with the more specific input from the operating agencies. The contents include an overview of those various agency modal perspectives and a conceptualization how a longer term BRT network might evolve to be integrated into the public transportation vision for the region.

As indicated in Exhibit 1 on the following page, the base map for the Monterey Bay area, which for the purposes of this study encompasses the operating areas of Santa Cruz METRO to the north and Monterey-Salinas Transit to the south. The study area is affected by a hillside and mountain topography that limits connections to other activity centers in the broader urban area to the north including San Jose, the east bay and Oakland and the San Francisco Peninsula.

Major highway corridors include:

- State Route 1 that links Monterey with Santa Cruz and continues north and south of those cities along the coast;
- US 101 which is an inland route extending from north of San Francisco through San Jose and Salinas and moving inland to the south;
- State Route 68 connecting Monterey with Salinas and US 101;
- State Route 156 linking SR 1 with US 101 north of Salinas; and
- SR 17 that connects Santa Cruz and San Jose.

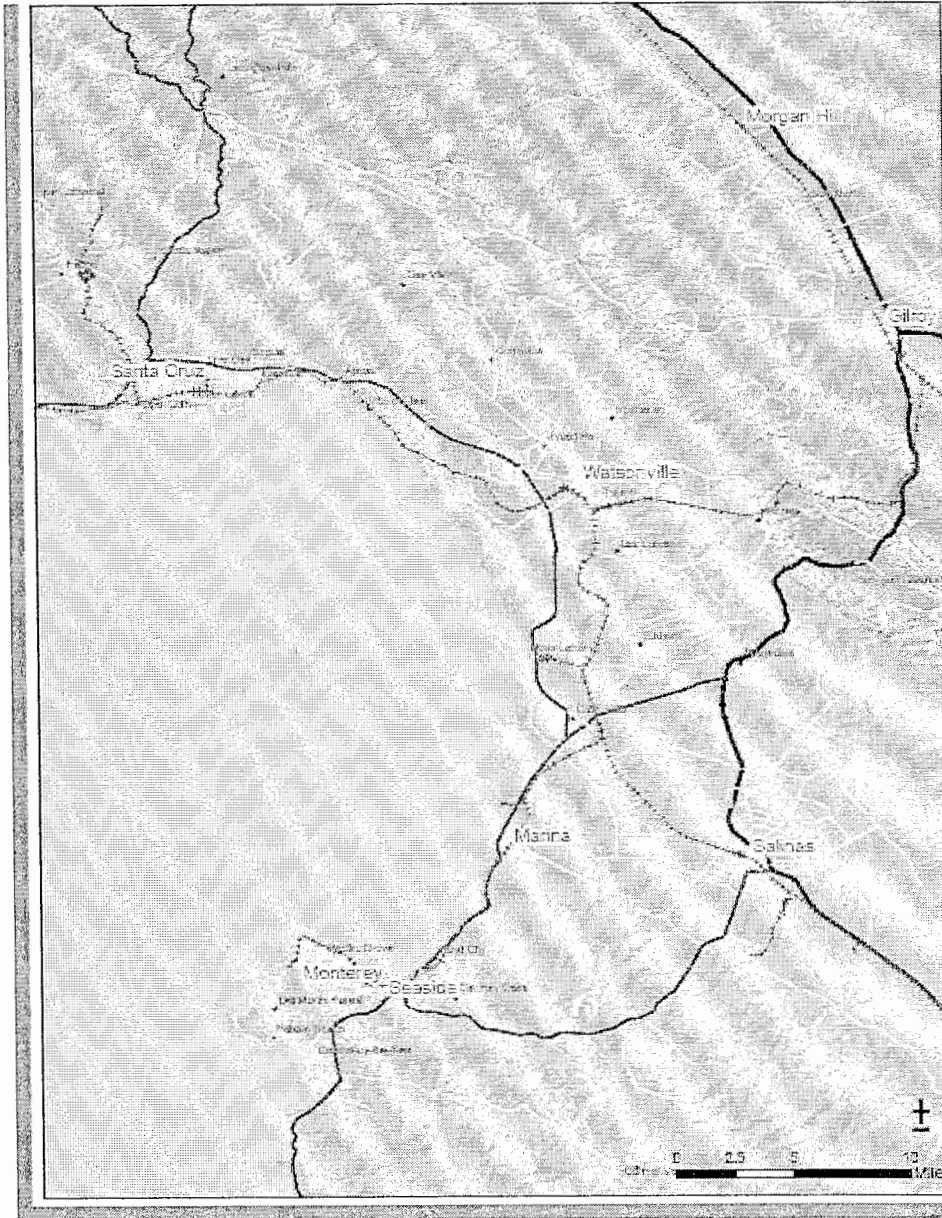
In addition to these main highway corridors, there are several rail corridors that have service connections and/or service potential. The existing operations are:

- Caltrain service that operates to Gilroy and accesses the San Francisco Peninsula, and
- Amtrak Coast Starlight that stops in Salinas before heading north to San Jose and the East Bay.

Also, there has been discussion regarding Caltrain service extension to Salinas including stops at Pajaro, near Watsonville and Castroville. In addition, TAMC has been conducting an analysis of transit potential in the rail corridor north of Monterey and SCCRTC has acquired the rail right of way in the Santa Cruz area.

As indicated above, most inter-regional travel connects with the urban areas north of the Monterey Bay, which are closer than the southern connections to San Luis Obispo and Santa Barbara.

Exhibit 1: Monterey Bay Study Area



## Bus Rapid Transit

BRT has evolved the past decade to become an integral component of the multi-modal public transit options available throughout the country, paralleling the success BRT has had in South America, Europe, and throughout the world. However, although there are numerous services operating as BRT, their applications continue to be diverse based on the operating environment and local policy priorities. These applications are often referred to either as BRT Light, which denotes a service that is distinguishable from regular bus service, but often operates in mixed flow traffic with few other attributes. On the other hand, some jurisdictions operate BRT in exclusive rights of way and have substantial stations and, thus give the appearance of more a rail than bus operation. The type of service that can be a candidate for BRT operation also varies from a main corridor application with stops at half-mile or mile spacing to more of a commuter express application with a few stops in the peripheral areas focusing on accessing an urban destination.

Therefore, BRT has a number of different applications, but all are linked by a common set of elements or attributes which include:

- Running way – either mixed flow or exclusive
- Stations – design and system development
- Vehicles – size and propulsion systems
- Fare collection – on or off-board payment
- Intelligent Transportation Systems – traffic signal preference or priority and customer information and communication
- Service and operating plans – station spacing and route layout simplicity
- Branding – marketing and communications

## BRT in the Monterey Bay

As the study evolved, it became apparent that there were different perspectives regarding BRT from the two operating agencies, Monterey-Salinas Transit and Santa Cruz METRO. MST approached the study from the view of developing a specific project for submittal to the FTA for funding, whereas METRO was more interested in better understanding some of the elements of the programs and especially balancing the ability to link communities with improved service without any potential adverse impacts on vehicle and bicycle flow.

MST staff completed a significant amount of pre-research and had worked with the National Transit Institute to present a two-day workshop in May 2006 on BRT attributes and projects with a panel of experts discussing policies, planning and projects from national and international views. Also as a follow up to that workshop, staff from Lane Transit in Eugene, Oregon, which had been involved in the initial set of FTA BRT candidate cities, provided additional guidance and insight to MST regarding the Lane Transit process and issues for MST to consider as this planning study moved forward.

Lane Transit embarked on a thorough commitment to BRT, working extensively with the community to select an initial starter project, which they determined required a designated right of way and exclusive guideway. In addition, while developing the initial route, Lane Transit had already begun working on both a potential second project and an overall planning process that would rank the potential for additional BRT lines to be developed in the future. As part of that process, key corridors were identified for interim improvements in service including the use of some BRT elements or attributes (e.g. queue jumpers).

This phased development of a broader BRT system plan was embraced by MST staff as a method to similarly evolve a system of BRT services for MST. General discussions began regarding potential attractors and corridors including downtown Salinas, the evolving campus and associated activities for CSUMB, and access to Monterey and the Cannery Row destinations that attracted large volumes of tourists annually.

The initial scoping process for potential BRT lines was guided to some degree by the pragmatics of the FTA Very Small Starts process, which included the following thresholds in order to qualify for FTA funding:

- Existing corridor ridership exceeding 3,000/day
- Frequent service - 10 min. peak/15 min. off-peak
- Span of service – 14 hrs./day
- Signal priority or pre-emption
- Low floor/level boarding
- Special branding
- Total cost less than \$50 million
- Cost per mile less than \$3 million (excluding vehicles)

These thresholds were considered from a system and project view before moving ahead with the development of the Fremont/Lighthouse Corridor project.

In Santa Cruz, the METRO Board extensively discussed whether to view this study as a corridor specific project or a broader concept for additional study and refinement. Ultimately the Board adopted the latter position and asked for additional input on how BRT could improve access between Watsonville and Santa Cruz, one of the key corridors in their system. As indicated previously, several members had expressed concern regarding preference or priority treatments within the roadways south of Santa Cruz and also questioned the viability of service enhancements during an era of constrained resources.

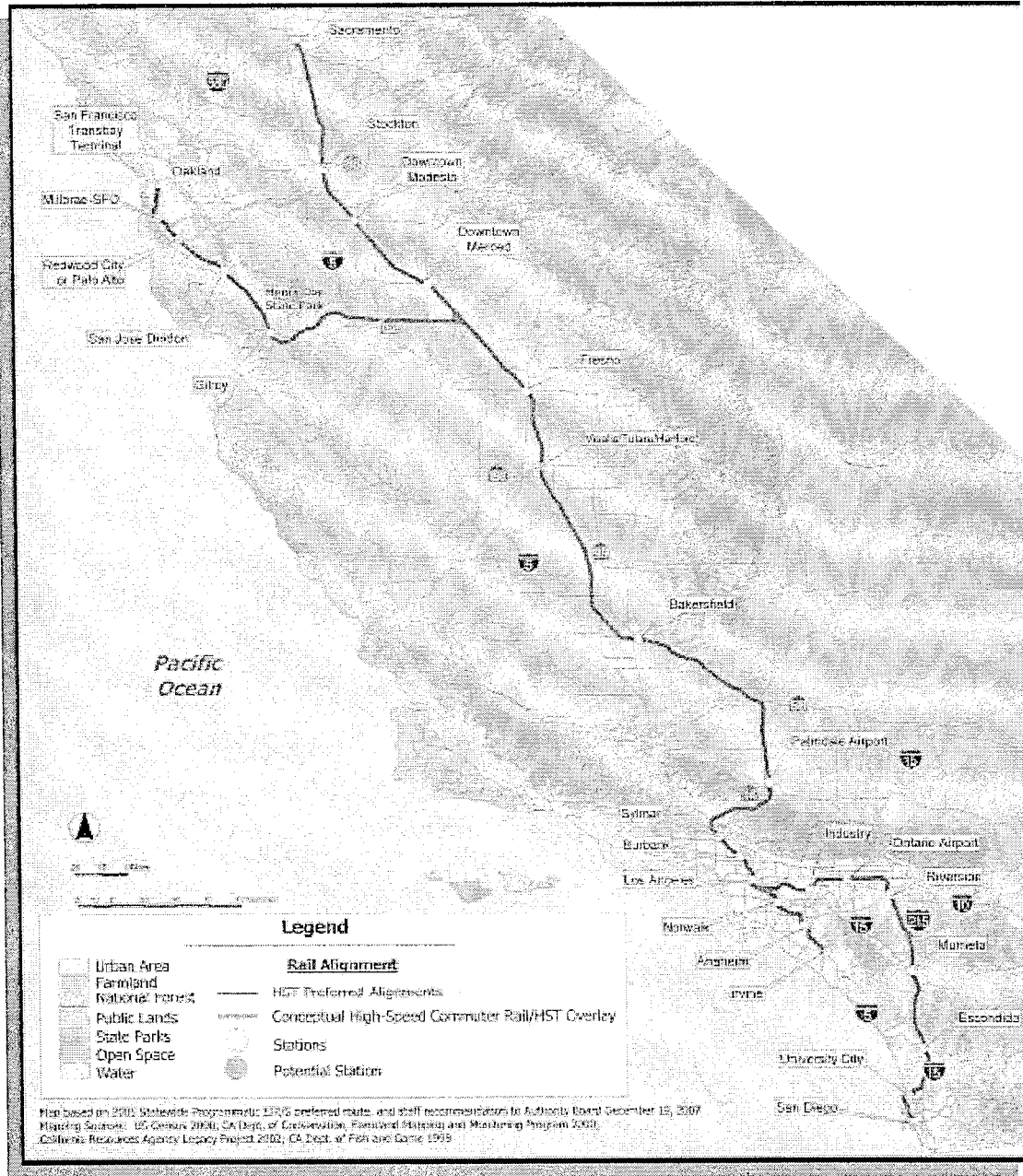
As the study progressed, there was an additional request from the University of California at Santa Cruz to enhance the project with supplemental resources to consider the potential for Very Small Starts funding for a project to connect the UCSC campus with Metro Center in downtown Santa Cruz. This concept had evolved from prior studies by UCSC regarding options and alternatives to increase mode share by transit for students and employees, based to some degree on anticipated increases in students and staff.

As a result, preliminary BRT analyses were conducted on both the Fremont/Lighthouse and the UCSC – Metro Center Bay/Mission/Laurel corridors.

## California High-Speed Rail and Other Rail Connections

In November 2008, California voters approved Proposition 1A, Safe, Reliable, High-Speed Passenger Train Bond Act, which established the framework for the development of a high-speed rail (HSR) system for the state, as indicated on the following page in Exhibit 2, the statewide map.

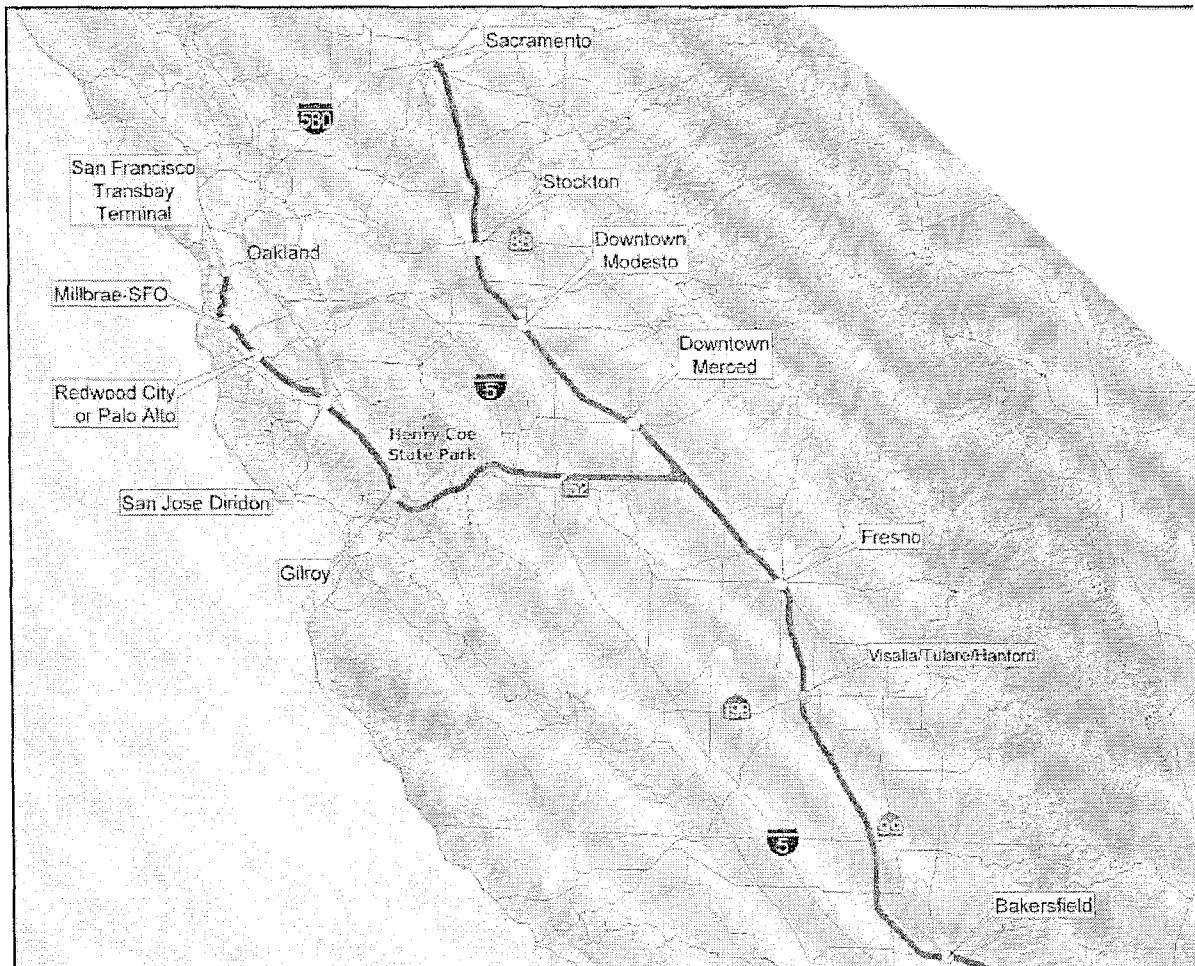
Exhibit 2: Proposed High-Speed Rail System



With regard to the Monterey Bay area, station stops are planned for both San Jose and Gilroy as shown in Exhibit 3, on the following page. The routing is further defined in the subsequent information, which indicates that the preferred station location for Gilroy would be the existing Caltrain Station.

7.68

Exhibit 3: Northern California Proposed HSR Station Stops



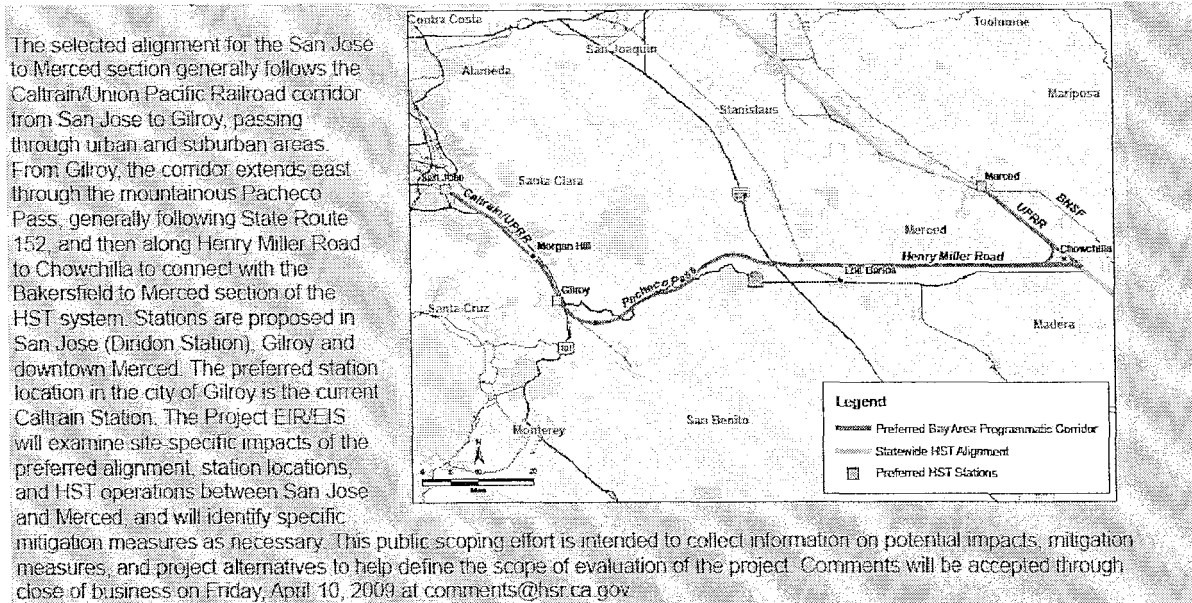
From a national perspective, interest in high speed rail increased dramatically when President Obama added \$8 billion dollars of funding into the American Recovery and Reinvestment Act and a commitment for an additional \$1 billion per year through the budget process. Potential corridors and projects throughout the nation eagerly awaited additional information from the Administration regarding plans and processes. Some initial concepts were received as part of the High-Speed Rail Strategic Plan released in April 2009 which identified ten corridors plus the Northeast Corridor as potential candidates for funding (including the California Project). Exhibit 4 on the following page presents the initial San Jose to Merced Alignment from the California High-Speed Rail Strategic Plan. In addition more detailed application guidance was presented on June 17, 2009. Thus, the HSR system development continues via input from the FRA and the Obama administration.

CODE 101051

7.69



Exhibit 4: Initial San Jose to Merced Alignment from the California High-Speed Rail Strategic Plan



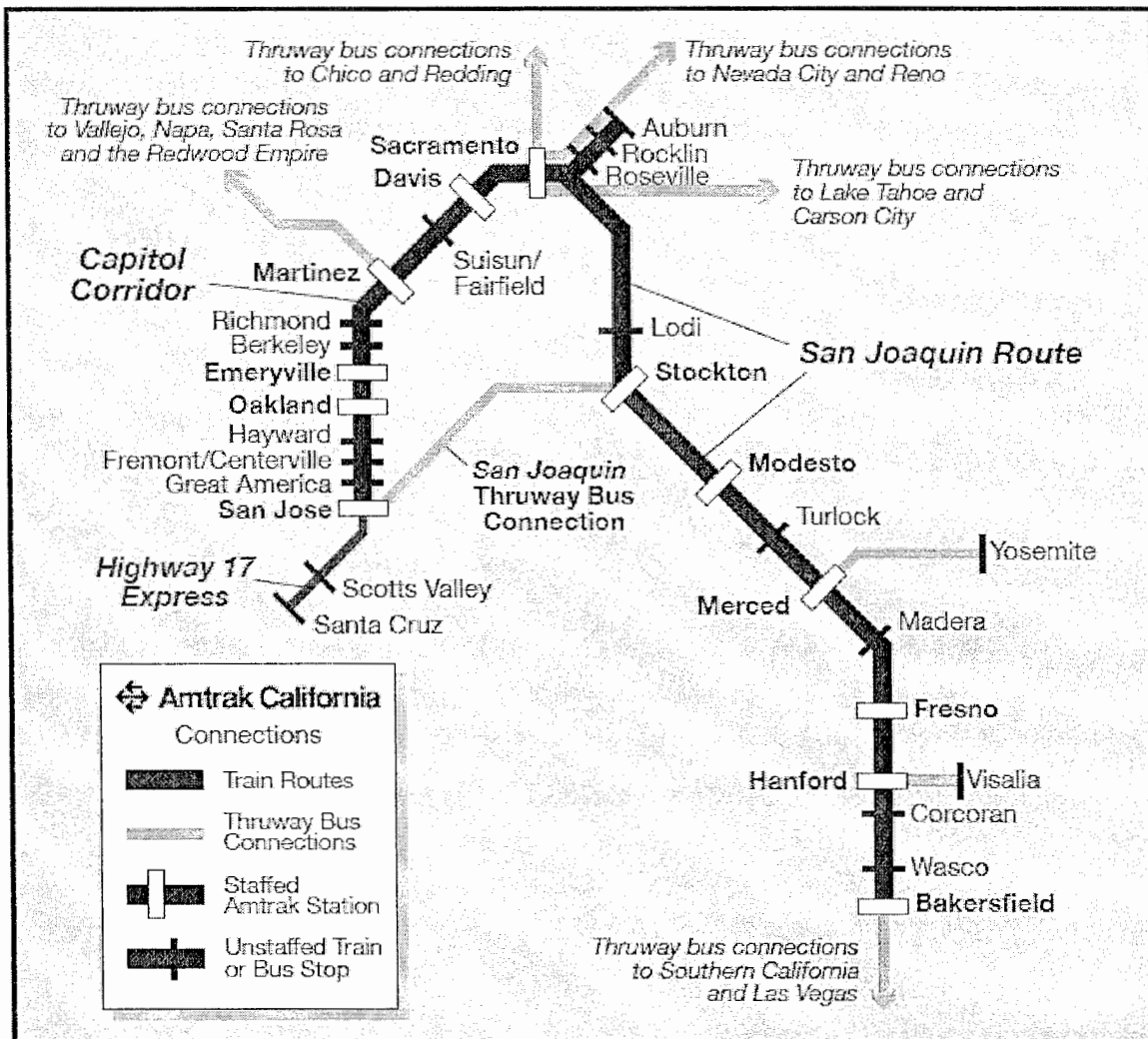
Existing rail service is available via Caltrain at the Gilroy Station and via Amtrak at the Salinas Station. The former provides three northbound and two southbound trips per weekday, and the latter includes a daily stop by the Coast Starlight Express, plus connecting bus service to Monterey and Carmel.

Bus connections are also an important part of the access alternatives offered at Gilroy with services operated by VTA, MST, San Benito and Greyhound. Regarding Greyhound, although the service network has been reduced in comparison with prior levels, there are Greyhound alternatives within the Monterey Bay area connecting north to Watsonville, Santa Cruz and San Jose as well as south through Salinas, King City and ultimately San Luis Obispo and Los Angeles.

## Regional Transit Planning

Similar to the multi-provider rail connection theme above, Santa Cruz METRO has partnered with VTA, Caltrans, and Amtrak to be a part of the Amtrak Thruway program. Exhibit 5 on the following page provides more detail of the program.

Exhibit 5: Amtrak Thruway Program



The two interesting facets of the Highway 17 Express program, as shown above, are the emphasis on providing that regional connection, which then offers more regional mobility options, and the funding partnerships which offer benefits to customers of multiple connecting services.

Key components of an expanded Monterey Bay regional BRT or transit program should also include the ability to maximize connections and develop partnerships with other agencies.

Monterey Salinas Transit is also providing several current regional connections as the Amtrak Thruway bus, including express service to San Jose via Route 55, which also serves Gilroy and Morgan Hill. In addition, MST operates three routes to Watsonville, two primarily along the Coastal Corridor from Marina and Salinas

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and another along Highway 101 from Salinas. These services recognize the increasing demand for mobility within the area.

## TAMC Projects and Planning

The Transportation Agency for Monterey County (TAMC) has also been developing regional transit connections. One project includes extending the Caltrain service to the south as described below in Exhibit 6.


Exhibit 6: TAMC Regional Transit Connection Project

<p><b>Extends existing San Francisco-San Jose-Gilroy Caltrain commuter rail service to Pajaro, Castroville &amp; Salinas in Monterey County.</b></p> <p>Utilizes 38 miles of existing Union Pacific Coast Mainline track between Gilroy and Salinas to provide an alternative to the highly congested US 101 corridor.</p> <p><b>Capital improvements:</b></p> <ul style="list-style-type: none"> <li>• Train layover facility, intermodal bus facility &amp; commuter parking in Salinas</li> <li>• New platforms &amp; parking in Castroville &amp; Pajaro</li> </ul>	
<p><b>PROJECT BENEFITS</b></p>	<p>Caltrain engine at Salinas Station</p>
<ul style="list-style-type: none"> <li>▶ Improves commuter access between Salinas and San Jose, San Francisco</li> <li>▶ Provides alternative to traffic congestion</li> <li>▶ Facilitates access to jobs, health care, shopping</li> <li>▶ Enhances productivity and air quality</li> <li>▶ Expands transportation options for the elderly, young, and disabled</li> <li>▶ Reduces commuter stress</li> <li>▶ Promotes economic development around stations</li> </ul>	<p><b>PROJECT TIMELINE</b></p>
<p><b>COST ESTIMATE</b></p>	<p>Estimated schedule - subject to revision</p>
<p>Total Capital Project Cost: \$101,000,000 Net Annual Operating Cost: \$1,200,000</p>	

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In addition, TAMC has acquired the right of way for the Monterey Peninsula Fixed Guideway Service, as described below in Exhibit 7.

Exhibit 7: TAMC Fixed Guideway Service Project



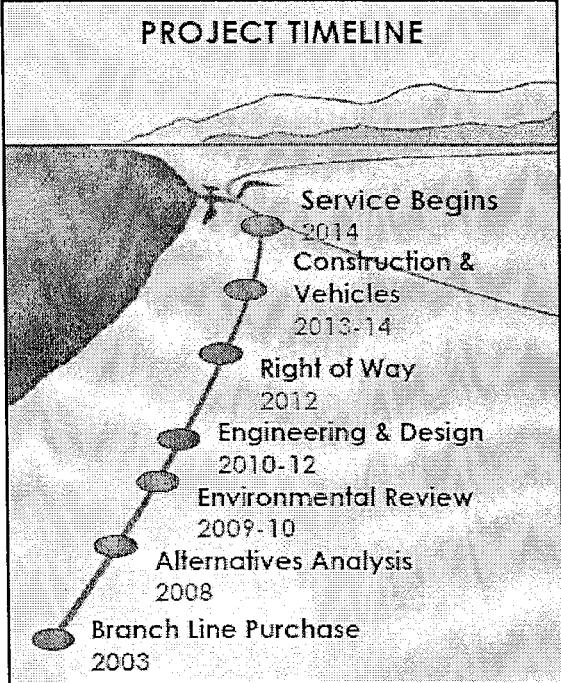
The Monterey Peninsula Fixed Guideway Service will provide alternative transit service using the existing Monterey Branch Line alignment, which was purchased by the Transportation Agency in 2003 for \$9.3 million. This 16-mile service will connect to the planned Caltrain service in Castroville and also provide local transit alternatives with key stations in Monterey, Seaside, Sand City, Marina/CSUMB, and Castroville. TAMC is currently taking options out to the public to obtain input into the selection of a locally preferred alternative. Alternatives under consideration, include, bus rapid transit and light rail transit with a potential for intercity rail to San Francisco in the future. Selection of a service type and transit route will determine the type of vehicle that will be used.

**COST ESTIMATE**

Total Project Cost Range:  
\$ 143,000,000 – \$217,000,000  
Annual Estimated Operating Cost:  
\$ 5,000,000 – \$13,400,000

Monterey Branch Line tracks(k) and typical congestion along highway 1 in Marina

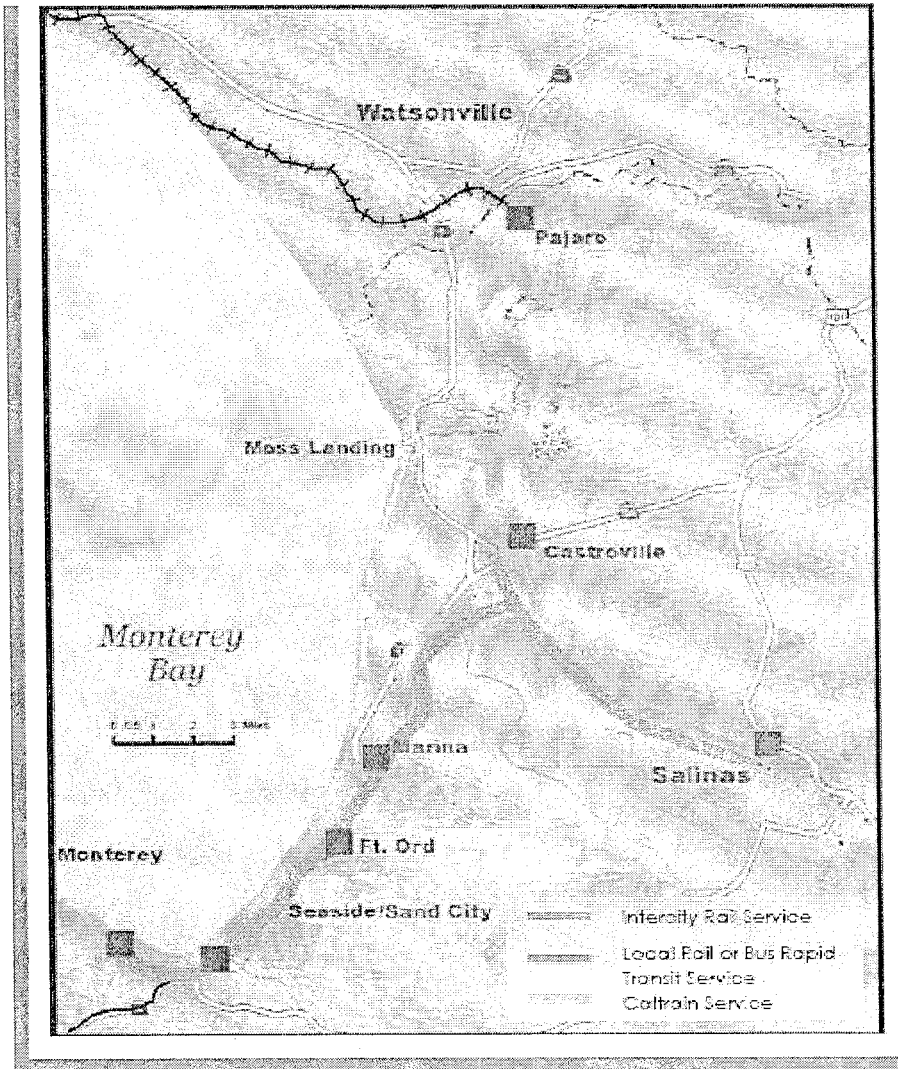
**PROJECT TIMELINE**



*Estimated schedule - subject to revision*

Collectively, the TAMC projects could result in a system approach for the area, as depicted in Exhibit 8 on the following page, a recent brochure. However, as noted by TAMC, there are a number of alternatives to be considered based upon potential funding opportunities, policy and public support and ability to meld the multiple agencies and operators into a seamless public transportation system that can be used with ease and understanding by a variety of customers.

Exhibit 8: TAMC Proposed System Approach



## **Santa Cruz County Regional Transportation Commission**

The SCCRTC goals are:

### **Purpose of the SCCRTC:**

1. Set priorities for major capital improvements to our transportation infrastructure, including highways, major roads, rail, and alternative transportation facilities.
2. Pursue and allocate funding for all elements of our transportation system.
3. Adopt policies to improve mobility, access and air quality.
4. Plan for future projects and programs to improve the regional transportation system while improving the region's quality of life.
5. Inform businesses and the public about alternatives to driving alone and the need to better manage our existing transportation system.
6. Conduct programs to encourage the use of alternative transportation modes.

During the recent past there have been significant planning discussions through the Transportation Funding Task Force, which was established to consider potential funding priorities for the County, many of which focus on future options for the Highway 1 corridor. In addition, the SCCRTC has reached an agreement in principle with Union Pacific to acquire the Santa Cruz Branch Rail Line.

### **AMBAG (The Association of Monterey Bay Area Governments)**

AMBAG is the designated Metropolitan Planning Organization for Monterey, Santa Cruz and San Benito counties. MPOs are typically charged with the responsibility of ensuring a continuing, comprehensive and cooperative planning process is utilized in building the affected communities in the region. AMBAG is responsible for transportation and mobile air source planning for the three-county region and coordinates the programming and planning of projects and facilities that also consider the air quality impacts of these transportation projects.

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The Monterey region is the only area of the state where the responsibility for transportation planning is shared by the following: a Council of Governments (AMBAG), Regional Transportation Planning agencies that operate at the County level, the local transit operators and the State Department of Transportation (Caltrans). AMBAG also works closely with the region's air quality planning and monitoring agency, the Monterey Bay Unified Air Pollution Control District (MBUAPCD) and the local jurisdictions in the area.

From a programmatic perspective, the three main planning processes that AMBAG coordinates and approves are the annual Overall Work Program, which describes activities and budgets for a given year, the Metropolitan Transportation Improvement Program, which is a three-year roll up of funded projects and activities, and the longer term Metropolitan Transportation Plan, which provides a 20+ year framework for the region.

The most recent update of the MTP was completed in 2005. It would appear that the next update of that plan would have the best potential to add in a thorough discussion of the various transportation options and alternatives contained in this overview and both frame out the priorities of the region and indicate a phased implementation plan to meet those priorities, based on available and potential resources.

### Monterey Bay Unified Air Pollution Control District (MBUAPCD)

The Monterey agency was created in 1965; three years later Santa Cruz joined to form a two-county agency, and subsequently San Benito County was also added to form the current agency. The MBUAPCD is responsible for overall air quality planning and monitoring from a number of different programs and perspectives, including an Air Quality Management Plan. The AQMP also includes a number of Transportation Control Measures which provide policy direction to achieve air quality goals, such as Improved Public Transit Service to attract new ridership, as shown below in Exhibit 9.

Exhibit 9: MBUAPCD Transportation Control Measure

TABLE 7.2-1 IMPROVED PUBLIC SERVICE TRANSIT PROJECTS IN FY 2006/07 to FY 2009/10 MTIP

No.	Lead Agency	Description	FFY 2006-2010 Project Cost
<b>MTIP FY06/07-FY09/10</b>			
1	TAMC	Caltrain Extension to Monterey County	\$26,168,000
2	TAMC	Caltrain Extension: Gilroy to Salinas	\$500,000
3	TAMC	Coast Daylight/Caltrain Extension Track Improvement	\$500,000
4	SBCOG	Transit Operations	\$7,665,000
5	MST	Monterey Transit Station	\$300,000
6	MST	Bus Operations	\$66,706,000
7	MST	Rides Operations	\$6,062,000
8	MST	Bus Replacement	\$9,368,000
9	MST	Salinas-King City Transit Service Line 23	\$329,000
10	City of Salinas	Intermodal Transportation Center	\$1,454,000
11	City of Salinas	Salinas Central City Transit Shuttle Service	\$426,000
12	King City	King City Transit Capital and Operations	\$236,000
13	City of Greenfield	Greenfield Autolift Capital & Operations	\$214,000
<b>13 Total MTIP Projects</b>			<b>\$119,928,000</b>

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## Creating the Monterey Bay Public Transportation Vision

As indicated in the information contained above, there are a number of agencies that have varying perspectives that can influence the planning and implementation of public transportation in the Monterey Bay. In addition, there are a number of potential modal alternatives that have been identified that offer pieces of connection opportunities to the region (e.g. Caltrain extension). However, at the moment there does not appear to be an overall planning concept to connect all the local jurisdictions in the region to the various modal opportunities. An enhanced, coordinated bus system, anchored by Bus Rapid Transit services within key corridors would have the potential to achieve that planning goal.

As indicated above, BRT is comprised of a series of attributes or elements that can be enhanced to meet additional demands for service. It also has the flexibility to extend to new areas of development or to modify routing to serve other modal services that might develop over time, such as High-Speed Rail. In addition, it has the potential to provide high levels of service to accommodate large numbers of passengers to facilities such as the Monterey Bay Aquarium or to serve Transit Oriented Developments or other densified land use.

BRT also can incorporate a number of Intelligent Transportation System components, such as real time arrival information, off board payment alternatives, such as a smart card, plus other enhanced customer information opportunities. All of these can be addressed in a consistent manner that would serve to facilitate travel in a seamless system within the region. Arguably, the ability to use one fare card for all services or call one phone number for information on all services would expand mobility options for many potential riders within Monterey Bay.

From an implementation standpoint, the current MST Bay Rapid Transit project has demonstrated that once the corridor had been identified, moving forward to complete the Federal Transit Administration Very Small Starts can be accomplished within a year. Furthermore, once a project has been submitted, funding approval can be secured for the following federal fiscal year.

Another approach to creating the public transportation vision would be through adopting a mobility management process for the region. The following excerpt from the SamTrans Strategic Plan provides a good overview of the concept:

Although the most recent discussions about Mobility Management have developed from the human service transportation coordination process, the concept has the potential for a much broader application. Many jurisdictions have created Mobility Manager positions to recognize that ongoing coordination is a process that requires dedicated staff time in order to achieve results. These positions have typically been funded by FTA sources which can provide 80 percent of the cost. Mobility Management is also an eligible activity for ARRA funding.



Mobility leaders are guided by the principles of mobility management. Mobility management is a comprehensive and innovative approach for managing and delivering coordinated transportation services to customers on an individual basis through a wide range of transportation options and service providers. It focuses on providing a range of transportation options that match the needs of the customer, linking land use and transportation investments, educating and marketing to the customers to influence travel

behavior, and solidifying partnerships to maximize transportation investments and efficiencies.

Mobility management is about getting people where they need to go. Just as importantly, it also is a transportation strategy for working towards a sustainable future. Making transportation investments and providing services that maximize travel options will enable people to make sustainable choices about how they move. Influencing individual behavior, which on a collective scale can minimize fuel and energy consumption and pollution, is an essential role that the District must embrace for the future.

Thus, it would appear that bringing together the affected parties and partners to think through the potential for a regional approach to enhanced bus connections, led by a series of BRTI corridor projects, embracing the concepts of Mobility Management would have significant potential to move forward with the public transportation vision for the Monterey Bay.

**Key Principles of District Mobility Management**

- Meet the demand for mobility of specific target groups and influence pre-trip mode choice.
- Provide information on a variety of modes of transportation to the user and maximize awareness of transportation options.
- Meet mobility needs via an efficient and integrated use of transportation and land use infrastructure.
- Create alliances with different partners, a vital factor for improving transit access and creating a sustainable transit environment.
- Address people's attitudes to influence travel choices.
- Anticipate, monitor and take action to mitigate and/or take advantage of external factors, such as demographic trends and economic forecasts.
- Achieve long term financial stability to provide the levels of investment that meet the growing demand for transportation services.

Source: Federal Transit Administration's United We Ride Program.

## Moving Forward

In order to reach the desired goal of a regional BRT network in the Monterey Bay, which would provide enhanced mobility options, consistent with national goals of managing energy consumption, and improving air quality and congestion, there are a number of recommendations for moving the process forward.

The existing public transportation network in the Monterey Bay provides good and varied transit services by a number of agencies whose programs have been described in this report. The development of a regional approach to the development of a BRT network which would be a foundation from which greater connectivity regionally could be accomplished would mean viewing the various components as part of "one system", with connectivity and consistency. This would require the development of regional goals and priorities to guide the overall network development. The regional system then, could serve more people, more effectively and offer the potential for what will be a growing number of future users.

### 1. Establish a Regional Connectivity Council.

The transportation agencies in the Monterey Bay, including MST, Santa Cruz METRO, Air District Board, TAMC, SCCRTD and AMBAG should formally develop a Regional Connectivity Council. This Council will be the working group consisting of Monterey Peninsula key stakeholders. Many of the people and agencies involved in this study will make up that group. Individuals on the Regional Connectivity Council will represent transportation providers, elected officials, Caltrans representatives, and any other relevant agency involved with transportation on the Peninsula. The primary tasks of the Regional Connectivity Council are to develop strategies, goals, and objectives for developing and promoting the regional BRT network, assist fellow agencies with implementation barriers, and make project priority recommendations for the region that benefit all residents. Priorities could include, but not be limited to: funding for operations and capital improvements, key nodes, including destinations and attractions connectivity, target corridors for congestion mitigation, etc. Of course, priorities need to be assigned collectively for a regional approach.

### 2. Secure funding for a Mobility Manager to staff regional connectivity processes.

This position is eligible for eighty percent federal funding with a local match. Additionally, ARRA monies could also be used to fund this position.

### 3. Lead agency to hire a Mobility Manager.

The Mobility Manager is an important component which would ensure that the process of developing the regional connectivity foundation piece to continued consistent BRT development.

The Mobility Manager's primary responsibilities are to provide support and guidance for all elements of developing a coordinated regional BRT network. The position would report directly to the designated lead agency.

### 4. Develop Memorandum of Understanding (MOU).

The MOU will be between the various partnering agencies to reinforce participation and development goals.

### 5. Conduct a public relations event to announce the vision for a regional BRT network.

The public relations event could provide the foundation for regional movement enhancement throughout the service areas and make it publicly official as part of the event. Each individual participant should be recognized, along with supporting agencies and officials. The celebration could be at an upcoming event or a stand alone event.

6. Develop strategies, priorities, and principles to meet the development goals.


The Regional Connectivity Council and Mobility Management staff should develop strategies, priorities, and principles to meet the development goals.

7. Identify and establish processes to share information between participating organizations.

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010

**TO:** Board of Directors

**FROM:** Angela Aitken, Finance Manager, & Acting Assistant General Manager 

**SUBJECT: CONSIDERATION OF GASB 43 AND 45, OTHER POST-EMPLOYMENT BENEFITS (OPEB) OPTIONS; CONTINUE TO FUND RETIREE BENEFITS USING "PAY-AS-YOU-GO" METHOD AND APPLY FUNDING TOWARDS UNFUNDED LIABILITY AS REVENUE STREAMS IMPROVE, ESTABLISH AN IRREVOCABLE TRUST, AND ESTABLISH A GASB 45 FUNDING POLICY.**

## I. RECOMMENDED ACTION

**Staff recommends that the Board of Directors continue to fund retiree benefits using the "pay-as-you go" method and as revenue streams improve, budget and apply funding towards the unfunded liability, establish an irrevocable trust, and address establishing a GASB 45 funding policy.**

## II. SUMMARY OF ISSUES

- In June 2009 Santa Cruz METRO implemented Governmental Accounting Standards Board (GASB) Statements No. 43 and No. 45 in accordance with GASB 45 guidelines and implementation schedule.
- In order to obtain the data required to implement GASB 45, Santa Cruz METRO contracted with Total Compensation Services, Inc. to estimate the liability of Santa Cruz METRO's retiree Other Post Employment Benefits (OPEB's) as of April 1, 2008, and to provide an actuarial study and comprehensive report.
- The liability estimates provided by the actuary were presented in the Financial Statements with Independent Auditors' Report for year ending June 30, 2009, as required.
- Decisions need to be made regarding the funding of Santa Cruz METRO's OPEB's, and staff recommends the following:
  - o Continue to fund retiree benefits using the "pay-as-you go" method. As revenue streams improve, budget and apply funding towards the unfunded liability.
  - o Establish an irrevocable trust. To be considered compliant under GASB 45, the trust must include three significant requirements in order for assets to be considered plan assets:
    1. The employer contributions to the trust must be irrevocable.
    2. The assets must be dedicated to providing benefits to retirees and their beneficiaries.
    3. The assets must be legally protected from the employer's creditors.

8.1

- o Establish a funding policy identifying at which point in time Santa Cruz METRO will begin funding the OPEB liability.
- Staff will provide annual reports to the Board of Directors regarding GASB 45 status and any progress made towards funding the estimated and unfunded liability.

### III. DISCUSSION

**GASB Statement No. 43 - *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*** was issued in 2004 and establishes uniform financial reporting standards for pension plans, and applies to separate trusts that are established in order to pre-fund OPEB's.

**GASB Statement No. 45 - *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions (OPEB)***, also issued in 2004, establishes accounting and reporting standards for employers OPEB's. GASB 45 requires public agencies to account for OPEB's as liabilities, and report them on their financial statements as the obligations accrue, regardless of how the agencies elect to budget and pay for these obligations.

**OPEB's** are employee benefits *other than pensions* that are received after employment ends. Santa Cruz METRO offers the benefits listed below to Santa Cruz METRO retirees (and their eligible dependents) who have at least five (5) years of service and are age 50 or older.

- o Medical benefits
- o Prescription medicine benefits

These benefits are in effect for the life of the qualified retiree. If the retiree selected the annuitant option for their PERS retirement, eligible dependents continue to receive these benefits after the retiree is deceased.

Santa Cruz METRO offers the benefits listed below to Santa Cruz METRO retirees (and their eligible dependents) who have at least 10 years of service and are age 50 or older.

- o Dental benefits
- o Vision benefits
- o Life insurance

These benefits terminate for all retirees and their dependents when the retiree reaches age 65 or is deceased.

To comply with the GASB 43 / 45 implementation schedule and guidelines, Santa Cruz METRO was required to calculate and record the expense of its OPEB plans and provide the first GASB 45 disclosure with the fiscal year beginning after December 15, 2008, which was **June 30, 2009**.

Prior to the implementation date, Santa Cruz METRO staff contracted the services of the pension and health actuarial firm Total Compensation Services, Inc. to estimate the “actuarial accrued liability” or AAL of Santa Cruz METRO’s retiree OPEB’s as of April 1, 2008, and to provide an actuarial study and comprehensive report titled **Santa Cruz Metropolitan Transit District - Actuarial Study of Retiree Health Liabilities dated September 24, 2008 (Attachment A)**. An updated actuarial valuation will be required every two (2) years, or whenever material and/or significant changes are made to the benefits plan; whichever comes first.

Santa Cruz METRO currently funds retiree benefits using the “**pay-as-you-go**” method which is the cost of benefits for *current* retirees. The new accounting standards under GASB 45 require Santa Cruz METRO to account for retiree benefits on an **accrual basis** (*in which expense is recognized during years of active service*), and the establishment of the estimated liability called the “actuarial accrued liability,” or AAL, which is then reported in the annual financial statements.

Staff provided Total Compensation Services, Inc. (the consultant) with employee and retiree information including birth-date, gender, hire date, representation code, employee labor agreements, CalPERS retirement information, and retirement date, if applicable.

Based on the information provided, the actuary made the following estimates:

- o The “pay-as-you-go” cost of providing retiree health benefits in the year beginning April 1, 2008 was \$1,419,564. (This “pay-as-you-go” cost is the cost of providing benefits to current retirees only.)
- o For current employees to be accounted for under the “accrual basis,” the “value of benefits accrued” in the year beginning April 1, 2008 was \$2,022,674. This amount increases each year based on covered payroll.
- o If Santa Cruz METRO had begun accruing retiree health benefits when each current employee and retiree was hired, the amount that would have accumulated as of April 1, 2008 was estimated to be \$44,208,804. This amount is called the “actuarial accrued liability” or AAL.
- o The current year cost to amortize this “unfunded AAL” (or UAAL) of \$44,208,804 is \$1,958,144 using a 5% discount rate, and a 30-year amortization period. This amortization payment would increase each year based on covered payroll. Payments would continue for 30 years, after which time amortization payments would end.
- o Combining the “value of benefits accrued” cost of \$2,022,674 and the UAAL amortization cost of \$1,958,144 in the first year produces a total first year “annual required contribution” (ARC) of \$3,980,818, which is \$2,561,254 more than what Santa Cruz METRO paid. The ARC is used as the basis for determining expenses and liabilities under GASB 43/45, and is used in lieu of (rather than in addition to) the “pay-as-you-go” cost.
- o The difference between the “pay-as-you-go” amount currently paid, and the ARC is \$2,561,254. This is the additional cost of compliance with GASB 43 and 45 and was reported in the FY09 Annual Financial Statements with Independent Auditors Report.

- o For a comprehensive explanation regarding the estimates listed above, please see pages 12 and 13 of **Attachment A**.

Because of the significant liabilities created by the current retiree health program, decisions will need to be made regarding the challenge of funding Santa Cruz METRO's OPEB's. Although pre-funding OPEB's is **not** a requirement of GASB 45, establishing an irrevocable trust and funding OPEB's sooner rather than later helps reduce the liability. A "net OPEB Obligation," or NOO, equals the accumulated difference between the annual OPEB cost and any "qualifying" plan contributions. For each year that Santa Cruz METRO fails to make contributions that are at least equal to the ARC, the NOO will increase by the shortfall.

Staff recommends the following with respect to GASB 45 implementation, and future funding of the unfunded "actuarial accrued liability":

- o Continue to fund retiree benefits using the "pay-as-you go" method
  - o As revenue streams improve, budget and apply funding towards the liability
  - o Emphasis will be placed on strategies to fund the liability as soon as the economy improves and funding becomes available
- o Establish an irrevocable trust
  - o An irrevocable trust is defined as a trust that can't be modified or terminated without the permission of the beneficiaries
  - o Funds set aside in an irrevocable trust serve to reduce future years' liability, provide a secure benefit for employees, and greater investment flexibility, with potential for higher returns
  - o Budget for, and make contributions to, the trust as revenue streams improve

Staff will provide annual reports to the Board of Directors regarding GASB 45 status and any progress made in funding the AAL.

#### **IV. FINANCIAL CONSIDERATIONS**

In accordance with GASB 45, Santa Cruz METRO would have budgeted \$3,980,818 for the Annual Required Contribution (ARC) for FY09 for OPEB's. In FY09, METRO paid \$1,419,564 towards the \$3,980,818. The financial auditors have booked \$2,561,254 as the added cost of GASB 45 for FY09. This is a non-cash entry on the balance sheet and was posted for compliance with GASB 45. As revenue streams improve, Santa Cruz METRO will strive to reduce the unfunded liability with contributions to an irrevocable trust. GASB 45 does **not** require that OPEB's be pre-funded.

8.4



**V. ATTACHMENTS**

**ATTACHMENT A:** Santa Cruz Metropolitan Transit District Actuarial Study of Retiree Health Liabilities

Prepared by: Total Compensation Systems, Inc.

Date: September 24, 2008

Prepared by: Debbie Kinslow, Assistant Finance Manager

Date: March 25, 2010

Total Compensation Systems, Inc.

**Santa Cruz Metropolitan Transit District  
Actuarial Study of  
Retiree Health Liabilities**

*Prepared by:  
Total Compensation Systems, Inc.*

*Date: September 24, 2008*



# Total Compensation Systems, Inc.

## Table of Contents

<b>PART I: EXECUTIVE SUMMARY .....</b>	<b>3</b>
A. INTRODUCTION .....	3
B. GENERAL FINDINGS .....	4
C. DESCRIPTION OF RETIREE BENEFITS .....	5
D. RECOMMENDATIONS .....	5
<b>PART II: BACKGROUND.....</b>	<b>7</b>
A. SUMMARY .....	7
B. ACTUARIAL ACCRUAL .....	7
<b>PART III: LIABILITIES AND COSTS FOR RETIREE BENEFITS .....</b>	<b>10</b>
A. INTRODUCTION .....	10
B. MEDICARE.....	10
C. LIABILITY FOR RETIREE BENEFITS .....	10
D. COST TO PREFUND RETIREE BENEFITS .....	11
1. <i>Normal Cost</i> .....	11
2. <i>Amortization of Unfunded Actuarial Accrued Liability (UAAL)</i> .....	12
3. <i>Annual Required Contributions (ARC)</i> .....	12
4. <i>Other Components of Annual OPEB Cost (AOC)</i> .....	13
<b>PART IV: "PAY AS YOU GO" FUNDING OF RETIREE BENEFITS .....</b>	<b>14</b>
<b>PART V: RECOMMENDATIONS FOR FUTURE VALUATIONS .....</b>	<b>15</b>
<b>PART VI: APPENDICES .....</b>	<b>16</b>
APPENDIX A: MATERIALS USED FOR THIS STUDY .....	16
APPENDIX B: EFFECT OF ASSUMPTIONS USED IN CALCULATIONS.....	17
APPENDIX C: ACTUARIAL ASSUMPTIONS AND METHODS.....	18
APPENDIX D: DISTRIBUTION OF ELIGIBLE PARTICIPANTS BY AGE.....	22
APPENDIX E: GASB 12 COMPLIANCE INFORMATION .....	23
APPENDIX F: GLOSSARY OF RETIREE HEALTH VALUATION TERMS .....	24

**Santa Cruz Metropolitan Transit District  
Actuarial Study of Retiree Health Liabilities**

**PART I: EXECUTIVE SUMMARY**

**A. Introduction**

Santa Cruz Metropolitan Transit District engaged Total Compensation Systems, Inc. (TCS) to analyze liabilities associated with its current retiree health program as of April 1, 2008 (the valuation date).

This actuarial study is intended to serve the following purposes:

- » To provide information to enable Santa Cruz Metropolitan Transit District to manage the costs and liabilities associated with its retiree health benefits.
- » To provide information to enable Santa Cruz Metropolitan Transit District to communicate the financial implications of retiree health benefits to internal financial staff, the Board, employee groups and other affected parties.
- » To provide information needed to comply with Governmental Accounting Standards Board Accounting Standard 12 (GASB 12) and with the forthcoming GASB accounting standards 43 and 45 related to "other postemployment benefits" (OPEB's). (See Appendix E)

Because this report was prepared in compliance with GASB 43 and 45, as appropriate, Santa Cruz Metropolitan Transit District should not use this report for any other purpose without discussion with TCS. This means that any discussions with employee groups, governing Boards, etc. should be restricted to the implications of GASB 43 and 45 compliance.

This actuarial report includes several estimates for Santa Cruz Metropolitan Transit District's retiree health program. In addition to the tables included in this report, we also performed cash flow adequacy tests as required under Actuarial Standard of Practice 6 (ASOP 6). Our cash flow adequacy testing covers a twenty-year period. We would be happy to make this cash flow adequacy test available to Santa Cruz Metropolitan Transit District in spreadsheet format upon request.

We calculated the following estimates separately for active employees and retirees. As requested, we also separated results by the following employee classifications: Management, UTU Paracruz, SEIU and UTU Fixed Route. We estimated the following:

- the total liability created. (The actuarial present value of total projected benefits or APVTPB)
- the ten year "pay-as-you-go" cost to provide these benefits.
- the "actuarial accrued liability (AAL)." (The AAL is the portion of the APVTPB attributable to employees' service prior to the valuation date.)
- the amount necessary to amortize the UAAL over a period of 30 years.

## **Total Compensation Systems, Inc.**

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- the annual contribution required to fund retiree benefits over the working lifetime of eligible employees (the "normal cost").
- The Annual Required Contribution (ARC) which is the basis of calculating the annual OPEB cost and net OPEB obligation under GASB 43 and 45.

We summarized the data used to perform this study in Appendix A. No effort was made to verify this information beyond brief tests for reasonableness and consistency.

All cost and liability figures contained in this study are estimates of future results. Future results can vary dramatically and the accuracy of estimates contained in this report depends on the actuarial assumptions used. Normal costs and liabilities could easily vary by 10 - 20% or more from estimates contained in this report. The best way to respond to this uncertainty of future results is to have an actuarial study performed regularly - no less frequently than every two or three years as provided by GASB 43 and 45.

### **B. General Findings**

We estimate the "pay-as-you-go" cost of providing retiree health benefits in the year beginning April 1, 2008 to be \$1,419,564 (see Section IV.A.). The "pay-as-you-go" cost is the cost of benefits for current retirees. Until GASB 43/45 become effective, the "pay-as-you-go" cost is the only amount that must be reflected as a retiree health program expense on accrual basis accounting statements.

There are several reasons why it is important for districts to evaluate retiree health costs and liabilities. The Governmental Accounting Standards Board (GASB) will soon require accounting for the costs and liabilities associated with retiree health benefits on an accrual basis -- i.e. over the working lifetime of eligible employees. (The effective date of the GASB accounting standard will range from 2007 to 2009, depending on the annual revenue of the District during the 1998-99 fiscal year.) Auditors may require an actuarial study for an unqualified audit based on AICPA Statement of Position 92-06.

Complying with accounting and regulatory requirements will require employers to expense more than what is required to simply pay retiree health benefit costs. These excess expenses over time -- plus interest -- will accumulate a liability related to retiree health benefits. These expenses and liabilities will be lower and more stable for employers that establish irrevocable trusts. By funding retiree benefits through such a trust, there will be enough funds available at retirement (on average) that, with interest, will be sufficient to pay all promised retiree health benefits without the need for any post-retirement District contributions.

For current employees, the value of benefits "accrued" in the year beginning April 1, 2008 (the normal cost) is \$2,022,674. This normal cost would increase each year based on covered payroll. Had Santa Cruz Metropolitan Transit District begun accruing retiree health benefits when each current employee and retiree was hired, a substantial liability would have accumulated. We estimate the amount that would have accumulated to be \$44,208,804. This amount is called the "actuarial accrued liability" (AAL).

We calculated the annual cost to amortize the unfunded actuarial accrued liability using a 5% discount rate. We used a 30 year amortization period. The current year cost to amortize the unfunded "actuarial accrued liability" is \$1,958,144. This amortization payment would increase each year based on covered payroll. Payments would continue for 30 years, after which time amortization payments would end.

Combining the normal cost and UAAL amortization costs in the first year produces a total first year annual required contribution (ARC) of \$3,980,818. The ARC is used as the basis for determining expenses and liabilities

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under GASB 43/45. The ARC is used in lieu of (rather than in addition to) the “pay-as-you-go” cost. The additional cost of compliance with GASB 43 and 45 is therefore \$2,561,254.

We based all of the above estimates on employees as of March, 2008. Over time, liabilities and cash flow will vary based on the number and demographic characteristics of employees and retirees. It will be important to periodically revalue costs and liabilities.

**C. Description of Retiree Benefits**

Following is a description of the current retiree benefit plan:

	<b>Management</b>	<b>UTU Paracruz</b>	<b>SEIU</b>	<b>UTU Fixed Route</b>
Benefit types provided	Medical, dental and vision*	Medical, dental and vision*	Medical, dental and vision*	Medical, dental and vision*
Duration of Benefits	Lifetime*	Lifetime*	Lifetime*	Lifetime*
Required Service	5 years	5 years	5 years	5 years
Minimum Age	50	50	50	50
Dependent Coverage	Yes	Yes	Yes	Yes
District Contribution %	100%	100%	95%	100%
District Cap	HMO premium	HMO premium	HMO premium	Employee only: \$465.17/month Employee + 1: \$930.36/month Employee family: \$1,209.46/month

\*Only medical coverage is continued beyond age 65.

**D. Recommendations**

It is outside the scope of this report to make specific recommendations of actions Santa Cruz Metropolitan Transit District should take to manage the substantial liability created by the current retiree health program. Total Compensation Systems, Inc. can assist in identifying and evaluating options once this report has been studied. The following recommendations are intended only to allow the District to get more information from this and future studies. Because we have not conducted a comprehensive administrative audit of Santa Cruz Metropolitan Transit District’s practices, it is possible that Santa Cruz Metropolitan Transit District is already complying with some or all of our recommendations.

- We recommend that Santa Cruz Metropolitan Transit District inventory all benefits and services provided to retirees – whether contractually or not and whether retiree-paid or not. For each, Santa Cruz Metropolitan Transit District should determine whether the benefit is material and subject to GASB 43 and/or 45.
- We recommend that Santa Cruz Metropolitan Transit District conduct a study whenever events or contemplated actions significantly affect present or future liabilities, but no less frequently than every two or three years, as will be required under GASB 43/45.
- We recommend that the District communicate the magnitude of these costs to employees

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and include employees in discussions of options to control the costs.

- Because of the significant liabilities created by the current retiree health program, the District should consider earmarking funds to pay future benefits. It should be noted that the upcoming GASB accounting standard will require assets sufficient to offset retiree health liabilities. Accrual basis costs under GASB 43/45 will be lower and more stable to the extent liabilities are funded under an irrevocable trust that qualifies under GASB 43/45 as a “plan.”
- Under GASB 45, it is important to isolate the cost of retiree health benefits. We strongly urge Santa Cruz Metropolitan Transit District to have all premiums, claims and expenses for retirees separated from active employee premiums, claims, expenses, etc. To the extent any retiree benefits are made available to retirees over the age of 65 – *even on a retiree-pay-all basis* – all premiums, claims and expenses for post-65 retiree coverage should be segregated from those for pre-65 coverage. Furthermore, Santa Cruz Metropolitan Transit District should arrange for the rates or prices of all retiree benefits to be set on what is expected to be a self-sustaining basis.
- Santa Cruz Metropolitan Transit District should establish a way of designating employees as eligible or ineligible for future OPEB benefits. Ineligible employees can include those in ineligible job classes; those hired after a designated date restricting eligibility; those who, due to their age at hire cannot qualify for District-paid OPEB benefits; employees who exceed the termination age for OPEB benefits, etc.
- Several assumptions were made in estimating costs and liabilities under Santa Cruz Metropolitan Transit District's retiree health program. Further studies may be desired to validate any assumptions where there is any doubt that the assumption is appropriate. (See Appendices B and C for a list of assumptions and concerns.) For example, Santa Cruz Metropolitan Transit District should maintain a retiree database that includes – in addition to date of birth, gender and employee classification – retirement date and (if applicable) dependent date of birth, relationship and gender. It will also be helpful for Santa Cruz Metropolitan Transit District to maintain employment termination information – namely, the number of OPEB-eligible employees in each employee class that terminate employment each year for reasons other than death, disability or retirement.
- Segregating plan assets will allow taking advantage of California Government Code Sections 53620 through 53622 to achieve greater investment income on plan assets. This study assumes an investment return net of all investment and plan expenses of 5%. We recommend Santa Cruz Metropolitan Transit District take actions to achieve a long term rate of return that reflects the long term nature of the liabilities.

Respectfully submitted,

Geoffrey L. Kischuk, FSA, MAAA, FCA  
Consultant  
Total Compensation Systems, Inc.  
(805) 496-1700

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## **PART II: BACKGROUND**

### **A. Summary**

Accounting principles have long held that the cost of retiree benefits should be “accrued” over employees' working lifetime. For this reason, the Governmental Accounting Standards Board (GASB) issued in 2004 Accounting Standards 43 and 45 for retiree health benefits. These standards will apply to all public employers that pay any part of the cost of retiree health benefits for current or future retirees (including early retirees).

The GASB standards will become effective on a phased basis based on revenue during the 1998-99 fiscal year. For employers, the first phase will be \$100 million or more in revenue. The effective date will be the first fiscal year on or after December 15, 2006. Successive annual phases will sweep in “\$10 to \$100 million” and “less than \$10 million” employers. The effective date for “plans” will be one year earlier than the dates for employers. A “plan” is a trust or other arrangement that is exclusively for retiree health benefits and the assets of which are protected from creditors.

Until the new GASB standards take effect, the Governmental Accounting Standards Board (GASB) currently requires public employers to disclose the existence and/or cost of retiree health benefits. GASB requirements are contained in GASB 12.

Prudent fiscal management of retiree health costs and liabilities requires establishment of a long-term plan. For most public employers, the magnitude of the accrued liability makes it difficult to immediately begin to fully accrue retiree health benefits on an actuarial basis. Fortunately, the current absence of stringent accounting or regulatory funding requirements allows public employers flexibility to transition into full actuarial accrual over the next few years. Transitioning into full actuarial accrual provides public employers with the time to establish fiscal management plans that

- protect retiree benefit security to the greatest possible extent;
- involve employee groups in discussions of benefit design and funding options; and
- minimize disruptions to core services that could result from rapidly increasing retiree benefit costs.

Waiting to address retiree health benefit funding until the GASB accounting standards become effective will dramatically reduce employers' fiscal options. By then, unfunded actuarial accrued liabilities will be bigger, thereby increasing the expenses needed to amortize the unfunded liability. Higher future amortization expenses would squeeze financial resources for vital services. Waiting to address these issues until required by GASB will result in less time to evaluate options and take action to protect benefits for future retirees and/or reduce benefit costs. To the extent retiree benefits are subject to collective bargaining, the timing and extent of benefit and funding changes may be constrained.

### **B. Actuarial Accrual**

To actuarially accrue retiree health benefits requires determining the amount to expense each year so that the liability accumulated at retirement is, on average, sufficient (with interest) to cover all retiree health expenditures without the need for additional expenses. There are many different ways to determine the annual accrual amount. The calculation method used is called an “actuarial cost method.”



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Conceptually, there are two components of actuarial cost - a “normal cost” and amortization of something called the “unfunded actuarial accrued liability.” Both accounting standards and actuarial standards usually address these two components separately (though alternative terminology is sometimes used).

The normal cost can be thought of as the value of the benefit earned each year if benefits are accrued during the working lifetime of employees. This report will not discuss differences between actuarial cost methods or their application. Instead, following is a description of a commonly used, generally accepted actuarial cost method that will be permitted under GASB 43 and 45. This actuarial cost method is called the “entry age normal” method.

Under the entry age normal cost method, an average age at hire and average retirement age are determined for eligible employees. Then, the actuary determines what amount needs to be expensed each year from hire until retirement to fully accrue the expected cost of retiree health benefits. This amount is the normal cost. Under GASB 43 and 45, the normal cost can be expressed either as a level dollar amount or as a level percentage of payroll.

The normal cost is determined using several key assumptions:

- The current **cost of retiree health benefits** (often varying by age, Medicare status and/or dependent coverage). The higher the current cost of retiree benefits, the higher the normal cost.
- The “**trend**” rate at which retiree health benefits are expected to increase over time. A higher trend rate increases the normal cost. A “cap” on District contributions can reduce trend to zero once the cap is reached thereby dramatically reducing normal costs.
- **Mortality rates** that vary by age and sex. (Unisex mortality rates are not usually used because an individual’s OPEB benefits do not depend on the mortality table used.) If employees die prior to retirement, contributions attributable to deceased employees are available to fund benefits for employees who live to retirement. After retirement, death results in benefit termination. Although higher mortality rates reduce normal costs, the mortality assumption is not likely to vary from employer to employer.
- **Employment termination rates** have the same effect as mortality inasmuch as higher termination rates reduce normal costs. Employment termination can vary considerably between districts.
- **Vesting rates** reflect years of service required to earn full or partial retiree benefits. While longer vesting periods reduce costs, cost reductions are not usually substantial unless full vesting requires more than 20 years of service.
- **Retirement rates** determine what proportion of employees retire at each age (assuming employees reach the requisite length of service). Retirement rates often vary by employee classification and implicitly reflect the minimum retirement age required for eligibility. Higher retirement rates increase normal costs but, except for differences in minimum retirement age, retirement rates tend to be consistent between districts for each employee type.
- **Participation rates** indicate what proportion of retirees are expected to elect retiree health benefits if a significant retiree contribution is required. Higher participation rates increase costs.
- The **discount rate** estimates investment earnings for assets earmarked to cover retiree health benefit liabilities. The discount rate depends on the nature of underlying assets. For example, earmarked funds earning money market rates in the county treasury are likely to earn far less than a diversified

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portfolio including stocks, bonds, etc. A higher discount rate can dramatically lower normal costs. GASB 43 and 45 require the interest assumption to reflect likely *long term* investment return.

The assumptions listed above are not exhaustive, but are the most common assumptions used in actuarial cost calculations. The actuary selects the assumptions which - taken together - will yield reasonable results. It's not necessary (or even possible) to predict individual assumptions with complete accuracy.

If all actuarial assumptions were exactly met and an employer had expensed the normal cost every year for all past and current employees and retirees, the funds would have accumulated to a sizeable amount (after adding interest and subtracting retiree benefit costs from the accumulated funds). The fund that would have accumulated is called the actuarial accrued liability or AAL. The excess of the AAL over funds earmarked for retiree health benefits is called the *unfunded* actuarial accrued liability (or UAAL). Under GASB 43 and 45, in order for assets to count toward offsetting the AAL, the assets have to be held in an irrevocable trust that is safe from creditors and can only be used to provide OPEB benefits to eligible participants.

The actuarial accrued liability (AAL) can arise in several ways. First, at the inception of actuarial funding, there is usually a substantial UAAL. Under GASB 43 and 45, some portion of this amount can be established as the "transition obligation" subject to certain constraints. UAAL can also increase as the result of operation of a retiree health plan - e.g., as a result of plan changes or changes in actuarial assumptions. Finally, AAL can arise from actuarial gains and losses. Actuarial gains and losses result from differences between actuarial assumptions and actual plan experience.

Under GASB 43 and 45, employers have several options on how the UAAL can be amortized as follows:

- The employer can select an amortization period of 1 to 30 years. (For certain situations that result in a reduction of the AAL, the amortization period must be at least 10 years.)
- The employer may apply the same amortization period to the total combined UAAL or can apply different periods to different components of the UAAL.
- The employer may elect a "closed" or "open" amortization period.
- The employer may choose to amortize on a level dollar or level percentage of payroll method.

UAAL amortization payments can be higher than the normal cost. The magnitude of the UAAL depends not only on all the assumptions discussed earlier, but also on the average age of employees. The higher employees' average age, the greater the AAL.

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### **PART III: LIABILITIES AND COSTS FOR RETIREE BENEFITS**

#### **A. Introduction.**

We calculated the actuarial present value of projected benefits (APVPB) separately for each employee. We determined eligibility for retiree benefits based on information supplied by Santa Cruz Metropolitan Transit District. We then selected assumptions for the factors discussed in the above Section that, based on plan experience and our training and experience, represent our best prediction of future plan experience. For each employee, we applied the appropriate factors based on the employee's age, sex and length of service.

We summarized actuarial assumptions used for this study in Appendix C.

#### **B. Medicare**

The extent of Medicare coverage can affect projections of retiree health costs. The method of coordinating Medicare benefits with the retiree health plan's benefits can have a substantial impact on retiree health costs. We will be happy to provide more information about Medicare integration methods if requested.

#### **C. Liability for Retiree Benefits.**

For each employee, we projected future premium costs using an assumed trend rate (see Appendix C). A constant trend rate was used for all years. This rate may understate trend in some years but might overstate it in others. As long as trend averages the assumed rate over a long period, it is not critical the rate be correct in any one year. To the extent Santa Cruz Metropolitan Transit District uses contribution caps, the influence of the trend factor is further reduced.

We multiplied each year's projected cost by the probability that premium will be paid; i.e. based on the probability that the employee is living, has not terminated employment and has retired. The probability that premium will be paid is zero if the employee is not eligible. The employee is not eligible if s/he has not met minimum service, minimum age or, if applicable, maximum age requirements.

The product of each year's premium cost and the probability that premium will be paid equals the expected cost for that year. We discounted the expected cost for each year to the valuation date April 1, 2008 at 5% interest.

Finally, we multiplied the above discounted expected cost figures by the probability that the retiree would elect coverage. A retiree may not elect to be covered if retiree health coverage is available less expensively from another source (e.g. Medicare risk contract) or the retiree is covered under a spouse's plan.

For current retirees, the approach used was similar. The major difference is that the probability of payment for current retirees depends only on mortality and age restrictions (i.e. for retired employees the probability of being retired and of not being terminated are always both 1.0000).

We added the APVPB for all employees to get the actuarial present value of total projected benefits (APVTPB). The APVTPB (sometimes called the expected postemployment benefit obligation or EPBO) is the estimated present value of all future retiree health benefits for all **current** employees and retirees. The APVTPB is the amount on April 1, 2008 that, if all actuarial assumptions are exactly right, would be sufficient to expense all promised benefits until the last current employee or retiree dies or reaches the maximum eligibility age.

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### Actuarial Present Value of Total Projected Benefits April 1, 2008

	<u>Total</u>	<u>Management</u>	<u>UTU Paracruz</u>	<u>SEIU</u>	<u>UTU Fixed Route</u>
Active: Pre-65	\$10,081,969	\$440,120	\$1,143,646	\$2,946,596	\$5,551,607
Post-65	\$27,425,114	\$1,538,500	\$3,103,066	\$8,894,154	\$13,889,394
Subtotal	\$37,507,083	\$1,978,620	\$4,246,712	\$11,840,750	\$19,441,001
Retiree: Pre-65	\$5,720,971	\$329,823	\$0	\$2,673,514	\$2,717,634
Post-65	\$16,525,735	\$1,433,088	\$0	\$5,150,123	\$9,942,524
Subtotal	\$22,246,706	\$1,762,911	\$0	\$7,823,637	\$12,660,158
<b>Grand Total</b>	<b>\$59,753,789</b>	<b>\$3,741,531</b>	<b>\$4,246,711</b>	<b>\$19,664,387</b>	<b>\$32,101,160</b>
Subtotal Pre-65	\$15,802,939	\$769,942	\$1,143,646	\$5,620,110	\$8,269,241
Subtotal Post-65	\$43,950,851	\$2,971,589	\$3,103,066	\$14,044,277	\$23,831,919

The APVTPB should be accrued over the working lifetime of employees. At any time much of it has not been "earned" by employees. The APVTPB is used to develop expense and liability figures. To do so, the APVTFB is divided into two parts: the portions attributable to service rendered prior to the valuation date (the past service liability or actuarial accrued liability under GASB 43 and 45) and to service after the valuation date but prior to retirement (the future service liability).

The past service and future service liabilities are each funded in a different way. We will start with the future service liability which is funded by the normal cost.

#### D. Cost to Prefund Retiree Benefits

##### 1. Normal Cost

The average hire age for eligible employees is 38. To accrue the liability by retirement, the District would accrue the retiree liability over a period of about 22 years (assuming an average retirement age of 60). We applied an "entry age normal" actuarial cost method to determine funding rates for active employees. The table below summarizes the calculated normal cost.

#### **Normal Cost Year Beginning April 1, 2008**

	<u>Total</u>	<u>Management</u>	<u>UTU Paracruz</u>	<u>SEIU</u>	<u>UTU Fixed Route</u>
# of Employees	321	14	45	100	162
<b>Per Capita Normal Cost</b>					
Pre-65 Benefit	N/A	\$2,560	\$2,809	\$1,561	\$2,322
Post-65 Benefit	N/A	\$5,442	\$5,099	\$3,533	\$4,131
<b>First Year Normal Cost</b>					
Pre-65 Benefit	\$694,509	\$35,840	\$126,405	\$156,100	\$376,164
Post-65 Benefit	\$1,328,165	\$76,188	\$229,455	\$353,300	\$669,222
Total	\$2,022,674	\$112,028	\$355,860	\$509,400	\$1,045,386

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Accruing retiree health benefit costs using normal costs would level out the cost of retiree health benefits over time and more fairly reflect the value of benefits "earned" each year by employees. This normal cost would increase each year based on covered payroll.

### 2. Amortization of Unfunded Actuarial Accrued Liability (UAAL)

If actuarial assumptions are borne out by experience, the District could fully accrue retiree benefits by expensing an amount each year that equals the normal cost. If no accruals had taken place in the past, there would be a shortfall of many years' contributions, accumulated interest and forfeitures for terminated or deceased employees. This shortfall is called the actuarial accrued liability (AAL). We calculated the AAL as the APVTPB minus the present value of future normal costs.

The District can amortize the UAAL over many years. The table below shows the annual amount necessary to amortize the UAAL over a period of 30 years at 5% interest. (Thirty years is the longest amortization period allowable under GASB 43 and 45.) GASB 43 and 45 will allow amortizing the UAAL using either payments that stay the same as a dollar amount, or payments that are a flat percentage of covered payroll over time. The figures below reflect the level percentage of payroll method. This amortization payment would increase each year based on covered payroll. Payments would continue for 30 years, after which time amortization payments would end.

#### Actuarial Accrued Liability as of April 1, 2008

	<b>Total</b>	<b>Management</b>	<b>UTU Paracruz</b>	<b>SEIU</b>	<b>UTU Fixed Route</b>
Active: Pre-65	\$4,749,065	\$228,374	\$90,933	\$1,680,678	\$2,749,080
Post-65	\$17,213,032	\$1,088,376	\$1,192,143	\$6,029,010	\$8,903,503
Subtotal	\$21,962,097	\$1,316,750	\$1,283,076	\$7,709,688	\$11,652,583
Retiree: Pre-65	\$5,720,971	\$329,823	\$0	\$2,673,514	\$2,717,634
Post-65	\$16,525,735	\$1,433,088	\$0	\$5,150,123	\$9,942,524
Subtotal	\$22,246,706	\$1,762,911	\$0	\$7,823,637	\$12,660,158
Subtot Pre-65	\$10,470,036	\$558,197	\$90,933	\$4,354,192	\$5,466,714
Subtot Post-65	\$33,738,768	\$2,521,465	\$1,192,143	\$11,179,133	\$18,846,027
Grand Total	\$44,208,804	\$3,079,661	\$1,283,077	\$15,533,325	\$24,312,741
Funded at April 1, 2008	\$0	\$0	\$0	\$0	\$0
Unfunded AAL	\$44,208,804	\$3,079,661	\$1,283,077	\$15,533,325	\$24,312,741
1st Year UAAL Amortization at 5.0% over 30 Years	\$1,958,144	\$136,408	\$56,831	\$688,019	\$1,076,886

### 3. Annual Required Contributions (ARC)

If the District determines retiree health plan expenses in accordance with GASB 43 and 45, first year costs will include both normal cost and UAAL amortization costs. The sum of normal cost and UAAL amortization costs is called the Annual Required Contribution (ARC) and is shown below.

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### Annual Required Contribution (ARC) Year Beginning April 1, 2008

	<u>Total</u>	<u>Management</u>	<u>UTU Paracruz</u>	<u>SEIU</u>	<u>UTU Fixed Route</u>
Normal Cost	\$2,022,674	\$112,028	\$355,860	\$509,400	\$1,045,386
UAAL Amortization	\$1,958,144	\$136,408	\$56,831	\$688,019	\$1,076,886
ARC	\$3,980,818	\$248,436	\$412,691	\$1,197,419	\$2,122,272
Pay-As-You-Go Cost	\$1,419,564	\$110,778	\$1,103	\$535,743	\$771,940
Added Cost of GASB 43/45	\$2,561,254	\$137,658	\$411,588	\$661,676	\$1,350,332

This amortization payment would increase each year based on covered payroll. Payments would continue for 30 years, after which time amortization payments would end. The normal cost remains as long as there are active employees who may some day qualify for District-paid retiree health benefits. This normal cost would increase each year based on covered payroll.

Should Santa Cruz Metropolitan Transit District decide to fund retiree health benefits as shown above, the cost of current retiree benefits would be deducted from earmarked funds. This means the true cost is the difference between the ARC and "pay-as-you-go" costs. The above table shows the additional cost necessary to fund retiree health benefits.

#### 4. Other Components of Annual OPEB Cost (AOC)

Once GASB 43 and 45 are implemented, the expense and liability amounts may include more components of cost than the normal cost plus amortization of the UAAL. This will apply to employers that don't fully fund the Annual Required Cost (ARC) through an irrevocable trust.

- The annual OPEB cost (AOC) will include assumed interest on the net OPEB obligation (NOO). The annual OPEB cost will also include an amortization adjustment for the net OPEB obligation. (It should be noted that there is no NOO if the ARC is fully funded through a qualifying "plan".)
- The net OPEB obligation will equal the accumulated differences between the (AOC) and qualifying "plan" contributions.

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**PART IV: "PAY AS YOU GO" FUNDING OF RETIREE BENEFITS**

We used the actuarial assumptions shown in Appendix C to project ten year cash flow under the retiree health program. Because these cash flow estimates reflect average assumptions applied to a relatively small number of employees, estimates for individual years are **certain** to be **inaccurate**. However, these estimates show the size of needed cash flow and also the rate of increase in annual costs. Because we have used trend rates that are constant over time, it is likely that medical costs will be understated in some years and overstated in others.

The following table shows a projection of annual amounts needed to pay the District share of retiree health premiums.

Year Beginning April 1	<u>Total</u>	<u>Management</u>	<u>UTU Paracruz</u>	<u>SEIU</u>	<u>UTU Fixed Route</u>
2008	\$1,419,564	\$110,778	\$1,103	\$535,743	\$771,940
2009	\$1,514,893	\$116,982	\$2,205	\$564,285	\$831,421
2010	\$1,719,060	\$128,889	\$31,368	\$625,703	\$933,100
2011	\$1,908,235	\$142,832	\$49,569	\$670,308	\$1,045,526
2012	\$2,093,684	\$154,600	\$73,747	\$710,044	\$1,155,293
2013	\$2,280,197	\$168,203	\$89,494	\$753,231	\$1,269,269
2014	\$2,438,657	\$180,674	\$107,136	\$791,210	\$1,359,637
2015	\$2,616,447	\$187,959	\$117,032	\$836,537	\$1,474,919
2016	\$2,780,702	\$196,282	\$133,206	\$878,084	\$1,573,130
2017	\$2,971,861	\$208,002	\$146,929	\$938,328	\$1,678,602

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**PART V: RECOMMENDATIONS FOR FUTURE VALUATIONS**

To effectively manage benefit costs, an employer must periodically examine the existing liability for retiree benefits as well as future annual expected premium costs. We recommend every two or three years as will be required under GASB 43/45. In addition, a valuation should be conducted whenever plan changes, changes in actuarial assumptions or other employer actions are likely to cause a material change in accrual costs and/or liabilities.

Following are examples of actions that could trigger a new valuation.

- An employer should perform a valuation whenever the employer considers or puts in place an early retirement incentive program.
- An employer should perform a valuation whenever the employer adopts a retiree benefit plan for some or all employees.
- An employer should perform a valuation whenever the employer considers or implements changes to retiree benefit provisions or eligibility requirements.
- An employer should perform a valuation whenever the employer introduces or changes retiree contributions.

We recommend Santa Cruz Metropolitan Transit District take the following actions to ease future valuations.

- We have used our training, experience and information available to us to establish the actuarial assumptions used in this valuation. We have no information to indicate that any of the assumptions do not reasonably reflect future plan experience. However, the District should review the actuarial assumptions in Appendix C carefully. If the District has any reason to believe that any of these assumptions do not reasonably represent the expected future experience of the retiree health plan, the District should engage in discussions or perform analyses to determine the best estimate of the assumption in question.



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### **PART VI: APPENDICES**

#### **APPENDIX A: MATERIALS USED FOR THIS STUDY**

We relied on the following materials to complete this study.

- We used paper reports and digital files containing employee demographic data from the District personnel records.
- We used relevant sections of collective bargaining agreements provided by the District.

## Total Compensation Systems, Inc.

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### APPENDIX B: EFFECT OF ASSUMPTIONS USED IN CALCULATIONS

While we believe the estimates in this study are reasonable overall, it was necessary for us to use assumptions which inevitably introduce errors. We believe that the errors caused by our assumptions will not materially affect study results. If the District wants more refined estimates for decision-making, we recommend additional investigation. Following is a brief summary of the impact of some of the more critical assumptions.

1. Where actuarial assumptions differ from expected experience, our estimates could be overstated or understated. One of the most critical assumptions is the medical trend rate. The District may want to commission further study to assess the sensitivity of liability estimates to our medical trend assumptions. For example, it may be helpful to know how liabilities would be affected by using a trend factor 1% higher than what was used in this study.
2. We used an "entry age normal" actuarial cost method to estimate the actuarial accrued liability and normal cost. GASB will allow this as one of several permissible methods under its upcoming accounting standard. Using a different cost method could result in a somewhat different recognition pattern of costs and liabilities.

**APPENDIX C: ACTUARIAL ASSUMPTIONS AND METHODS**

Following is a summary of actuarial assumptions and methods used in this study. The District should carefully review these assumptions and methods to make sure they reflect the District's assessment of its underlying experience. It is important for Santa Cruz Metropolitan Transit District to understand that the appropriateness of all selected actuarial assumptions and methods are Santa Cruz Metropolitan Transit District's responsibility. Unless otherwise disclosed in this report, TCS believes that all methods and assumptions are within a reasonable range based on the provisions of GASB 43 and 45, applicable actuarial standards of practice, Santa Cruz Metropolitan Transit District's actual historical experience, and TCS's judgement based on experience and training.

**ACTUARIAL METHODS AND ASSUMPTIONS:**

*ACTUARIAL COST METHOD:* Entry age normal. The allocation of OPEB cost is based on years of service. We used the level percentage of payroll method to allocate OPEB cost over years of service.

Entry age is based on the average age at hire for eligible employees. The attribution period is determined as the difference between the average retirement age and the average age at hire. The present value of future benefits and present value of future normal costs are determined on an employee by employee basis and then aggregated.

To the extent that different benefit formulas apply to different employees of the same class, the normal cost is based on the benefit plan applicable to the most recently hired employees (including future hires if a new benefit formula has been agreed to and communicated to employees).

*AMORTIZATION METHODS:* We used the level percentage of payroll method to allocate amortization cost by year. We used a 30 year amortization period. Because there has not been a previous valuation to comply with GASB 43 and/or 45, it was not necessary at this time for Santa Cruz Metropolitan Transit District to make an election with respect to whether to use an "open" or "closed" amortization period; or whether to use different amortization periods for different sources of the UAAL.

*SUBSTANTIVE PLAN:* As required under GASB 43 and 45, we based the valuation on the substantive plan. The formulation of the substantive plan was based on a review of written plan documents as well as historical information provided by Santa Cruz Metropolitan Transit District regarding practices with respect to employer and employee contributions and other relevant factors.

## Total Compensation Systems, Inc.

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### ECONOMIC ASSUMPTIONS:

Economic assumptions are set under the guidance of Actuarial Standard of Practice 27 (ASOP 27). Among other things, ASOP 27 provides that economic assumptions should reflect a consistent underlying rate of general inflation. For that reason, we show our assumed long-term inflation rate below.

INFLATION: We assumed 3% per year.

INVESTMENT RETURN / DISCOUNT RATE: We assumed 5% per year. This is based on assumed long-term return on plan assets or employer assets, as appropriate. We used the "Building Block Method" as described in ASOP 27 Paragraph 3.6.2. Our assessment of long-term returns for employer assets is based on long-term historical returns for surplus funds invested pursuant to California Government Code Sections 53601 et seq.

TREND: We assumed 5.5% in the first year reducing by 0.5% per year to an ultimate rate of 4% per year. Our long-term trend assumption is based on the conclusion that, while medical trend will continue to be cyclical, the average increase over time cannot continue to outstrip general inflation by a wide margin. Trend increases in excess of general inflation result in dramatic increases in unemployment, the number of uninsured and the number of underinsured. These effects are nearing a tipping point which will inevitably result in fundamental changes in health care finance and/or delivery which will bring increases in health care costs more closely in line with general inflation. We do not believe it is reasonable to project historical trend vs. inflation differences several decades into the future.

PAYROLL INCREASE: We assumed 3% per year. This assumption applies only to the extent that either or both of the normal cost and/or UAAL amortization use the level percentage of payroll method. For purposes of applying the level percentage of payroll method, payroll increase must not assume any increases in staff or merit increases.

ACTUARIAL ASSET VALUATION: We used asset values provided by Santa Cruz Metropolitan Transit District. Because there has not been a previous valuation to comply with GASB 43 and/or 45, it was not necessary at this time for Santa Cruz Metropolitan Transit District to make an election with respect to whether to use an asset smoothing formula and, if so, what smoothing method to use.

**Total Compensation Systems, Inc.**

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**NON-ECONOMIC ASSUMPTIONS:**

Economic assumptions are set under the guidance of Actuarial Standard of Practice 35 (ASOP 35).

*MORTALITY:* CalPERS mortality for Miscellaneous employees.

*RETIREMENT RATES:* CalPERS retirement rates for the 2.5 %@ 55 pension formula.

	<b><u>Management</u></b>	<b><u>UTU Paracruz</u></b>	<b><u>SEIU</u></b>	<b><u>UTU Fixed Route</u></b>
Vesting Percentage	100%	100%	100%	100%
Vesting Period	5 years	5 years	5 years	5 years

**COSTS FOR RETIREE COVERAGE:**

There was not sufficient information available to determine whether there is an implicit subsidy for retiree health costs. Based on ASOP 6, there can be justification for using “community-rated” premiums as the basis for the valuation where the insurer is committed to continuing rating practices. This is especially true where sufficient information is not available to determine the magnitude of the subsidy. However, Santa Cruz Metropolitan Transit District should recognize that costs and liabilities in this report could change significantly if either the current insurer changes rating practices or if Santa Cruz Metropolitan Transit District changes insurers.

First Year costs are as shown below. Subsequent years’ costs are based on first year costs adjusted for trend and limited by any District contribution caps.

	<b><u>Management</u></b>	<b><u>UTU Paracruz</u></b>	<b><u>SEIU</u></b>	<b><u>UTU Fixed Route</u></b>
Current Retirees: based on actual costs				
<b>Current Plan:</b>				
Future Retirees Pre-65	\$11,496	\$11,496	\$9,103	\$11,496
Future Retirees Post-65	\$9,205	\$7,797	\$7,797	\$7,797

*PARTICIPATION RATES:* 100%

*TURNOVER:* CalPERS turnover for Miscellaneous employees.

*SPOUSE PREVALENCE:* To the extent not provided and when needed to calculate benefit liabilities, 80% of retirees assumed to be married at retirement. After retirement, the percentage married is adjusted to reflect mortality.

*SPOUSE AGES:* To the extent spouse dates of birth are not provided and when needed to calculate benefit liabilities, female spouse assumed to be three years younger than male.

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## Total Compensation Systems, Inc.

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### *AGING FACTORS:*

<u>Attained Age</u>	<u>Medical Annual Increases</u>
50-64	3.5%
65-69	3.0
70-74	2.5
75-79	1.5
80-84	0.5
85+	0.0

# Total Compensation Systems, Inc.

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## APPENDIX D: DISTRIBUTION OF ELIGIBLE PARTICIPANTS BY AGE

### ELIGIBLE ACTIVE EMPLOYEES:

<u>Age</u>	<u>Total</u>	<u>Management</u>	<u>UTU Paracruz</u>	<u>SEIU</u>	<u>UTU Fixed Route</u>
Under 25	4	0	3	1	0
25-29	19	0	5	6	8
30-34	17	1	4	4	8
35-39	20	0	6	7	7
40-44	43	2	9	9	23
45-49	72	2	2	27	41
50-54	60	3	4	22	31
55-59	62	4	9	17	32
60-64	19	2	2	6	9
65 and older	5	0	1	1	3
Total	321	14	45	100	162

### ELIGIBLE RETIREES:

<u>Age</u>	<u>Total</u>	<u>Management</u>	<u>UTU Paracruz</u>	<u>SEIU</u>	<u>UTU Fixed Route</u>
Under 50	1	0	0	1	0
50-54	11	0	0	6	5
55-59	42	2	0	18	22
60-64	41	5	0	12	24
65-69	24	1	0	8	15
70-74	12	1	0	4	7
75-79	9	1	0	2	6
80-84	3	0	0	1	2
85-89	3	0	0	0	3
Total	146	10	0	52	84

## Total Compensation Systems, Inc.

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### APPENDIX E: GASB 12 COMPLIANCE INFORMATION

GASB 12 specifies disclosure requirements for employers that provide postemployment benefits other than pension (OPEB).

If Santa Cruz Metropolitan Transit District chooses to prefund retiree health benefits using figures in this report, the following information will assist in compiling the expanded disclosure required by GASB 12.

Actuarial cost method:	Entry age normal
Interest rate assumption:	5%
Projected salary increase assumption:	3%
Health inflation assumption:	4%
Actuarially required contributions Year Beginning April 1, 2008	
Normal cost:	\$2,022,674
Unfunded Actuarial accrued liability amortization:	\$1,958,144
Actuarial accrued liability as of April 1, 2008:	\$44,208,804

The unfunded actuarial accrued liability should be calculated as the actuarial accrued liability shown above minus the amount of net assets available for OPEB.



## Total Compensation Systems, Inc.

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### APPENDIX E: GLOSSARY OF RETIREE HEALTH VALUATION TERMS

Note: The following definitions are intended to help a *non-actuary* understand concepts related to retiree health valuations. Therefore, the definitions may not be actuarially accurate.

<u>Actuarial Accrued Liability:</u>	The amount of the actuarial present value of total projected benefits attributable to employees' past service based on the actuarial cost method used.
<u>Actuarial Cost Method:</u>	A mathematical model for allocating OPEB costs by year of service.
<u>Actuarial Present Value of Total Projected Benefits:</u>	The projected amount of all OPEB benefits to be paid to current and future retirees discounted back to the valuation date.
<u>Actuarial Value of Assets:</u>	Market-related value of assets which may include an unbiased formula for smoothing cyclical fluctuations in asset values.
<u>Annual OPEB Cost:</u>	This is the amount employers must recognize as an expense each year. The annual OPEB expense is equal to the Annual Required Contribution plus interest on the Net OPEB obligation minus an adjustment to reflect the amortization of the net OPEB obligation.
<u>Annual Required Contribution:</u>	The sum of the normal cost and an amount to amortize the unfunded actuarial accrued liability. This is the basis of the annual OPEB cost and net OPEB obligation.
<u>Closed Amortization Period:</u>	An amortization approach where the original ending date for the amortization period remains the same. This would be similar to a conventional, 30-year mortgage, for example.
<u>Discount Rate:</u>	Assumed investment return net of all investment expenses. Generally, a higher assumed interest rate leads to lower normal costs and actuarial accrued liability.
<u>Implicit Rate Subsidy:</u>	The estimated amount by which retiree rates are understated in situations where, for rating purposes, retirees are combined with active employees.
<u>Mortality Rate:</u>	Assumed proportion of people who die each year. Mortality rates always vary by age and often by sex. A mortality table should always be selected that is based on a similar "population" to the one being studied.
<u>Net OPEB Obligation:</u>	The accumulated difference between the annual OPEB cost and amounts contributed to an irrevocable trust exclusively providing retiree OPEB benefits and protected from creditors.
<u>Normal Cost:</u>	The dollar value of the "earned" portion of retiree health benefits if retiree health benefits are to be fully accrued at retirement.

## Total Compensation Systems, Inc.

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<u>OPEB Benefits:</u>	Other PostEmployment Benefits. Generally medical, dental, prescription drug, life, long-term care or other postemployment benefits that are not pension benefits.
<u>Open Amortization Period:</u>	Under an open amortization period, the remaining unamortized balance is subject to a new amortization schedule each valuation. This would be similar, for example, to a homeowner refinancing a mortgage with a new 30-year conventional mortgage every two or three years.
<u>Participation Rate:</u>	The proportion of retirees who elect to receive retiree benefits. A lower participation rate results in lower normal cost and actuarial accrued liability. The participation rate often is related to retiree contributions.
<u>Retirement Rate:</u>	The proportion of active employees who retire each year. Retirement rates are usually based on age and/or length of service. (Retirement rates can be used in conjunction with vesting rates to reflect both age and length of service). The more likely employees are to retire early, the higher normal costs and actuarial accrued liability will be.
<u>Transition Obligation:</u>	The amount of the unfunded actuarial accrued liability at the time actuarial accrual begins in accordance with an applicable accounting standard.
<u>Trend Rate:</u>	The rate at which the cost of retiree benefits is expected to increase over time. The trend rate usually varies by type of benefit (e.g. medical, dental, vision, etc.) and may vary over time. A higher trend rate results in higher normal costs and actuarial accrued liability.
<u>Turnover Rate:</u>	The rate at which employees cease employment due to reasons other than death, disability or retirement. Turnover rates usually vary based on length of service and may vary by other factors. Higher turnover rates reduce normal costs and actuarial accrued liability.
<u>Unfunded Actuarial Accrued Liability:</u>	This is the excess of the actuarial accrued liability over assets irrevocably committed to provide retiree health benefits.
<u>Valuation Date:</u>	The date as of which the OPEB obligation is determined. Under GASB 43 and 45, the valuation date does not have to coincide with the statement date.
<u>Vesting Rate:</u>	The proportion of retiree benefits earned, based on length of service and, sometimes, age. (Vesting rates are often set in conjunction with retirement rates.) More rapid vesting increases normal costs and actuarial accrued liability.

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010

**TO:** Board of Directors

**FROM:** Robert Cotter Manager of Maintenance

**SUBJECT:** **CONSIDERATION OF AWARD OF CONTRACT WITH VISION COMMUNICATIONS CO., INC. FOR RADIO MAINTENANCE AND REPAIR SERVICES FOR AN AMOUNT NOT TO EXCEED \$60,000 OVER A THREE-YEAR CONTRACT PERIOD.**

## I. RECOMMENDED ACTION

**That the Board of Directors authorize the General Manager to execute a contract with - Vision Communications Co., Inc. for radio maintenance and repair services for an amount not to exceed \$60,000 over a three-year contract period.**

## II. SUMMARY OF ISSUES

- A formal request for proposals was conducted to solicit proposals from qualified firms.
- Three firms submitted proposals for Santa Cruz METRO's review.
- A four-member evaluation committee comprised of Santa Cruz METRO staff reviewed and evaluated the proposals.

## III. DISCUSSION

Santa Cruz METRO sought proposals from qualified firms to provide repairs, scheduled preventive maintenance, and service for all of its radio communication system equipment, including, but not limited to, mobile units, base stations, and repeater units.

On February 12, 2010 Santa Cruz METRO Request for Proposal No. 10-21 was mailed to sixteen firms, was legally advertised, and a notice was posted on Santa Cruz METRO's web site. On March 12, 2010, proposals were received and opened from three firms. A list and final ranking of these firms is provided in Attachment A. A four-member evaluation committee comprised of Santa Cruz METRO staff have reviewed and evaluated the proposals.

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

EVALUATION CRITERIA	POINTS POSSIBLE
1. Understanding of the Service Requirements	20
2. Experience and capability of the firm	30
3. Cost Proposal	30
4. References	15
5. Disadvantaged Business Enterprises	5
Total Possible Points	100

The evaluation committee is recommending that a contract be established with Vision Communications Co., Inc. for radio maintenance and repair services for an amount not to exceed \$60,000 over a three-year contract period. Contractor will provide all services meeting all Santa Cruz METRO specifications and requirements.

#### IV. FINANCIAL CONSIDERATIONS

Funds to support contract are included in the Fleet Maintenance FY10 operating budget.

#### V. ATTACHMENTS

- Attachment A:** List of firms that submitted a proposal  
**Attachment B:** Contract with Vision Communications Co., Inc.

Prepared By: Lloyd Longnecker, Purchasing Agent  
Date Prepared: April 14, 2010

**Note: The RFP along with its Exhibits and any Addendum(s) are available for review at the Administration Office of Santa Cruz METRO or online at [www.scmttd.com](http://www.scmttd.com)**

**REQUEST FOR PROPOSALS NO. 10-21  
FOR RADIO SYSTEM MAINTENANCE AND REPAIR**

**LIST AND RANKING OF FIRMS THAT SUBMITTED A PROPOSAL**

1. Vision Communications Company of San Leandro, California
2. Peninsula Communications of Salinas, California
3. Telepath Corporation of Fremont, California

## CONTRACT FOR RADIO SYSTEM MAINTENANCE AND REPAIR SERVICES (10-21)

THIS CONTRACT is made effective on June 1, 2010 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("Santa Cruz METRO"), and VISION COMMUNICATIONS COMPANY, INC. ("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 has its principal office at 110 Vernon Street, Santa Cruz, California 95060.

#### 1.02 Santa Cruz METRO's Need For Radio System Maintenance And Repair Services

Santa Cruz METRO has the need for radio system maintenance and repair services. In order to obtain these services, Santa Cruz METRO issued a Request for Proposals, dated February 12, 2010, 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 radio system maintenance and repair services and whose principal place of business is 1770 Neptune Drive, San Leandro, California. Pursuant to the Request for Proposals by Santa Cruz METRO, Contractor submitted a proposal for radio system maintenance and repair services, which is attached hereto and incorporated herein by reference as Exhibit "B."

#### 1.04 Selection of Contractor and Intent of Contract

On April 23, 2010 Santa Cruz METRO selected Contractor as the offeror whose proposal was most advantageous to Santa Cruz METRO, to provide the radio system maintenance and repair services 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 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 13.14.

##### A. Exhibit "A"

Santa Cruz Metropolitan Transit District's "Request for Proposals" dated February 12, 2010

##### B. Exhibit "B" (Contractor's Proposal)

Contractor's Proposal to Santa Cruz METRO for radio system maintenance and repair services, signed by Contractor and dated March 12, 2010.

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" supercede 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 Section 13.14.

3.01.02 CONTRACTOR - The Contractor selected by Santa Cruz METRO for this project in accordance with the Request for Proposals issued February 12, 2010.

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 February 12, 2010.

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 three (3) years and shall commence upon the issuance of the contract by Santa Cruz METRO.

At the option of Santa Cruz METRO, this contract agreement may be renewed for two (2) additional one (1) year terms upon mutual written consent.

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. Santa Cruz METRO shall reasonably determine whether work has been successfully performed for purposes of payment. Compensation shall be made within thirty (30) days of

Santa Cruz METRO written approval of Contractor's written invoice for said work. Contractor understands and agrees that if he/she exceeds the \$60,000 maximum amount payable under this contract, that it does so at its own risk.

5.02 Invoices

Contractor shall submit invoices with a purchase order number provided by Santa Cruz METRO on a monthly basis. Contractor's invoices shall include detailed records showing actual time devoted, work accomplished, date work accomplished, personnel used, and amount billed per hour. Expenses shall only be billed if allowed under the Contract. Telephone call expenses shall show the nature of the call and identify location and individual called. 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: General Manager

CONTRACTOR

Vision Communications Company, Inc.  
1770 Neptune Drive  
San Leandro, CA 94577  
Attention: Sharon Asbe, Operations Supervisor



7. 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

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR – VISION COMMUNICATIONS COMPANY, INC.

By \_\_\_\_\_  
Sharon Asbe  
Operations Supervisor

Approved as to Form:

\_\_\_\_\_  
Margaret Rose Gallagher  
District Counsel

# **EXHIBIT - A**

## **SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

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### **Request for Proposals (RFP)**

**For Radio System Maintenance And Repair**

**METRO RFP No. 10-21**

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**Date Issued: February 12, 2010**

**Proposal Deadline: 5:00 P.M., March 12, 2010**

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### **Contents of this RFP**

Part I.	Instructions to Offerors
Part II.	General Information Form
Part III.	Specifications
Part IV.	General Conditions
Part V.	Contract/Agreement
Part VI.	FTA Requirements for Non-Construction Contracts
Part VII.	Protest Procedures

## **PART I**

### **INSTRUCTIONS TO OFFERORS**

1. **GENERAL:** These instructions form a part of the contract documents and shall have the same force as any other portion of the contract. Failure to comply may subject the proposal to immediate rejection.
2. **OFFEROR RESPONSIBILITY:** Santa Cruz Metropolitan Transit District (Santa Cruz METRO) has made every attempt to provide all information needed by offerors for a thorough understanding of project terms, conditions, and requirements. It is expressly understood that it is the responsibility of offerors to examine and evaluate the work required under this RFP and the terms and conditions under which the work is performed. By submitting a proposal, Offeror represents that it has investigated and agrees to all terms and conditions of this RFP.
3. **DELIVERY OF PROPOSALS TO SANTA CRUZ METRO:** Proposals (1 original and 4 copies) must be delivered to Santa Cruz METRO's Purchasing Office, 110 Vernon Street, Santa Cruz, California, 95060 on or before the deadline noted in the RFP.

Any contract or purchase order entered into as a result of this RFP shall incorporate the RFP and the proposal submitted by successful offeror. In the event of conflict between the proposal and any other contract document, the other contract document shall prevail unless specified otherwise by Santa Cruz METRO. Telephone or electronic proposals will not be accepted.

4. **LATE PROPOSALS:** Proposals received after the date and time indicated herein shall not be accepted and shall be returned to the Offeror unopened.

Requests for extensions of the proposal closing date or time will not be granted. Offerors mailing proposals should allow sufficient mail time to ensure timely receipt of their proposals before the deadline, as it is the offerors responsibility to ensure that proposals arrive before the closing time.

5. **MULTIPLE PROPOSALS:** An offeror may submit more than one proposal. At least one of the proposals shall be complete and comply with all requirements of this RFP. However, additional proposals may be in abbreviated form, using the same format, but providing only the information that differs in any way from the information contained in the master proposal. Master proposals and alternate proposals should be clearly labeled.
6. **PARTIAL PROPOSALS:** No partial proposals shall be accepted.
7. **WITHDRAWAL OR MODIFICATION OF PROPOSALS:** Proposals may not be modified after the time and date proposals are opened. Proposals may be withdrawn by Offeror before proposal opening upon written request of the official who is authorized to act on behalf of the Offeror.
8. **CHANGES TO THE RFP RECOMMENDED BY OFFERORS:** All requests for clarification or modification of the RFP shall be made in writing. Offerors are required to provide the value of each proposed modification and a brief explanation as to why the change is requested. Value shall be defined as the cost or savings to Santa Cruz METRO and the advantage to Santa Cruz METRO of the proposed change.
9. **ADDENDA:** Modifications to this RFP shall be made only by written addenda issued to all RFP holders of record. Verbal instructions, interpretations, and changes shall not serve as official expressions of Santa Cruz METRO, and shall not be binding. All cost adjustments or other changes resulting from said addenda shall be taken into consideration by offerors and included in their proposals.
10. **OFFEROR'S PROPOSAL TO METRO:** Offerors are expected to thoroughly examine the scope of work and terms and conditions of the RFP. Offerors' terms, conditions, and prices shall constitute a firm offer to Santa

Cruz METRO that cannot be withdrawn by the Offeror for ninety (90) calendar days after the closing date for proposals, unless a longer time period is specified by Santa Cruz METRO in the RFP.

11. **SINGLE OFFEROR RESPONSIBILITY:** Single Offeror responsibility is required under this RFP. Each Offeror responding to this RFP must respond to all professional services and provide all materials, equipment, supplies, transportation, freight, special services, and other work described or otherwise required herein.
12. **EXPERIENCE AND QUALIFICATIONS:** Offeror may be required upon request of Santa Cruz METRO to substantiate that Offeror and its proposed subcontractors have the skill, experience, licenses, necessary facilities, and financial resources to perform the contract in a satisfactory manner and within the required time.
13. **SUBCONTRACTING:** The requirement for single-point responsibility does not prohibit subcontracts or joint ventures provided that the single successful Offeror assumes the following responsibilities: (1) serves as the sole general contractor with Santa Cruz METRO; (2) assumes full responsibility for the performance of all its subcontractors, joint venturers, and other agents; (3) provides the sole point of contact for all activities through a single individual designated as project manager; (4) submits information with its proposal documenting the financial standing and business history of each subcontractor or joint venturer; and, (5) submits copies of all subcontracts and other agreements proposed to document such arrangement.

Without limiting the foregoing, any such legal documents submitted under item "5" above must (a) make Santa Cruz METRO a third-party beneficiary thereunder; (b) grant to Santa Cruz METRO the right to receive notice of and cure any default by the successful offeror under the document; and (c) pass through to Santa Cruz METRO any and all warranties and indemnities provided or offered by the subcontractor or similar party.

14. **EVALUATION CRITERIA AND AWARD OF CONTRACT:** The award of the contract will be made to the responsible Offeror whose proposal is most advantageous to Santa Cruz METRO. Specific evaluation criteria are identified in the Specifications section of the RFP.
15. **SANTA CRUZ METRO'S PREROGATIVE:** Santa Cruz METRO reserves the right to contract with any single firm or joint venture responding to this RFP (without performing interviews), based solely upon its evaluation and judgment of the firm or joint venture in accordance with the evaluation criteria. This RFP does not commit Santa Cruz METRO to negotiate a contract, nor does it obligate Santa Cruz METRO to pay for any costs incurred in preparation and submission of proposals or in submission of a contract.

Santa Cruz METRO reserves and holds at its discretion the following rights and options in addition to any others provided by the Public Utility Code, Section 98000 and the Public Contract Code: (1) to reject any or all of the proposals; (2) to issue subsequent requests for proposals; (3) to elect to cancel the entire request for proposals; (4) to waive minor informalities and irregularities in proposals received; (5) to enter into a contract with any combination of one or more prime contractors, subcontractors, or service providers; (6) to approve or disapprove the use of proposed subcontractors and substitute subcontractors; (7) to negotiate with any, all, or none of the respondents to the RFP.

16. **EXECUTION OF CONTRACT:** The final contract shall be executed by the successful offeror and returned to Santa Cruz METRO Administrative Office no later than ten (10) calendar days after the date of notification of award by Santa Cruz METRO. All required bonds and insurance certificates shall also be submitted by this deadline. In the event successful offeror does not submit any or all of the aforementioned documents on or before the required deadline, Santa Cruz METRO may award the contract to another offeror; in such event, Santa Cruz METRO shall have no liability and said party shall have no remedy of any kind against Santa Cruz METRO.
17. **DISADVANTAGED BUSINESS ENTERPRISES:** The Board of Directors of Santa Cruz METRO has adopted a Disadvantaged Business Enterprise Policy to promote the participation of disadvantaged business enterprises (DBE) in all areas of Santa Cruz METRO contracting to the maximum extent practicable. Consistent with the DBE Policy, the successful offeror selected for this project shall take all necessary and reasonable steps to ensure that DBE firms have the maximum practicable opportunity to participate in the performance of this project and any subcontracting opportunities thereof.

18. NONDISCRIMINATION: Santa Cruz METRO will not discriminate with regard to race, color, creed, ancestry, national origin, religion, sex, sexual preference, marital status, age, medical condition or disability in the consideration for award of contract.

19. PUBLIC RECORDS ACT:

- A. Responses to this IFB shall be subject to the provisions of the California Public Records Act (Government Code Sections §6250 et. seq.).
- B. The Bidder may label information as “Trade Secret”, “Confidential” or “Proprietary”. Santa Cruz METRO will not advise as to the nature or content of documents entitled to protection from disclosure under the California Public Records Act. Santa Cruz METRO will use its best efforts to inform the Contractor of any request for any documents provided by the Bidder to Santa Cruz METRO marked “Trade Secret”, “Confidential”, or “Proprietary”. However, it is incumbent on the Contractor to assert any rights to confidentiality and to seek and obtain a court order prohibiting the release of such information.
- C. Under no circumstances, will Santa Cruz METRO be responsible or liable to the Bidder or any other party for the disclosure of any such labeled information, whether the disclosure is required by law or a court order or occurs through inadvertence, mistake, or negligence on the part of Santa Cruz METRO or its officers, employees, agents, and/or Contractors.
- D. The Bidder, at its sole expense and risk, shall be responsible for prosecuting or defending any action concerning the information contained in the IFB and shall hold Santa Cruz METRO harmless from all costs and expenses, including attorney’s fees, in connection with such actions.

***ADDITIONAL INSTRUCTIONS TO OFFERORS ARE SET FORTH IN  
OTHER SECTIONS OF THIS REQUEST FOR PROPOSALS***

**PART II**

**GENERAL INFORMATION FORM**

**RADIO SYSTEM MAINTENANCE AND REPAIR SERVICES  
RFP No. 10-21**

(To be completed by the offeror and placed at the front of your proposal)

---

Legal Name of Firm

---

Date

---

Firm's Address

---

Telephone Number

---

FAX Number

---

Type of Organization (Partnership, Corporation, etc.)

---

Tax ID Number

Offeror understands and agrees that, by his/her signature, if awarded the contract for the project, he/she is entering into a contract with Santa Cruz METRO that incorporates the terms and conditions of the entire Request for Proposals package, including the General Conditions section of the Request for Proposals. Offeror understands that this proposal constitutes a firm offer to Santa Cruz METRO that cannot be withdrawn for ninety (90) calendar days from the date of the deadline for receipt of proposals. If awarded the contract, offeror agrees to deliver to Santa Cruz METRO the required insurance certificates within ten (10) calendar days of the Notice of Award.

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Signature of Authorized Principal

---

Name of Principal-in-Charge and Title

---

Name of Project Manager and Title

---

Name, Title, Email Address and Phone Number of Person To Whom Correspondence Should be Directed

---

Addresses Where Correspondence Should Be Sent

---

Areas of Responsibility of Prime Contractor



**CERTIFICATION OF PROPOSED CONTRACTOR REGARDING DEBARMENT,  
SUSPENSION AND OTHER INELIGIBILITY AND VOLUNTARY EXCLUSION**

(Contractor) \_\_\_\_\_ certifies to the best of its knowledge and belief, that it and its principals:

Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;

Have not within a three year period preceding this bid been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;

Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and

Have not within a three year period preceding this bid had one or more public transactions (Federal, State or local) terminated for cause or default.

If the Proposed Subcontractor is unable to certify to any of the statements in this certification, it shall attach an explanation to this certification.

(Contractor) \_\_\_\_\_, CERTIFIES OR AFFIRMS THE TRUTHFULNESS AND ACCURACY OF THE CONTENTS OF THE STATEMENTS SUBMITTED ON OR WITH THIS CERTIFICATION AND UNDERSTANDS THAT THE PROVISIONS OF 31 U.S.C. SECTIONS 3801 ET. SEQ. ARE APPLICABLE THERETO.

\_\_\_\_\_  
Signature and Title of Authorized Official



**LOBBYING CERTIFICATION**  
**(Only for Contracts above \$100,000)**

Lobbying Certification for Contracts Grants, Loans and Cooperative Agreements (Pursuant to 49 CFR Part 20, Appendix A)

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal Contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions and as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96).

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and Contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Bidder/Offeror certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Bidder/Offeror understands and agrees that the provisions of 31 U.S.C. A 3801, et. seq. apply to this certification and disclosure, if any.

Firm Name \_\_\_\_\_

Signature of Authorized Official \_\_\_\_\_

Name and Title of Authorized Official \_\_\_\_\_

Date \_\_\_\_\_

**BUY AMERICA PROVISION**  
**(Only for Contracts above \$100,000)**

This procurement is subject to the Federal Transit Administration Buy America Requirements in 49 CFR part 661.

A Buy American Certificate, as per attached format, must be completed and submitted with the bid. A bid which does not include the certificate will be considered non-responsive.

A false certification is a criminal act in violation of 18 U.S.C. 1001. Should this procurement be investigated, the successful bidder/proposer has the burden of proof to establish that it is in compliance.

A waiver from the Buy America Provision may be sought by SCMTD if grounds for the waiver exist.

Section 165(a) of the Surface Transportation Act of 1982 permits FTA participation on this contract only if steel and manufactured products used in the contract are produced in the United States.

**BUY AMERICA CERTIFICATE**

The bidder hereby certifies that it will comply with the requirements of Section 165(a) or (b) (3) of the Surface Transportation Assistance Act of 1982, and the applicable regulations in 49 CFR Part 661.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_

OR

The bidder hereby certifies that it cannot comply with the requirements of Section 165(a) or (b) (3) of the Surface Transportation Act of 1982, but may qualify for an exception to the requirement pursuant to Section 165(b)(2) or (b)(4) of the Surface Transportation Assistance Act of 1982, as amended, and regulations in 49 CFR 661.7.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Company Name: \_\_\_\_\_

Title: \_\_\_\_\_

# CONTRACTOR DBE INFORMATION

CONTRACTOR'S NAME \_\_\_\_\_ CONTRACTOR'S ADDRESS \_\_\_\_\_  
 DBE GOAL FROM CONTRACT \_\_\_\_\_ % \_\_\_\_\_  
 FED. NO. \_\_\_\_\_  
 COUNTY \_\_\_\_\_ PROPOSAL AMOUNT \$ \_\_\_\_\_  
 AGENCY \_\_\_\_\_ PROPOSAL OPENING DATE \_\_\_\_\_  
 CONTRACT NO. \_\_\_\_\_ DATE OF DBE CERTIFICATION \_\_\_\_\_  
 SOURCE \*\* \_\_\_\_\_

This information must be submitted during the initial negotiations with Santa Cruz METRO. By submitting a proposal, offeror certifies that he/she is in compliance with Santa Cruz METRO's policy. Failure to submit the required DBE information by the time specified will be grounds for finding the proposal non-responsive.

CONTRACT ITEM NO.	ITEM OF WORK AND DESCRIPTION OF WORK OR SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED *	CERTIFICATION FILE NUMBER	NAME OF DBE	DOLLAR AMOUNT DBE ***	PERCENT DBE
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TOTAL CLAIMED DBE  
 PARTICIPATION      \$ \_\_\_\_\_ %

\_\_\_\_\_  
SIGNATURE OF CONTRACTOR

\_\_\_\_\_  
DATE

\_\_\_\_\_  
AREA CODE/TELEPHONE

(Detach from proposal if DBE information is not submitted with proposal.)

\* If 100% of item is not to be performed or furnished by DBE, describe exact portion, including plan location of work to be performed, of item to be performed or furnished by DBE.

\*\* DBE's must be certified on the date proposals are opened.

\*\*\* Credit for a DBE supplier who is not a manufacturer is limited to 60% of the amount paid to the supplier.

**NOTE:** Disadvantaged business must renew their certification annually by submitting certification questionnaires in advance of expiration of current certification. Those not on a current list cannot be considered as certified.

# CONTRACTOR DBE INFORMATION

CONTRACT ITEM NO.	ITEM OF WORK AND DESCRIPTION OF WORK OR SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED *	CERTIFICATION FILE NUMBER	NAME OF DBE	DOLLAR AMOUNT DBE ***	PERCENT DBE
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TOTAL CLAIMED DBE  
PARTICIPATION      \$ \_\_\_\_\_      \_\_\_\_\_ %

## **PART III**

### **SPECIFICATIONS FOR RADIO SYSTEM MAINTENANCE AND REPAIR**

#### **1. INTRODUCTION**

The Santa Cruz Metropolitan Transit District (Santa Cruz METRO) is requesting proposals from qualified firms to undertake the following activities related to the repair and scheduled preventive maintenance repair and service for all of its radio communication system equipment, including, but not limited to, mobile units, base stations, and repeater units.

#### **2. SCOPE OF SERVICES:**

##### **Services provided shall include:**

- A. Quarterly inspections and routine maintenance of four (4) radio repeaters and associated equipment including phone line interface.
- B. Preventative Maintenance for all handheld and mobile units.
- C. Preventative Maintenance for a base station / microphone and all associated equipment including phone line interface.
- D. Act as Santa Cruz METRO's agent when dealing with SBC or Verizon as it relates to the operation of Santa Cruz METRO's repeaters and base station.
- E. Coordinate repair calls and be present when SBC or Verizon is called to perform a repair on Santa Cruz METRO's repeaters. This includes being at remote locations with SBC and or Verizon when services are performed.
- F. Preventative maintenance for voice recording system and phone line interface.
- G. Programming handheld, mobile, base repeater and voice recording equipment and associated equipment

##### **2.1. Time of Performances:**

- 2.1.1. Contractor must have personnel on call and available to repair Santa Cruz METRO equipment, upon receiving notification from Santa Cruz METRO, twenty-four (24) hours a day throughout the year.
- 2.1.2. Corrective action shall be initiated within six (6) hours of notification from Santa Cruz METRO and repairs shall continue until completed.
- 2.1.3. Fixed and Mobile Equipment. The following list of equipment requires twenty-four (24) hour maintenance:

- 97 Each Transit Buses with Motorola MaraTrac (HCN1090A) units
- 13 Each Transit Buses with Motorola PM 1500 units
- 35 Each Non-revenue Vehicles with Motorola Mitrek units
- 1 Each GAI-Tronics ICP9000 Navigator Series PC-Based Console w/ Graphical User Interface - Operations Building
- 1 Each Motorola Transmitter/Receiver Operations Building
- 4 Each Motorola HT 125001s 450-512Mhz 4W 32 Ch Portable Hand Held Radios
- 5 Each Motorola HT 1000 Portable Hand Held Radios
- 1 Each Exacom Hindsight-Net/V6 Multi-Media Digital Logging Recorder - Operations Building
- 1 Each Motorola Main Transmitting Receiving Unit – Operations Building
- 1 Each Motorola TLN1991A Radio Receiver Encoder Signal Amplification Unit – Watsonville Transit Center
- 3 Each Repeaters are used and maintained by METRO and are currently placed at the following locations in Santa Cruz County:

Transmit Frequency: 453.975      Receive Frequency 458.975

1 Each Motorola T5766A, Pasatiempo Water Tank Hill, Santa Cruz - Kite Hill  
Lat. (NAD83): 37-0-31.8 N  
Long. (NAD83): 122-1-43.9 W  
Ground Elev: 155.0

1 Each Motorola T5766A, 15715 Skyline Blvd., Los Gatos - Mount Biewlaski  
Lat. (NAD83): 37-13-22.2 N  
Long. (NAD83): 122-5-37.3 W  
Ground Elev: 36.0

1 Each Motorola MSR 200, Hwy 1, 1250 YDS N of Post Office – Davenport  
Lat. (NAD83): 37-0-50.8 N  
Long. (NAD83): 122-5-37.3 W  
Ground Elev: 999.0

5 Each Antennas – Output = 25.000 w, ERP = 160.000 w, Frequencies – 458.97500 and 453.97500

- 2.1.4. Contractor will be available for servicing of equipment from 8:00 a.m. to 12:00 a.m., Monday through Friday.
- 2.1.5. On-call maintenance on bus fleet equipment will be required on evenings and weekends due to the daily operation of the fleet.

## **2.2. Repair Sites:**

- 2.2.1. Maintenance and repair service on mobile units shall be performed at the Santa Cruz METRO location where the unit is assigned. Contractor must have the capability to perform on-site testing and calibrations. Santa Cruz METRO mobile radio repairs, testing, calibration and preventive maintenance will be done at 1200 River Street, 138 Golf Club Dr., and 110 Vernon Street, Santa Cruz, CA 95060.
- 2.2.2. Contractor must make necessary arrangements with site owners to obtain access to transmitter sites. This is especially necessary during inclement weather and hazardous weather conditions, and the Contractor is notified by Santa Cruz METRO to respond.

## **2.3. Documentation:**

All maintenance and repair services shall be completely documented by the Contractor and copies shall be submitted to Santa Cruz METRO. All documentation shall include the following information prior to processing:

- 2.3.1 Vehicle/Bus number, or equipment description/asset number.
- 2.3.2 Purchase Order number assigned to contract.
- 2.3.3 Date service was performed.
- 2.3.4 Description of service performed.
- 2.3.5 Description of any parts used/replaced.
- 2.3.6 A “C” to denote contract work.
- 2.3.7 All work orders must be signed by an authorized Santa Cruz METRO employee.
- 2.3.8 All work orders and invoices for fixed and mobile equipment should be directed to the Maintenance Department.
- 2.3.9 Serial number and model number of equipment work performed on.

## **2.4. Major Repairs:**

- 2.4.1 Contractor shall consult Santa Cruz METRO prior to disabling any District equipment. An estimate of out-of-service time shall be given. If repairs should take longer than

expected, Contractor shall revise the estimate with Santa Cruz METRO. Contractor will consult with the Manager of Maintenance prior to performing major repairs (over \$200.00) on fixed equipment. Contractor will consult with the Manager of Maintenance prior to performing major repairs on mobile equipment.

- 2.4.2 For problems or deficiencies of significant importance, or of a continual nature, a time period of compliance shall be established after discussion and mutual agreement. Failure of the Contractor to correct the deficiencies within the time period agreed upon shall constitute cause for termination of the services and/or withholding of payment.

## **2.5. Mobile Equipment: New Installations, Change Outs**

- 2.5.1 Contractor shall install new radio and communication equipment in Santa Cruz METRO vehicles and/or transfer radio communications equipment from one vehicle to another.
- 2.5.2 New Installation: When a radio is installed in a vehicle that does not currently have a radio.
- 2.5.3 Change Out: When a radio is removed and another one is installed or when a radio is switched from one vehicle to another.

## **2.6. Maintenance Standards:**

- 2.6.1 Contractor must maintain 95% function level of all mobile equipment used in revenue service and in revenue support service or be considered in default of this contract.
- 2.6.2 Periodic Maintenance: at a minimum, fixed equipment will receive, at quarterly intervals:
- a) One FCC performance inspection (measurement, adjustment and part replacement) as specified in accordance with individual transmitter requirements;
  - b) Adjustments will be made and parts replaced, if necessary, to maintain transmitter output, receiver sensitivity, and selectivity specifications to maintain factory specifications and conform to applicable FCC rules and regulations;
  - c) Inspection of all associated cables, antennas, battery back-up systems, and telephone line protectors, for wear and proper operation.
  - d) The Manager of Maintenance will be notified of actions recommended to correct deficiencies in this associated hardware, and must approve any actions taken. Corrective adjustments and parts replacement will be at indicated time and materials rates.

## **2.7. Qualifications of Personnel:**

Contractor shall ensure that personnel used for the service are properly qualified, possess all required licenses and certificates, take proper safety precautions, and to extent work is performed on Santa Cruz METRO premises, abide by Santa Cruz METRO operating rules.

## **2.8. Additional Requirements:**

- 2.8.1 Contractor will provide all parts and labor necessary for this contract.
- 2.8.2 The contractor shall provide warranty language in response to this RFP that insures the quality necessary to assure performance of the equipment in accordance with the manufacturer's published specifications. Specify warranty timeline.
- 2.8.3 Contractor must have available on a mobile basis all test and calibration equipment necessary for repair of mobile equipment.
- 2.8.4 Contract Term: The term of the contract will be for a period of three (3) years and shall commence upon the signing of the agreement by the successful contractor and Santa Cruz METRO. At the option of Santa Cruz METRO, this contract agreement may be renewed for two (2) additional one (1) year terms under the same terms and conditions. On each anniversary date for the option years, the vendor will be allowed to increase rates for services. Increase may not exceed annual percentage change in the San Francisco-

Oakland- San Jose Consumer Price Index for all urban consumers. In all cases, Santa Cruz METRO may cancel the contract if a requested price increase(s) is not acceptable.

### **3. SPECIAL INSTRUCTIONS TO OFFERORS**

#### **3.1. Proposal Requirements**

- 3.1.1 Contractor shall be required to meet all other provisions of the contract documents enclosed as part of this Request for Proposal package.
- 3.1.2 Conflict of Interest - The offeror shall disclose any financial, business or other relationship with Santa Cruz METRO or any of its officers or officials that may have an impact upon the outcome of the work. The offeror shall also list current clients who may have a financial interest in the outcome of the work.
- 3.1.3 Professional Services Agreement - Offeror's proposal shall be based on the requirements set forth in the "Professional Services Agreement" included in this RFP. The final agreement between Santa Cruz METRO and Contractor shall be in substantially the same form and content as the "Professional Services Agreement" included herein.
- 3.1.4 Pricing Information - Offeror shall submit a proposed monthly fee for services. Fee shall include all costs, including labor, parts, freight, applicable taxes, travel and number of required personnel. Offeror shall provide pricing information (hourly rates) for different work shifts, short notice service, and emergency service. Offeror shall provide pricing information (hourly rates and parts pricing formula) for work performed that is not included in the monthly fee. Offeror shall provide pricing information on replacement equipment if Santa Cruz METRO's equipment was out of service for repair.
- 3.1.5 Signature - The proposal shall be signed by an official authorized to bind the offeror and shall contain a statement to the effect that the proposal is a firm offer for a 90-day period. The proposal shall also provide the following: name, title, address and telephone number of the individual(s) with authority to negotiate and contractually bind the company.

#### **3.2. Proposal Submittal**

One signed, unbound original proposal and four bound copies must be received no later than 5:00 p.m. on March 12, 2010 at Santa Cruz METRO's Purchasing Office, 110 Vernon Street, Santa Cruz, California, 95060. Proposals must be clearly marked:

**"Proposal for Radio Communications System Maintenance  
RFP No. 10-21"**

#### **3.3 Modification or Withdrawal of Proposals**

Any proposal received prior to the date and time specified above for receipt of proposals may be withdrawn or modified by written request of the offeror. To be considered, however, the modified proposal must be received by the date and time specified above.

All verbal modifications of these conditions or provisions are void and ineffective for proposal evaluation purposes. Only written changes issued to offerors by the Purchasing Department are authorized and binding.

#### **3.4 Rejection of Proposals**

Failure to meet the requirements for the Request for Proposals will be cause for rejection of the proposal. Santa Cruz METRO may reject any proposal if it is conditional, incomplete or contains irregularities. Santa Cruz METRO may waive an immaterial deviation in the proposal. Waiver of an immaterial deviation shall in no way modify the Request for Proposal's documents or excuses the offeror from full compliance with the contract documents if the offeror is awarded the contract. Santa Cruz METRO reserves the right to not award the contract should it determine that the proposals are not in its best interest.



**3.5 Evaluation Criteria**

- 3.5.1 Offeror is required to demonstrate, to the satisfaction of Santa Cruz METRO, that it is able to provide personnel, equipment and expertise sufficient to execute all terms of the agreement.
- 3.5.2 Offeror shall submit a monthly maintenance fee based on a unit price schedule and an hourly rate.
- 3.5.3 Offerors are required to furnish the following information with their proposals:
  - 3.5.3.1 A listing of management personnel and proof of certification and qualifications of personnel performing projected maintenance including total number of personnel projected to do required maintenance, and the hourly rate to be charged during this contract for work not covered in this contract.
  - 3.5.3.2 Evidence of ability to access transmitter sites during inclement and hazardous weather conditions.
  - 3.5.3.3 Accounting data to be verified by Santa Cruz METRO before acceptance of proposal, to determine if local parts and stock are adequate to handle normal repairs.
  - 3.5.3.4 Proof of unlimited access to transmitter sites in case of system breakdown, interference, or related problems.
  - 3.5.3.5 Ability to provide adequate personnel for emergency service to the Transit District on a twenty-four (24) hour basis.
  - 3.5.3.6 Proof of experience in the maintenance of equipment in use by Santa Cruz METRO. For such purposes, Contractor must certify that his personnel are trained and familiar with the equipment in use by Santa Cruz METRO.
  - 3.5.3.7 Prompt payment discounts will be considered when evaluating the proposals, providing Santa Cruz METRO is allowed at least ten (10) days in which to take advantage of the discount.

**3.6 Selection of the Successful Offeror**

Selection of the successful offeror will be based on information provided in response to the RFP and a variety of factors to include:

<b>EVALUATION CRITERIA</b>	<b>POINTS POSSIBLE</b>
1. Understanding of the Service Requirements	20
2. Experience and capability of the firm	30
3. Cost Proposal	30
4. References	15
5. Disadvantaged Business Enterprises	5
Total Possible Points	100

**4. PROJECT SCHEDULE**

The anticipated schedule of activities related to this RFP is as follows:

1. Distribution of RFP	February 12, 2010
2. Proposal Submittal Deadline	March 12, 2010, 5:00 pm
3. Evaluation of Proposal	March 12 <sup>th</sup> – March 16 <sup>th</sup>
3. Board Approval of Award of Contract	March 26, 2010
4. Effective Start Date of Contract	April 1, 2010

## **PART IV**

### **GENERAL CONDITIONS TO THE CONTRACT**

#### **1. GENERAL PROVISIONS**

##### **1.01 Governing Law & Compliance with All Laws**

This Contract is governed by and construed in accordance with the laws of California. Each party will perform its obligations hereunder in accordance with all applicable laws, rules, and regulations now or hereafter in effect. Contractor shall ensure throughout the terms of this Agreement that all federal, state and local laws and requirements are met including any requirements Santa Cruz METRO is obligated to perform because of receipt of grant funding. Contractor shall also be required to fulfill its obligation as a federal and/or state and/or local sub-recipient of grant funding.

##### **1.02 Right to Modify Contract**

Santa Cruz METRO may extend the term of this Contract, expand the Scope of Work, or otherwise amend the Contract. Any such extension, expansion or amendment shall be effective only upon written agreement of the parties in accordance with Section 13.14.

#### **2. TERMINATION**

##### **2.01 Termination for Convenience**

2.01.01 The performance of Work under this Contract may be terminated by Santa Cruz METRO upon fifteen (15) days' notice at any time without cause for any reason in whole or in part, whenever Santa Cruz METRO determines that such termination is in Santa Cruz METRO 's best interest.

2.01.02 Upon receipt of a notice of termination, and except as otherwise directed by Santa Cruz METRO, the Contractor shall: (1) stop work under the Contract on the date and to the extent specified in the notice of termination; (2) place no further orders or subcontracts for materials, services, or facilities, except as may be necessary for completion of such portion of the Work under the Contract as is not terminated; (3) terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the notice of termination; (4) assign to Santa Cruz METRO in the manner, at the time, and to the extent directed by Santa Cruz METRO all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case Santa Cruz METRO shall have the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts; (5) settle all outstanding liabilities and claims arising out of such termination or orders and subcontracts, with the approval or ratification of Santa Cruz METRO, to the extent Santa Cruz METRO may require, which approval or ratification shall be final for all the purposes of this clause; (6) transfer title to Santa Cruz METRO and deliver in the manner, at the time, and to the extent, if any, directed by Santa Cruz METRO the fabricated or unfabricated parts, work in progress, completed work, supplies and other material produced as a part of, or acquired in connection with the performance of, the work terminated and the completed or partially completed plans, drawings, information and other property which, if the Contract had been completed, would have been required to be furnished to Santa Cruz METRO; (7) use its best efforts to sell, in the manner, at the time, to the extent, and at the price(s) directed or authorized by Santa Cruz METRO, any property of the types referred to above provided, however, that the Contract shall not be required to extend credit to any purchaser, and may acquire any such property under the conditions prescribed by and at a price(s) approved by Santa Cruz METRO, and provided further, that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made to Santa Cruz METRO to the Contractor under this Contract or shall otherwise be credited to the price or cost of the Work covered by this

Contract or paid in such other manner as Santa Cruz METRO may direct; (8) complete performance of such part of the Work as shall not have been terminated by the notice of termination; and (9) take such action as may be necessary, or as Santa Cruz METRO may direct, for the protection or preservation of the property related to this Contract which is in the possession of the Contractor and in which Santa Cruz METRO has or may acquire an interest.

## 2.02 Termination for Default

2.02.01 Santa Cruz METRO may, upon written notice of default to the Contractor, terminate the whole or any part of this Contract if the Contractor: (1) fails to complete the Scope of Work within time period stated in the Specifications section of the IFB; (2) fails to perform any of the other provisions of the Contract; or (3) fails to make progress as to endanger performance of this Contract in accordance with its provisions.

2.02.02 If the Contract is terminated in whole or in part for default, Santa Cruz METRO may procure, upon such terms and in such manner as Santa Cruz METRO may deem appropriate, supplies or services similar to those so terminated. Without limitation to any other remedy available to Santa Cruz METRO, the Contractor shall be liable to Santa Cruz METRO for any excess costs for such similar supplies or services, and shall continue the performance of this Contract to the extent not terminated under the provisions of this clause.

2.02.03 If, after notice of termination of this Contract under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, or that the default was excusable under the provisions of this clause, the rights and obligations of Contractor and Santa Cruz METRO shall be considered to have been terminated pursuant to termination for convenience of Santa Cruz METRO pursuant to Article 2.01 from the date of Notification of Default.

## 2.03 No Limitation

The rights and remedies of Santa Cruz METRO provided in this Article 2 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

## 3. FORCE MAJEURE

### 3.01 General

Neither party hereto shall be deemed to be in default of any provision of this Contract, or for any failure in performance, resulting from acts or events beyond the reasonable control of such party. For purposes of this Contract, such acts shall include, but not be limited to, acts of God, civil or military authority, civil disturbance, war, strikes, fires, other catastrophes, or other "force majeure" events beyond the parties' reasonable control; provided, however, that the provisions of this Section 3 shall not preclude Santa Cruz METRO from canceling or terminating this Contract (or any order for any product included herein), as otherwise permitted hereunder, regardless of any force majeure event occurring to Contractor.

### 3.02 Notification by Contractor

Contractor shall notify Santa Cruz METRO in writing as soon as Contractor knows, or should reasonably know, that a force majeure event (as defined in Section 3.01) has occurred that will delay completion of the Scope of Work. Said notification shall include reasonable proofs required by Santa Cruz METRO to evaluate any Contractor request for relief under this Article 3. Santa Cruz METRO shall examine Contractor's notification and determine if the Contractor is entitled to relief. Santa Cruz METRO shall notify the Contractor of its decision in writing. Santa Cruz METRO's decision regarding whether or not the Contractor is entitled to force majeure relief shall be final and binding on the parties.

### 3.03 Losses

Contractor is not entitled to damages, compensation, or reimbursement from Santa Cruz METRO for losses resulting from any "force majeure" event.

## 4. PROFESSIONAL STANDARDS

Contractor shall at all times during the term of this Contract possess the technical ability, experience, financial ability, overall expertise, and all other skills, licenses, and resources necessary to perform and complete the scope of work in a timely, professional manner so as to meet or exceed the provisions of this Contract.

## 5. PROFESSIONAL RELATIONS

### 5.01 Independent Contractor

No relationship of employer and employee is created by this Contract. In the performance of its work and duties, Contractor is at all times acting and performing as an independent contractor in the practice of its profession. Santa Cruz METRO shall neither have nor exercise control or direction over the methods by which Contractor performs services pursuant to this Contract (including, without limitation, its officers, shareholders, and employees); provided, however, that Contractor agrees that all work performed pursuant to this Contract shall be in strict accordance with currently approved methods and practices in its profession, and in accordance with this Contract. The sole interest of METRO is to ensure that such services are performed and rendered in a competent and cost effective manner.

### 5.02 Benefits

Contractor (including, without limitation, its officers, shareholders, subcontractors and employees) has no claim under this Contract or otherwise against Santa Cruz METRO for social security benefits, workers' compensation benefits, disability benefits, unemployment benefits, vacation pay, sick leave, or any other employee benefit of any kind.

## 6. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS

### 6.01 Scope

Contractor shall exonerate, indemnify, defend, and hold harmless Santa Cruz METRO (which for the purpose of Articles 6 and 7 shall include, without limitation, its officers, agents, employees and volunteers) from and against:

6.01.01 Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which Santa Cruz METRO may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, or arising out of, or in any manner connected with the Contractor's negligence, recklessness or willful misconduct under the provisions of this Contract. Such indemnification includes any damage to the person(s) or property (ies) of Contractor and third persons.

6.01.02 Any and all Federal, state and local taxes, charges, fees, or contributions required to be paid with respect to Contractor, Contractor's officers, employees and agents engaged in the performance of this Contract (including, without limitation, unemployment insurance, social security, and payroll tax withholding).

## 7. INSURANCE

### 7.01 General

Contractor, at its sole cost and expense, for the full term of this Contract (and any extensions thereof), shall

obtain and maintain at minimum all of the following insurance coverage. Such insurance coverage shall be primary coverage as respects Santa Cruz METRO and any insurance or self-insurance maintained by Santa Cruz METRO shall be excess of Contractor's insurance coverage and shall not contribute to it.

#### 7.02 Types of Insurance and Minimum Limits

Contractor shall obtain and maintain during the term of this Contract:

- (1) Worker's Compensation and Employer's Liability Insurance in conformance with the laws of the State of California (not required for Contractor's subcontractors having no employees).
- (2) Contractors vehicles used in the performance of this Contract, including owned, non-owned (e.g. owned by Contractor's employees), leased or hired vehicles, shall each be covered with Automobile Liability Insurance in the minimum amount of \$1,000,000.00 combined single limit per accident for bodily injury and property damage.
- (3) Contractor shall obtain and maintain Comprehensive General Liability Insurance coverage in the minimum amount of \$1,000,000.00 combined single limit, including bodily injury, personal injury, and property damage. Such insurance coverage shall include, without limitation:
  - (a) Contractual liability coverage adequate to meet the Contractor's indemnification obligations under this contract.
  - (a) Full Personal Injury coverage.
  - (a) Broad form Property Damage coverage.
  - (a) A cross-liability clause in favor of Santa Cruz METRO.
- (4) Contractor shall obtain and maintain Professional Liability Insurance coverage in the minimum amount of \$1,000,000.00.

#### 7.03 Other Insurance Provisions

- (1) As to all insurance coverage required herein, any deductible or self-insured retention exceeding \$5,000.00 shall be disclosed to and be subject to written approval by Santa Cruz METRO.
- (2) If any insurance coverage required hereunder is provided on a "claims made" rather than "occurrence" form, Contractor shall maintain such insurance coverage for three (3) years after expiration of the term (and any extensions) of this Contract.
- (3) All required Automobile Liability Insurance and Comprehensive or Commercial General Liability Insurance shall contain the following endorsement as a part of each policy: "The Santa Cruz Metropolitan Transit District is hereby added as an additional insured as respects the operations of the named insured."
- (4) All the insurance required herein shall contain the following clause: "It is agreed that this insurance shall not be canceled until thirty (30) days after Santa Cruz METRO shall have been given written notice of such cancellation or reduction."
- (5) Contractor shall notify Santa Cruz METRO in writing at least thirty (30) days in advance of any reduction in any insurance policy required under this Contract.
- (6) Contractor agrees to provide Santa Cruz METRO at or before the effective date of this Contract with a certificate of insurance of the coverage required.

- (6) All insurance shall be obtained from brokers or carriers authorized to transact business in California and are satisfactory to Santa Cruz METRO.

## 8. SINGLE PROPOSAL

If only one proposal is received in response to the RFP, Offeror may be required to submit to Santa Cruz METRO within five (5) days of Santa Cruz METRO demand, a detailed cost proposal. Santa Cruz METRO may conduct a cost or price analysis of the cost proposal to determine if the proposal price(s) are fair and reasonable. Offeror shall cooperate with Santa Cruz METRO in compiling and submitting detailed information for the cost and price analysis.

## 9. NO DISCRIMINATION

The Contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR, Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as recipient deems appropriate.

## 10. DISADVANTAGED BUSINESS ENTERPRISES

The Board of Directors of the Santa Cruz Metropolitan Transit District has adopted a Disadvantaged Business Enterprise Policy to promote the participation of disadvantaged business enterprises (DBE's) in all areas of Santa Cruz METRO contracting to the maximum extent practicable. Consistent with the DBE Policy, the Contractor shall take all necessary and reasonable steps to ensure that DBE firms have the maximum practicable opportunity to participate in the performance of this project and any subcontracting opportunities thereof.

### I. PROMPT PAYMENT

#### 11.01 Prompt Progress Payment to Subcontractors

The prime contractor or subcontractor shall pay to any subcontractor not later than 10-days of receipt of each progress payment, in accordance with the provision in Section 7108.5 of the California Business and Professions Code concerning prompt payment to subcontractors. The 10-days is applicable unless a longer period is agreed to in writing. Any delay or postponement of payment over 30-days may take place only for good cause and with Santa Cruz METRO's prior written approval. Any violation of Section 7108.5 shall subject the violating contractor or subcontractor to the penalties, sanctions, and other remedies of that Section. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

#### A. Prompt Payment of Withheld Funds to Subcontractors

Santa Cruz METRO shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by Santa Cruz METRO of the contract work and pay retainage to the prime contractor based on these acceptances. The prime contractor or subcontractor shall return all monies withheld in retention from all subcontractors within 30 days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by Santa Cruz METRO. Any delay or postponement of payment may take place only for good cause and with Santa Cruz METRO's prior written approval. Any violation of these provisions shall subject the violating prime contractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of: a dispute involving late payment or nonpayment by the contractor; deficient subcontractor performance; and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

Prime subcontractors must include the prompt payment language of paragraph 1 in all subcontracts, regardless of subcontractor's DBE status. Failure of a prime contractor to uphold prompt payment requirements for subcontractors will result in Santa Cruz METRO withholding reimbursement for completed work.

## 12. RESERVED

## 13. MISCELLANEOUS PROVISIONS

### 13.01 Successors and Assigns

The Contract shall inure to the benefit of, and be binding upon, the respective successors and assigns, if any, of the parties hereto, except that nothing contained in this Article shall be construed to permit any attempted assignment which would be unauthorized or void pursuant to any other provision of this Contract.

### 13.02 Survival of Rights and Obligations

In the event of termination, the rights and obligations of the parties which by their nature survive termination of the services covered by this Contract shall remain in full force and effect after termination. Compensation and revenues due from one party to the other under this Contract shall be paid; loaned equipment and material shall be returned to their respective owners; the duty to maintain and allow inspection of books, accounts, records and data shall be extended as provided in Section 13.15; and the hold harmless agreement contained in Article 6 shall survive.

### 13.03 Limitation on Santa Cruz METRO Liability

Santa Cruz METRO's liability is, in the aggregate, limited to the total amount payable under this Contract.

### 13.04 Drug and Alcohol Policy

Contractor shall not use, possess, manufacture, or distribute alcohol or illegal drugs during the performance of the Contract or while on Santa Cruz METRO premises or distribute same to Santa Cruz METRO employees.

### 13.05 Publicity

Contractor agrees to submit to Santa Cruz METRO all advertising, sales promotion, and other public matter relating to any service furnished by Contractor wherein Santa Cruz METRO's name is mentioned or language used from which the connection of Santa Cruz METRO's name therewith may, within reason, be inferred or implied. Contractor further agrees not to publish or use any such advertising, sales promotion or publicity matter without the prior written consent of Santa Cruz METRO.

### 13.06 Consent to Breach Not Waiver

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 a consent to, waiver of, or excuse for any other different or subsequent breach.

### 13.07 Attorneys' Fees

In the event that suit is brought to enforce or interpret any part of this Contract, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, a reasonable attorney's fee to be fixed by the court. The "prevailing party" shall be the party who is entitled to recover its costs of suit, whether or not the suit proceeds to final judgment. A party not entitled to recover its costs shall not recover

attorney's fees. No sum for attorney's fees shall be counted in calculating the amount of a judgment for purposes of determining whether a party is entitled to recover its costs or attorney's fees.

13.08 No Conflict of Interest

Contractor represents that it currently has no interest, and shall not have any interest, direct or indirect, that would conflict in any manner with the performance of services required under this Contract.

13.09 Prohibition of Discrimination against Qualified Handicapped Persons

Contractor shall comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified handicapped persons in federally-assisted programs.

13.10 Cal OSHA/Hazardous Substances

13.10.01 Contractor shall comply with California Administrative Code Title 8, Section 5194, and shall directly (1) inform its employees of the hazardous substances they may be exposed to while performing their work on Santa Cruz METRO property, (2) ensure that its employees take appropriate protective measures, and (3) provide Santa Cruz METRO's Manager of Facility Maintenance with a Material Safety Data Sheet (MSDS) for all hazardous substances to be used on Santa Cruz METRO property.

13.10.02 Contractor shall comply with Cal OSHA regulations and the Hazardous Substance Training and Information Act. Further, said parties shall indemnify Santa Cruz METRO against any and all damage, loss, and injury resulting from non-compliance with this Article.

13.10.03 Contractor will comply with the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) California Health and Safety Code Section 25249.5 - 25249.13. Contractor will ensure that clear and reasonable warnings are made to persons exposed to those chemicals listed by the State of California as being known to cause cancer or reproductive toxicity.

13.10.04 Contractor shall be solely responsible for any hazardous material, substance or chemical released or threatened release caused or contributed to by Contractor. Contractor shall be solely responsible for all clean-up efforts and costs.

13.11 Non-Assignment of Contract

The Contractor shall not assign, transfer, convey, sublet, or otherwise dispose of the Contract or Contractor's right, title or interest in or to the same or any part thereof without previous written consent by Santa Cruz METRO; and any such action by Contractor without Santa Cruz METRO's previous written consent shall be void.

13.12 No Subcontract

Contractor shall not subcontract or permit anyone other than Contractor or its authorized staff and subcontractors to perform any of the scope of work, services or other performance required of Contractor under this Contract without the prior written consent of Santa Cruz METRO. Any such action by Contractor without Santa Cruz METRO's previous consent shall be void.

13.13 Severability

If any provision of this Contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force and effect, and shall in no way be affected, impaired or invalidated.



13.14 All Amendments in Writing

No amendment to this Contract shall be effective unless it is in writing and signed by duly authorized representatives of both parties.

13.15 Audit

This Contract is subject to audit by Federal, State, or Santa Cruz METRO personnel or their representatives at no cost for a period of four (4) years after the date of expiration or termination of the Contract. Requests for audits shall be made in writing, and Contractor shall respond with all information requested within ten (10) calendar days of the date of the request. During the four-year period that the Contract is subject to audit, Contractor shall maintain detailed records substantiating all costs and expenses billed against the Contract.

13.16 Smoking Prohibited

Contractor, its employees and agents shall not smoke in any enclosed area on Santa Cruz METRO premises or in a Santa Cruz METRO vehicle.

13.17 Responsibility for Equipment

13.17.01 Santa Cruz METRO shall not be responsible nor held liable for any damage to person or property consequent upon the use, or misuse, or failure of any equipment used by Contractor, or any of its employees, even though such equipment be furnished, rented or loaned to Contractor by Santa Cruz METRO.

13.17.02 Contractor is responsible to return to Santa Cruz METRO in good condition any equipment, including keys, issued to it by Santa Cruz METRO pursuant to this Agreement. If the contractor fails or refuses to return Santa Cruz METRO-issued equipment within five days of the conclusion of the contract work Santa Cruz METRO shall deduct the actual costs to repair or replace the equipment not returned from the final payment owed to contractor or take other appropriate legal action at the discretion of Santa Cruz METRO.

13.18 Grant Contracts

13.18.01 Contractor shall ensure throughout the terms of this Agreement that all federal, state and local laws and requirements are met including any requirements Santa Cruz METRO is obligated to perform because of receipt of grant funding. Contractor shall also be required to fulfill its obligation as a federal and/or state and/or local sub-recipient of grant funding.

13.19 Time of the Essence

13.19.01 Time is of the essence in this Contract

## PART V

### PROFESSIONAL SERVICES CONTRACT FOR RADIO SYSTEM MAINTENANCE AND REPAIR (10-21)

THIS CONTRACT is made effective on \_\_\_\_\_, 2009 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("Santa Cruz METRO"), and \_\_\_\_\_ ("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 has its principal office at 110 Vernon Street, Santa Cruz, California 95060.

##### 1.02 Santa Cruz METRO's Need for RADIO SYSTEM MAINTENANCE AND REPAIR

Santa Cruz METRO has the need for RADIO SYSTEM MAINTENANCE AND REPAIR. In order to obtain these services, Santa Cruz METRO issued a Request for Proposals, dated February 12, 2010, 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 RADIO SYSTEM MAINTENANCE AND REPAIR and whose principal place of business is \_\_\_\_\_. Pursuant to the Request for Proposals by Santa Cruz METRO, Contractor submitted a proposal for RADIO SYSTEM MAINTENANCE AND REPAIR, which is attached hereto and incorporated herein by reference as Exhibit "B."

##### 1.04 Selection of Contractor and Intent of Contract

On \_\_\_\_\_, Santa Cruz METRO selected Contractor as the offeror whose proposal was most advantageous to Santa Cruz METRO, to provide the RADIO SYSTEM MAINTENANCE AND REPAIR 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 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 13.14.

##### A. Exhibit "A"

Santa Cruz Metropolitan Transit District's "Request for Proposals" dated February 12, 2010

##### B. Exhibit "B" (Contractor's Proposal)

Contractor's Proposal to Santa Cruz METRO for RADIO SYSTEM MAINTENANCE AND REPAIR, signed by Contractor and dated March 12, 2010.

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" supercede 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 Section 13.14.

3.01.02 CONTRACTOR - The Contractor selected by Santa Cruz METRO for this project in accordance with the Request for Proposals issued February 12, 2010.

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 February 12, 2010.

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 one (1) year and shall commence upon the issuance of the contract by Santa Cruz METRO.

At the option of Santa Cruz METRO, this contract agreement may be renewed for four (4) additional one (1) year terms upon mutual written consent.

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. Santa Cruz METRO shall reasonably determine whether work has been successfully performed for purposes of payment. Compensation shall be made within thirty (30) days of Santa Cruz METRO written approval of Contractor's written invoice for said work. Contractor understands and agrees that if he/she exceeds the \$ \_\_\_\_\_ maximum amount payable under this contract, that it does so at its own risk.

5.02 Invoices

Contractor shall submit invoices with a purchase order number provided by Santa Cruz METRO on a monthly basis. Contractor's invoices shall include detailed records showing actual time devoted, work accomplished, date work accomplished, personnel used, and amount billed per hour. Expenses shall only be billed if allowed under the Contract. Telephone call expenses shall show the nature of the call and identify location and individual called. 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.

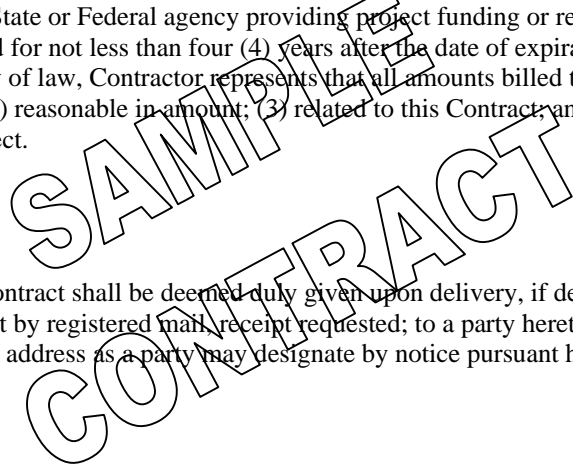
Santa Cruz METRO

Santa Cruz Metropolitan Transit District  
110 Vernon Street  
Santa Cruz, CA 95060  
Attention: General Manager

CONTRACTOR

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_



7. 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

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR -

By \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Margaret Rose Gallagher  
District Counsel

SAMPLE  
CONTRACT

## **PART VI**

### **FEDERAL TRANSIT ADMINISTRATION REQUIREMENTS FOR NON-CONSTRUCTION CONTRACTS**

#### **1.0 GENERAL**

This Contract is subject to the terms of a financial assistance contract between the Santa Cruz Metropolitan Transit District and the Federal Transit Administration (FTA) of the United States Department of Transportation.

#### **2.0 INTEREST TO MEMBERS OF OR DELEGATES TO CONGRESS**

In accordance with 18 U.S.C. 431, no member of, nor delegates to, the Congress of the United States shall be admitted to a share or part of this Contract or to any benefit arising therefrom.

#### **3.0 INELIGIBLE CONTRACTORS**

Neither Contractor, subcontractor, nor any officer or controlling interest holder of Contractor or subcontractor, is currently, or has been previously, on any debarred bidders list maintained by the United States Government.

#### **4.0 EQUAL EMPLOYMENT OPPORTUNITY (Not applicable to contracts for standard commercial supplies and raw materials)**

In connection with the execution of this Contract, the Contractor shall not discriminate against any employee or application for employment because of race, religion, color, sex, age (40 or over), national origin, pregnancy, ancestry, marital status, medical condition, physical handicap, sexual orientation, or citizenship status. The Contractor shall take affirmative action to insure that applicants employed and that employees are treated during their employment, without regard to their race, religion, color, sex national origin, etc. Such actions shall include, but not be limited to the following: Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and, selection for training including apprenticeship. Contractor further agrees to insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

#### **5.0 TITLE VI CIVIL RIGHTS ACT OF 1964**

During the performance of this Contract, the Contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "Contractor"), agrees as follows:

##### **5.1 Compliance with Regulations**

The Contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the "Regulations"), which are herein incorporated by reference and made a part of this Contract.

##### **5.2 Nondiscrimination**

The Contractor, with regard to the work performed by it during the Contract, shall not discriminate on the grounds of race, religion, color, sex, age or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor shall not participate either directly or indirectly in the discrimination prohibited in Section 21.5 of the Regulations, including employment practices when the Contract covers a program set forth in Appendix B of the regulations.

5.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment

In all solicitations either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Contractor of the Contractor's obligations under this Contract and the Regulations relative to nondiscrimination on the grounds of race, religion, color, sex, age or national origin.

5.4 Information and Reports

The Contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by Santa Cruz METRO or the Federal Transit Administration (FTA) to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information is required or a Contractor is in the exclusive possession of another who fails or refuses to furnish this information, the Contractor shall so certify to Santa Cruz METRO, or the Federal Transit Administration, as appropriate, and shall set forth what efforts it has made to obtain the information.

5.5 Sanctions for Noncompliance

In the event of the Contractor's noncompliance with the nondiscrimination provisions of this Contract, Santa Cruz METRO shall impose such contract sanctions as it or the Federal Transit Administration may determine to be appropriate, including, but not limited to:

- (a) Withholding of payments to the Contractor under the Contract until the Contractor complies; and/or,
- (b) Cancellation, termination or suspension of the Contract, in whole or in part.

5.6 Incorporation of Provisions

The Contractor shall include the provisions of Paragraphs (1) through (6) of this section in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The Contractor shall take such action with respect to any subcontract or procurement as Santa Cruz METRO or the Federal Transit Administration may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the Contractor may require Santa Cruz METRO to enter into such litigation to protect the interests of Santa Cruz METRO, and, in addition, the Contractor may request the services of the Attorney General in such litigation to protect the interests of the United States.

6.0 CLEAN AIR AND FEDERAL WATER POLLUTION CONTROL ACTS (Applicable only to contracts in excess of \$100,000)

Contractor shall comply with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act (42 USC 1857[h]), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR, Part 15), which prohibit the use under non-exempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. Contractor shall report all violations to FTA and to the USEPA Assistant Administrator for Enforcement (EN0329).

## 7.0 CONSERVATION

Contractor shall recognize mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 USC Section 6321, et seq.).

## 8.0 AUDIT AND INSPECTION OF RECORDS (Applicable only to sole source or negotiated contracts in excess of \$10,000)

Contractor agrees that Santa Cruz METRO, the Comptroller General of the United States, or any of their duly authorized representatives shall, for the purpose of audit and examination, be permitted to inspect all work, materials, payrolls and other data and records with regard to the project, and to audit the books, records and accounts with regard to the project. Further, Contractor agrees to maintain all required records for at least three years after Santa Cruz METRO makes final payments and all other pending matters are closed.

## 9.0 LABOR PROVISIONS (Applicable only to contracts of \$2,500.00 or more that involve the employment of mechanics or laborers)

### 9.1 Overtime Requirements

No Contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any work week in which he or she is employed on such work to work in excess of eight (8) hours in any calendar day or in excess of forty (40) hours in such work week unless such laborer or mechanic receives compensation at a rate not less than one and one-half (1 1/2) times the basic rate of pay for all hours worked in excess of eight (8) hours in any calendar day or in excess of forty (40) hours in such work week, whichever is greater.

### 9.2 Violation; Liability for Unpaid Wages; Liquidated Damages

In the event of any violation of the clause set forth in subparagraph (b)(1) of 29 CFR Section 5.5, the Contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for Santa Cruz METRO of Columbia or a territory, to such district or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (b)(1) of which such individual was required or permitted to work in excess of eight (8) hours in excess of the standard work week of forty (40) hours without payment of the overtime wages required by the clause set forth in subparagraph (b)(1) of 29 CFR Section 5.5.

### 9.3 Withholding for Unpaid Wages and Liquidated Damages

DOT or Santa Cruz METRO shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any monies payable on account of work performed by the Contractor or subcontractor under any such contract or any other Federal contract with the same prime Contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b)(2) of 29 CFR Section 5.5.

### 9.4 Nonconstruction Grants

The Contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three (3) years from the completion of



the Contract for all laborers and mechanics, including guards and watchmen, working on the Contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made and actual wages paid. Further, Santa Cruz METRO shall require the contracting officer to insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the Contractor or subcontractor for inspection, copying or transcription by authorized representatives of DOT and the Department of Labor, and the Contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

#### 9.5 Subcontracts

The Contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (5) of this paragraph and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in subparagraphs (1) through (5) of this paragraph.

#### 10.0 CARGO PREFERENCE (Applicable only to Contracts under which equipment, materials or commodities may be transported by ocean vehicle in carrying out the project)

The Contractor agrees:

- 10.1 To utilize privately owned United States-flag commercial vessels to ship at least fifty percent (50%) of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners and tankers) involved, whenever shipping any equipment, materials or commodities pursuant to this section, to the extent such vessels are available at fair and reasonable rates for United States- flag commercial vessels.
- 10.2 To furnish within 30 days following the date of loading for shipments originating within the United States, or within thirty (30) working days following the date of loading for shipment originating outside the United States, a legible copy of a rated, "on-board" commercial ocean bill-of-lading in English for each shipment of cargo described in paragraph (1) above, to Santa Cruz METRO (through the prime Contractor in the case of subcontractor bills-of-lading) and to the Division of National Cargo, Office of Market Development, Maritime Administration, 400 Seventh Street, S.W., Washington D. C. 20590, marked with appropriate identification of the project.
- 10.3 To insert the substance of the provisions of this clause in all subcontracts issued pursuant to this Contract.

#### 11.0 BUY AMERICA PROVISION

This procurement is subject to the Federal Transportation Administration Buy America Requirements in 49 CFR 661. A Buy America Certificate, if required format (see Form of Proposal or Bid Form) must be completed and submitted with the proposal. A proposal that does not include the certificate shall be considered non-responsive. A waiver from the Buy America Provision may be sought by Santa Cruz METRO if grounds for the waiver exist. Section 165a of the Surface Transportation Act of 1982 permits FTA participation on this Contract only if steel and manufactured products used in the Contract are produced in the United States. In order for rolling stock to qualify as a domestic end product, the cost of components produced in the United States must exceed sixty percent (60%) of the cost of all components, and final assembly must take place in the United States.

## 12.0 DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION

### 12.1 Policy

It is the policy of the U.S. Department of Transportation that Disadvantaged Business Enterprises as defined in 49 CFR Part 26 shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this Agreement. Consequently, the DBE requirements of 49 CFR Part 26 apply to this Agreement.

### 12.2 DBE Obligation

Santa Cruz METRO and Contractor agree to insure that Disadvantaged Business Enterprises as defined in 49 CFR Part 26 have the maximum opportunity to participate in the performance of contracts and subcontracts under this Agreement. In this regard, Santa Cruz METRO and Contractor shall take all necessary and reasonable steps in accordance with 49 CFR Part 26 to insure that Disadvantaged Business Enterprises have the maximum opportunity to compete for and perform Contracts. Santa Cruz METRO and Contractor shall not discriminate on the basis of race, creed, color, national origin, age or sex in the award and performance of DOT-assisted Contracts.

### 12.3 Transit Vehicle Manufacturers

Transit vehicle manufacturers must certify compliance with DBE regulations.

## 13.0 CONFLICT OF INTEREST

No employee, officer or agent of Santa Cruz METRO shall participate in selection, or in the award of administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when (1) the employee, officer or agent; (2) any member of his or her immediate family; (3) his or her partner; or (4) an organization that employs, or is about to employ, has a financial or other interest in the firm selected for award. Santa Cruz METRO's officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from Contractors, potential Contractors or parties of sub agreements.

## 14.0 MOTOR VEHICLE EMISSION REQUIREMENTS (Applicable only to Contracts involving the purchase of new motor vehicles)

The Contractor must provide a certification that:

- (a) The horsepower of the vehicle is adequate for the speed, range, and terrain in which it will be required and also to meet the demands of all auxiliary equipment.
- (b) All gases and vapors emanating from the crankcase of a spark-ignition engine are controlled to minimize their escape into the atmosphere.
- (c) Visible emission from the exhaust will not exceed No. 1 on the Ringlemann Scale when measured six inches (6") from the tail pipe with the vehicle in steady operation.
- (d) When the vehicle has been idled for three (3) minutes and then accelerated to eighty percent (80%) of rated speed under load, the opacity of the exhaust will not exceed No. 2 on the Ringlemann Scale for more than five (5) seconds, and not more than No. 1 on the Ringlemann Scale thereafter.

## 15.0 MOTOR VEHICLE SAFETY STANDARDS (Applicable only to contracts involving the purchase of new motor vehicles)

The Contractor will assure that the motor vehicles purchased under this contract will comply with the Motor Vehicle Safety Standards as established by the Department of Transportation at 49 CFR Parts 390 and 571.

## 16.0 DEBARRED BIDDERS

The Contractor, including any of its officers or holders of a controlling interest, is obligated to inform Santa Cruz METRO whether or not it is or has been on any debarred bidders' list maintained by the United States Government. Should the Contractor be included on such a list during the performance of this project, Contractor shall so inform Santa Cruz METRO.

## 17.0 PRIVACY (Applicable only to Contracts involving the administration of any system of records as defined by the Privacy Act of 1974, on behalf of the Federal Government)

### 17.1 General

Santa Cruz METRO and Contractor agree:

- (a) To comply with the Privacy Act of 1974, 5 U.S.C. 552a (the Act) and the rules and regulations issued pursuant to the Act when performance under the Contract involves the design, development or operation of any system of records on individuals to be operated by Santa Cruz METRO, its contractors or employees to accomplish a Government function.
- (b) To notify the Government when Santa Cruz METRO or Contractor anticipates operating a system of records on behalf of the Government in order to accomplish the requirements of this Agreement, if such system contains information about individuals which information will be retrieved by the individual's name or other identifier assigned to the individual. A system of records subject to the Act may not be employed in the performance of this Agreement until the necessary approval and publication requirements applicable to the system have been carried out. Santa Cruz METRO or Contractor, as appropriate, agrees to correct, maintain, disseminate, and use such records in accordance with the requirements of the Act, and to comply with all applicable requirements of the Act.
- (c) To include the Privacy Act Notification contained in this Agreement in every subcontract solicitation and in every subcontract when the performance of Work under the proposed subcontract may involve the design, development or operation of a system of records on individuals that is to be operated under the Contract to accomplish a Government function; and
- (d) To include this clause, including this paragraph in all in subcontracts under which Work for this Agreement is performed or which is awarded pursuant to this Agreement or which may involve the design, development, or operation of such a system of records on behalf of the Government.

### 17.2 Applicability

For purposes of the Privacy Act, when the Agreement involves the operation of a system of records on individuals to accomplish a Government function, Santa Cruz METRO, third party contractors and any of their employees are considered to be employees of the Government with respect to the Government function and the requirements of the Act, including the civil and criminal penalties for violations of the Act, are applicable except that the criminal penalties shall not apply with regard to contracts effective prior to September 27, 1975. In addition, failure to comply with the provisions of the Act or of this clause will make this Agreement subject to termination.

### 17.3 Definitions

The terms used in this clause have the following meanings:

- (a) "Operation of a system of records" means performance of any of the activities associated with maintaining the system of records on behalf of the Government including the collection, use and dissemination of records.
- (b) "Records" means any item, collection or grouping of information about an individual that is maintained by Santa Cruz METRO or Contractor on behalf of the Government, including, but not limited to, his education, financial transactions, medical history, and criminal or employment history and that contains his name, or the identifying number, symbol or other identifying particular assigned to the individual, such as a finger or voice print or a photograph.
- (c) "System of records" on individuals means a group of any records under the control of Santa Cruz METRO or Contractor on behalf of the Government from which information is retrieved by the name of the individual or by some identifying number, symbol or other identifying particular assigned to the individual.

#### 18.0 PATENT RIGHTS (Applicable only to research and development contracts)

If any invention, improvement or discovery of Santa Cruz METRO or contractors or subcontractors is conceived or first actually reduced to practice in the course of or under this project which invention, improvement, or discovery may be patentable under the Patent Laws of the United States of America or any foreign country, Santa Cruz METRO (with appropriate assistance of any contractor or subcontractor involved) shall immediately notify the Government (FTA) and provide a detailed report. The rights and responsibilities of Santa Cruz METRO, third party contractors and subcontractors and the Government with respect to such invention will be determined in accordance with applicable Federal laws, regulations, policies and any waivers thereof.

#### 19.0 RIGHTS IN DATA (Applicable only to research and development contracts)

The term "subject data" as used herein means recorded information, whether or not copyrighted, that is delivered or specified to be delivered under this Contract. The term includes graphic or pictorial delineation in media such as drawings or photographs; text in specifications or related performance or design-type documents, machine forms such as punched cards, magnetic tape or computer memory printouts; and information retained in computer memory. Examples include, but are not limited to, engineering drawings and associated lists, specifications, standards, process sheets, manuals, technical reports, catalog item identifications and related information. The term does not include financial reports, cost analyses and similar information incidental to contract administration.

All "subject data" first produced in the performance of this Agreement shall be the sole property of the Government. Santa Cruz METRO and Contractor agree not to assert any rights at common law or equity and not to establish any claim to statutory copyright in such data. Except for its own internal use, Santa Cruz METRO and Contractor shall not publish or reproduce such data in whole or in part, or in any manner or form, nor authorize others to do so, without the written consent of the Government until such time as the Government may have released such data to the public. This restriction, however, does not apply to Agreements with academic institutions.

Santa Cruz METRO and Contractor agree to grant and do hereby grant to the Government and to its officers, agents, and employees acting within the scope of their official duties, a royalty-free, non-exclusive and irrevocable license throughout the world:

- (a) To publish, translate, reproduce, deliver, perform, use and dispose of, in any manner, any and all data not first produced or composed in the performance of this Contract but which is incorporated in the work furnished under this Contract; and
- (b) To authorize others so to do.

Santa Cruz METRO and Contractor shall indemnify and save and hold harmless the Government, its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by Santa Cruz METRO and Contractor of proprietary

rights, copyrights or rights of privacy, arising out of the publication, translation, reproduction, delivery, performance, use, or disposition of any data furnished under this Contract.

Nothing contained in this clause shall imply a license to the Government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Government under any patent.

The third and fourth paragraphs under Section 19.0 above are not applicable to material furnished to Santa Cruz METRO or Contractor by the Government and incorporated in the work furnished under the Contract, provided that such incorporated material is identified by Santa Cruz METRO or Contractor at the time of delivery of such work.

In the event that the project, which is the subject of this Agreement, is not completed, for any reason whatsoever, all data generated under that project shall become subject data as defined in the Rights in Data clause in this Contract and shall be delivered as the Government may direct. This clause shall be included in all subcontracts under this Contract.

## 20.0 NEW RESTRICTIONS ON LOBBYING

### 20.1 Prohibition

- (a) Section 1352 of Title 31, U.S. Code, provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (b) The prohibition does not apply as follows:
  - (i) Agency and legislative liaison by Own Employees.
  - (ii) Professional and technical services by Own Employees.
  - (iii) Reporting for Own Employees.
  - (iv) Professional and technical services by Other than Own Employees.

### 20.2 Disclosure

- (a) Each person who requests or receives from an agency a Federal contract shall file with that agency a certification, included in Form of Proposal or Bid Forms, that the person has not made, and will not make, any payment prohibited by Section 20.1 of this clause.
- (b) Each person who requests or receives from an agency a Federal contract shall file with that agency a disclosure form, Standard Form-LLL, "Disclosure of Lobbying Activities," if such person has made or has agreed to make any payment using non- appropriated funds (to include profits from any covered Federal action), which would be prohibited under Section 20.1 of this clause if paid for with appropriated funds.
- (c) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraph (c)(2) of this section. An event that materially affects the accuracy of the information reported includes:

- (i) a cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or
  - (ii) a change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or
  - (iii) a change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.
- (d) Any person who requests or receives from a person referred to in paragraph (c)(i) of this section a subcontract exceeding \$100,000 at any tier under a Federal contract shall file a certification, and a disclosure form, if required, to the next tier above.
- (e) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraph (c)(i) of this section. That person shall forward all disclosure forms to the agency.

### 20.3 Agreement

In accepting any contract resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

### 20.4 Penalties.

- (a) Any person who makes an expenditure prohibited under Section 20.1 of this clause shall be subject to a civil penalty of not less than \$10,000 for each such expenditure.
- (b) Any person who fails to file or amend the disclosure form to be filed or amended if required by this clause, shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
- (c) Contractors may rely without liability on the representations made by their sub- contractors in the certification and disclosure form.

### 20.5 Cost allowability

Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of Part 31 of the Federal Acquisition Regulation.

## PART VII

### SANTA CRUZ METROPOLITAN TRANSIT DISTRICT PROTEST PROCEDURES

#### POLICY

It is the policy of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) that it is responsible for resolving all Pre-Bid, Pre-Award and Post-Award Procurement Protest disputes arising out of third party procurements using good administrative practices and sound business judgment. It is Santa Cruz METRO's intention that its procurement process provides for fair and open competition in compliance with federal and state laws and Santa Cruz METRO policies.

Santa Cruz METRO has established these Pre-Bid, Pre-Award and Post-Award Procurement Protest Policy and Procedures so that all procurement protests/disputes are filed, processed and resolved in a manner consistent with the requirements of the Federal Transit Administration (FTA) Circular (4220.1F) *Third Party Contracting Guidance*, dated November 1, 2008, which are on file at Santa Cruz METRO's Administrative Offices, 110 Vernon Street, Santa Cruz, CA 95060, and available upon request.

#### APPLICABILITY

This regulation is applicable to all Santa Cruz METRO employees. This regulation is applicable to any Interested Party as defined herein who has a protest/dispute against Santa Cruz METRO in the Pre-Bid, Pre-Award and Post-Award procurement phase.

#### DEFINITIONS

**"Common Grant Rules"** refers to the Department of Transportation regulations "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," 49 CFR Part 18, which apply to Federal grants and cooperative agreements with governmental recipients of Federal assistance including Indian tribal governments.

**"Interested Party"** means a party that is an actual or prospective bidder or offeror whose direct economic interest would be affected by the award or failure to award the third party contract at issue. A subcontractor does not qualify as an "interested party".

**"Protest"** means a formal declaration of disapproval or objection issued by a concerned person, group, or organization that arises during the procurement process. A Protest is a potential bidder's or contractor's remedy for correcting a perceived wrong in the procurement process. See "Types of Protests" below.

**"Protester"** means a person, group, or organization that files a formal declaration of disapproval or objection. A protester must qualify as an "interested party".

**"Types of Protests"**: There are three basic types of Protests pursuant to this regulation, based on the time in the procurement cycle when they occur:

- a.) A pre-bid or solicitation phase Protest is received prior to the bid opening or proposal due date. Pre-bid protests are those based on the content of the initial Notice and/or solicitation published by Santa Cruz METRO requesting bids from vendors or other interested parties.
- b.) A pre-award Protest is a protest against making an award and is received after receipt of proposals or bids, but before award of a contract.
- c.) A post-award Protest is a protest received after award of a contract. A post-award Protest must be received within 5 business days of the making of the award. A post-award Protest generally alleges a violation of applicable federal or state law and/or Santa Cruz METRO policy or procedures relative to the seeking, evaluating and/or awarding of the contract.

**STANDARDS.**

All Protests must be filed in writing with the Santa Cruz METRO Administrative Offices, Finance Manager, Santa Cruz Metropolitan Transit District, 110 Vernon Street, Santa Cruz, CA 95060, or electronically at [financemanager@scmtd.com](mailto:financemanager@scmtd.com) . No other location is acceptable.

A Protest must be in writing and set forth the specific grounds of the dispute and shall be fully supported with technical data, test results, or other pertinent information related to the subject being protested. The Protest shall include the name and contact information of the Protester, solicitation/contract number or description, and what remedy the Protester is seeking. The Protester is responsible for adhering to this regulation.

A Protester must exhaust all of Santa Cruz METRO’s administrative remedies before pursuing a protest with the FTA.

Santa Cruz METRO’s Finance Manager shall make a determination on the Protest generally within ten (10) working days from receipt of the Protest. The Decision of the Finance Manager must be in writing and shall include a response to each substantive issue raised in the Protest.

Any Decision by the Finance Manager may be appealed to the Board of Directors. The Protester has the right within five (5) business days of receipt of the Finance Manager’s Decision to file an appeal restating the basis of the Protest and the grounds of the appeal. In the appeal, the Protester is only permitted to raise information and issues previously provided in the Protest or discovered after the Protest was submitted to the Finance Manager for Decision and directly related to the grounds of the Protest. The Protester shall be provided with at least 72-hour notification of when the Board of Directors will hear the Appeal. The Protestor may appear, be represented and present evidence and testimony at the Appeal Hearing. The Board of Directors’ decision shall constitute Santa Cruz METRO’s final administrative determination.

In the event that the Protester is not satisfied with Santa Cruz METRO’s Board of Directors’ final administrative determination, he/she may proceed within 90 days of the final decision to State Court for judicial relief. The Superior Court of the State of California for the County of Santa Cruz is the appropriate judicial authority having the jurisdiction over Protest(s) and Appeal(s).

At any time, the Protester may request reconsideration of Santa Cruz METRO’s Final Decision if data or information becomes available that was not previously known, or there has been an error of law or regulations.

The Protester may withdraw its Protest or Appeal at any time before Santa Cruz METRO issues a final decision.

If Santa Cruz METRO postpones the date of proposal submission because of a Protest or Appeal of the solicitation specifications, addenda, dates or any other issue relating to the procurement, Santa Cruz METRO will notify, via addendum, all parties who are on record as having obtained a copy of the solicitation documents that a Protest/Appeal had been filed, and the due date for proposal submission shall be postponed until Santa Cruz METRO has issued its final Decision.

Reviews of Protests by FTA are limited to 1) Santa Cruz METRO’s failure to have or follow its protest procedures, or its failure to review a complaint or Protest; or 2) violations of Federal law or regulation.

A Protest Appeal to the FTA must be filed in accordance with the provisions of FTA Circular 4220.1F. Any appeal to the FTA shall be made not later than five (5) working days after a final decision is rendered under Santa Cruz METRO’s protest procedure. Protest appeals should be filed with:

**Federal Transit Administration**  
Regional Administrator Region IX  
201 Mission Street, Suite 1650  
San Francisco, CA 94105-1839

Telephone: (415) 744-3133  
Fax: (415) 744-2726



**SANTA CRUZ METRO RESPONSIBILITIES TO FTA**

Santa Cruz METRO's Finance Manager will notify the FTA when he/she receives a third party contract protest to which the FTA Circular (4420.1F) *Third Party Contracting Guidance* applies, and will keep the FTA informed about the status of the Protest including any appeals.

Santa Cruz METRO's Finance Manager will provide the following information to FTA:

- a. Subjects: A list of Protests involving third party contracts and potential third party contracts that:
  - (a) Have a value exceeding \$100,000, or
  - (b) Involve controversial matter, irrespective of amount, or
  - (c) Involve a highly publicized matter, irrespective of amount.
  
- b. Details: The following information about each Protest:
  - (a) A brief description of the Protest,
  - (b) The basis of disagreement, and
  - (c) If open, how far the Protest has proceeded, or
  - (d) If resolved, the agreement or decision reached, and
  - (e) Whether an appeal has been taken or is likely to be taken.
  
- c. When and Where: Santa Cruz METRO will provide this information:
  - (a) In its next quarterly Milestone Progress Report, and
  - (b) At its next Project Management Oversight review, if any.
  
- d. FTA Officials to Notify: When Santa Cruz METRO's Board of Directors denies a bid Protest, and an appeal is likely to occur, Santa Cruz METRO's Finance Manager will inform the FTA Regional Administrator for Region IX, or the FTA Associate Administrator for the program office administering a headquarters project directly about the likely appeal.

Santa Cruz METRO's Finance Manager will disclose information about any third party procurement Protest to FTA upon request. FTA reserves the right to require Santa Cruz METRO to provide copies of a particular Protest or all Protests, and any or all related supporting documents, as FTA may deem necessary.

EXHIBIT - B



VISION COMMUNICATIONS  
RESPONSE TO THE  
SANTA CRUZ METROPOLITAN  
TRANSIT DISTRICT  
REQUEST FOR PROPOSAL #10-21  
FOR A  
FSP RADIO SYSTEM MAINTENANCE  
SERVICES





March 10, 2010

Lloyd Longnecker  
Purchasing Agent  
Santa Cruz Metropolitan Transit District  
110 Vernon Street  
Santa Cruz, CA 95060

Mr. Longnecker,

Vision Communications is pleased to have the opportunity to bid on the radio communication system maintenance for Santa Cruz Metropolitan Transit District. We are proud to have grown to the position we are in today – a top sales and service entity in the radio communications field. Vision Communications has a high rapport with many of the high tier manufacturers and distributors of radio equipment and strives to be an accomplished vendor for all the entities which require our knowledge. Our close-knit, core structure and pride in our work ethic reflects our commitment and quality of performance.

Vision would like to thank you for your time in reviewing our proposal and hope that we are a strong contender in the award of this bid. We have no doubt in our competence and we hope that we can build a strong relationship with Santa Cruz Metropolitan Transit District in this endeavor.

Project Management Lead

Mark Champ

Vision Communications  
1770 Neptune Dr.  
San Leandro, CA 94577

Phone: 510-346-0300

Fax: 510-346-8474



# Vision Communications

is a leading system integrator of wireless communication products and services with professional experience for over 20 years. We are a company dedicated to building long-term relationships with our customers and providing the best products and services available in the industry. To meet customers' communication needs, our management expertise and proven processes for smooth wireless integration result in the right solution, at the right time, for the right cost.

**Corporate Office:**  
4501 E. Pacific Coast Hwy  
Long Beach, CA 90804  
Phone: 562-494-1326  
Fax: 562-494-1106  
Toll Free: 800-778-2275

**Northern California Office:**  
1770 Neptune Dr  
San Leandro, CA 94577  
Phone: 510-346-0300  
Fax: 510-346-8474  
Toll Free: 800-845-5224

**Burbank Office:**  
201 N Hollywood Way, Ste 108  
Burbank, CA 91505  
Phone: 818-954-9160  
Fax: 562-494-1106

**Ontario Office:**  
1989 Augusta Ave  
Ontario Ca 91761  
Phone: 909-947-8560  
Fax: 909-947-8570

## Manufacturers

*Our product line features the leading manufacturers in the communications industry. We are an authorized dealer for: Motorola, Kenwood, Icom, Zetron, Vertex/Standard, Ritron, Telex-Vega, EF Johnson, Globalstar, Maxon, Klein, Tekk, Unix and Pelco.*



## Products & Services

We offer a variety of communication equipment and incorporate only the necessary items into your system to meet your satisfaction. Equipment and Services include, but are not limited to: portable radios, mobile radios, base stations, repeaters, radio dispatch console systems, VOIP, dispatch telephony, private paging systems, monitoring and control systems, voice login recorder, CCTV, on-site wireless telephone, mobile data, terminal/GPS, emergency vehicle lighting equipment, batteries, headsets, accessories, call boxes, SCADA, alarm process, wireless telemetry, satellite phones, disaster recovery communication systems, and multi-site communication systems.

## Our Customers

*Our biggest asset are our customers. Our sales staff strives to understand your needs in order to design, build, upgrade, expand, and maintain the communication system vital to your business or operations. We service and supply radio and paging equipment to an array of customers such as government agencies at the federal, state and local levels, educational institutions, health care facilities, private corporations and many more.*

## Development

*We design systems that meet your specific requirements for communication and information needs. Our engineering team utilizes sophisticated tools to maximize and integrate other subsystems and technologies. We stage and test your entire system before final installation to verify its operability and to satisfy your expectations.*

## Implementation

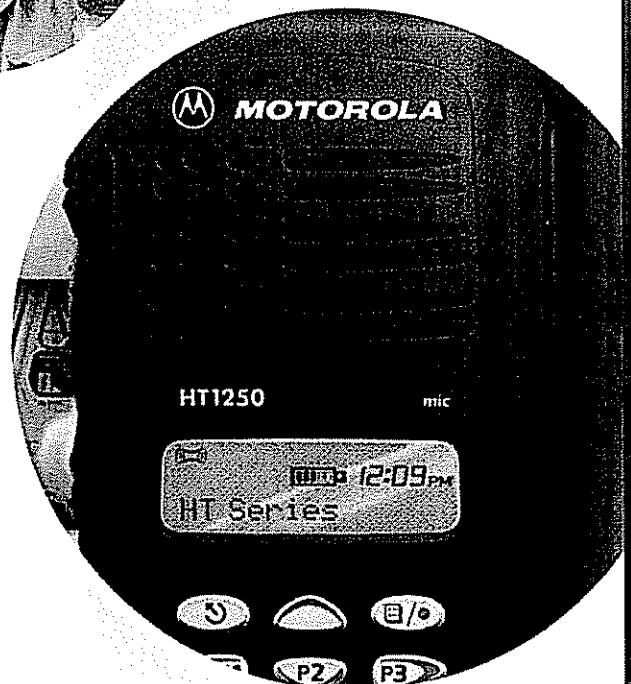
*We deploy the system to your site, assembling and securing all equipment in the proper locations. Re-testing ensures that the system works as you intended. As a final milestone, we put your system through a rigorous quality assurance process. Custom training for your team will realize the full value of your network.*

## Maintenance

*Because your communications needs will continue to evolve and your organization deserves an optimal communications solution, we offer our Technical and Managed Services. Life-cycle support maintains your system at its optimal value. Standardized maintenance service packages are easy and cost-effective ways to maintain your new or existing wireless communication systems.*

## Customer Support

*Call us whenever you have a question about your equipment, your frequency, your coverage, your service history, or whatever communication queries you may have. We can even assist with financial arrangements for network ownership, equipment rental, and applications for FCC licensing.*



**Vision Communications** has multiple locations to provide better services for our clients.

**Corporate Office**

4501 E. Pacific Coast Hwy  
Long Beach, CA 90804  
(562) 494-1326

**Northern California Office**

1770 Neptune  
San Leandro, CA 94577  
(510) 346-0300

**Los Angeles / Burbank Office**

201 N. Hollywood Way, Suite 108  
Burbank, CA 91505  
Phone (818) 954-9160

**Fontana Office**

14554Valencia Ave.  
Fontana, CA 92335  
Phone (909) 770-8633

## **Background Information**

Vision Communications has over 20 years of experience in the wireless industry and is an all in one provider of wireless solutions to meet our clients needs and budgets.

We are a woman-owned, small business (MWDBE) associated company that is about providing individual and personal service to our clients.

Vision Communications has 5 locations, in which to serve our clients immediate needs.

We have developed and will continue to cultivate solid personal and professional relationships with leading technology suppliers and manufacturers.

We have worked closely with the world's premiere communications and data system providers, including Motorola, Kenwood, Telex-Vega, Zetron, JPS/Raytheon, Telewave, Talley, etc.

We are dedicated to building long-term relationships with our customers and providing the best products and services available in the industry.

Vision Communications recognizes the value of communication; therefore, the services we provide are completed in a timely fashion. We believe in communicating with our clients on a regular basis, visiting them often, and maintaining the professional relationships that make companies thrive.

## **Experience**

Vision Communications is a leading system integrator of security and communication products and services with professional experience of over 20 years.

Vision is Motorola ISS certified, Zetron IP FSA certified, and Telex-Vega VoIP certified

Vision is a preferred dealer for Kenwood, JPS, Daniels and Telewave

We are a 7 time consecutive Motorola Pinnacle Club winner, which shows our commitment to Motorola's products.

We have a staff of both in-house and field technicians to accommodate all of our clients' needs. Our staff is deeply experienced with all forms of two-way radio equipment, ranging from single-channel simplex systems to multi-channel, multi-site trunked systems and microwave.

## Request for Taxpayer Identification Number and Certification

Give form to the  
 requester. Do not  
 send to the IRS.

Print or type  
 See Specific Instructions on page 2.

Name (as shown on your income tax return) <b>KHAVARIAN ENTERPRISES INC</b>	
Business name, if different from above <b>DBA: VISION COMMUNICATIONS</b>	
Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ ..... <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶	
Address (number, street, and apt. or suite no.) <b>4501 E PACIFIC COAST HWY, SUITE 400</b>	Requester's name and address (optional)
City, state, and ZIP code <b>LONG BEACH, CA 90804</b>	
List account number(s) here (optional)	

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.  
 Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
or
Employer identification number
<b>33   079908B</b>

**Part II Certification**

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

<b>Sign Here</b>	Signature of U.S. person ▶	Date ▶
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**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**Purpose of Form**

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,



*Santa Cruz Metropolitan  
Transit District*



February 12, 2010

Attached you will find Santa Cruz Metropolitan Transit District's (Santa Cruz METRO) Request for Proposals (RFP) No. 10-21 for radio maintenance and repair services.

**Last day to submit a proposal will be 5:00 p.m. on March 12, 2010, at the Santa Cruz METRO's Administration Office, 110 Vernon Street, Santa Cruz, CA 95060.**

Please submit a fully executed Part II General Information Form along with required information identified in the specification section of the RFP. A contract will be executed for the services requested and will be in substantially the same form as the Contract in Section V.

Disadvantaged Business Enterprises (DBE) as defined in 49 CFR Part 23 shall have the maximum opportunity to participate in the performance of the contract with Santa Cruz METRO, and all contractors shall take all necessary and reasonable steps to ensure that disadvantaged business enterprises have the maximum opportunity to compete for and perform contracts and subcontracts.

In connection with the execution of any contract with Santa Cruz METRO, the successful contractor shall not discriminate against any employee or application for employment because of race, color, ancestry, national origin, religion, sex, sexual preference, marital status, age, medical condition or disability.

Santa Cruz METRO, in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation issued pursuant to such Act, hereby notifies all contractors that it will affirmatively insure that in any contract entered into pursuant to this advertisement, minority business enterprises will be afforded full opportunity to submit a proposal in response to this request for proposals and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

If you have any questions, please contact the Purchasing Office at (831) 426-0199 or email address: [llongnecker@scmttd.com](mailto:llongnecker@scmttd.com). Please note that all changes to the RFP will be made only by written addenda issued to all offerors; oral changes are not binding. Please request a written addendum for any proposed change.

Sincerely,

Lloyd Longnecker  
Purchasing Agent

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

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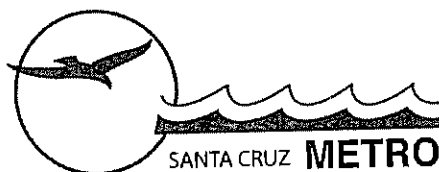
**Request for Proposals (RFP)**  
**For Radio System Maintenance And Repair**  
**METRO RFP No. 10-21**

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**Date Issued: February 12, 2010**

**Proposal Deadline: 5:00 P.M., March 12, 2010**

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## Contents of this RFP

Part I.	Instructions to Offerors
Part II.	General Information Form
Part III.	Specifications
Part IV.	General Conditions
Part V.	Contract/Agreement
Part VI.	FTA Requirements for Non-Construction Contracts
Part VII.	Protest Procedures

## PART I

### INSTRUCTIONS TO OFFERORS

1. **GENERAL:** These instructions form a part of the contract documents and shall have the same force as any other portion of the contract. Failure to comply may subject the proposal to immediate rejection.
2. **OFFEROR RESPONSIBILITY:** Santa Cruz Metropolitan Transit District (Santa Cruz METRO) has made every attempt to provide all information needed by offerors for a thorough understanding of project terms, conditions, and requirements. It is expressly understood that it is the responsibility of offerors to examine and evaluate the work required under this RFP and the terms and conditions under which the work is performed. By submitting a proposal, Offeror represents that it has investigated and agrees to all terms and conditions of this RFP.
3. **DELIVERY OF PROPOSALS TO SANTA CRUZ METRO:** Proposals (1 original and 4 copies) must be delivered to Santa Cruz METRO's Purchasing Office, 110 Vernon Street, Santa Cruz, California, 95060 on or before the deadline noted in the RFP.

Any contract or purchase order entered into as a result of this RFP shall incorporate the RFP and the proposal submitted by successful offeror. In the event of conflict between the proposal and any other contract document, the other contract document shall prevail unless specified otherwise by Santa Cruz METRO. Telephone or electronic proposals will not be accepted.

4. **LATE PROPOSALS:** Proposals received after the date and time indicated herein shall not be accepted and shall be returned to the Offeror unopened.

Requests for extensions of the proposal closing date or time will not be granted. Offerors mailing proposals should allow sufficient mail time to ensure timely receipt of their proposals before the deadline, as it is the offerors responsibility to ensure that proposals arrive before the closing time.

5. **MULTIPLE PROPOSALS:** An offeror may submit more than one proposal. At least one of the proposals shall be complete and comply with all requirements of this RFP. However, additional proposals may be in abbreviated form, using the same format, but providing only the information that differs in any way from the information contained in the master proposal. Master proposals and alternate proposals should be clearly labeled.
6. **PARTIAL PROPOSALS:** No partial proposals shall be accepted.
7. **WITHDRAWAL OR MODIFICATION OF PROPOSALS:** Proposals may not be modified after the time and date proposals are opened. Proposals may be withdrawn by Offeror before proposal opening upon written request of the official who is authorized to act on behalf of the Offeror.
8. **CHANGES TO THE RFP RECOMMENDED BY OFFERORS:** All requests for clarification or modification of the RFP shall be made in writing. Offerors are required to provide the value of each proposed modification and a brief explanation as to why the change is requested. Value shall be defined as the cost or savings to Santa Cruz METRO and the advantage to Santa Cruz METRO of the proposed change.
9. **ADDENDA:** Modifications to this RFP shall be made only by written addenda issued to all RFP holders of record. Verbal instructions, interpretations, and changes shall not serve as official expressions of Santa Cruz METRO, and shall not be binding. All cost adjustments or other changes resulting from said addenda shall be taken into consideration by offerors and included in their proposals.
10. **OFFEROR'S PROPOSAL TO METRO:** Offerors are expected to thoroughly examine the scope of work and terms and conditions of the RFP. Offerors' terms, conditions, and prices shall constitute a firm offer to Santa

Cruz METRO that cannot be withdrawn by the Offeror for ninety (90) calendar days after the closing date for proposals, unless a longer time period is specified by Santa Cruz METRO in the RFP.

11. **SINGLE OFFEROR RESPONSIBILITY:** Single Offeror responsibility is required under this RFP. Each Offeror responding to this RFP must respond to all professional services and provide all materials, equipment, supplies, transportation, freight, special services, and other work described or otherwise required herein.
12. **EXPERIENCE AND QUALIFICATIONS:** Offeror may be required upon request of Santa Cruz METRO to substantiate that Offeror and its proposed subcontractors have the skill, experience, licenses, necessary facilities, and financial resources to perform the contract in a satisfactory manner and within the required time.
13. **SUBCONTRACTING:** The requirement for single-point responsibility does not prohibit subcontracts or joint ventures provided that the single successful Offeror assumes the following responsibilities: (1) serves as the sole general contractor with Santa Cruz METRO; (2) assumes full responsibility for the performance of all its subcontractors, joint venturers, and other agents; (3) provides the sole point of contact for all activities through a single individual designated as project manager; (4) submits information with its proposal documenting the financial standing and business history of each subcontractor or joint venturer; and, (5) submits copies of all subcontracts and other agreements proposed to document such arrangement.

Without limiting the foregoing, any such legal documents submitted under item "5" above must (a) make Santa Cruz METRO a third-party beneficiary thereunder; (b) grant to Santa Cruz METRO the right to receive notice of and cure any default by the successful offeror under the document; and (c) pass through to Santa Cruz METRO any and all warranties and indemnities provided or offered by the subcontractor or similar party.

14. **EVALUATION CRITERIA AND AWARD OF CONTRACT:** The award of the contract will be made to the responsible Offeror whose proposal is most advantageous to Santa Cruz METRO. Specific evaluation criteria are identified in the Specifications section of the RFP.
15. **SANTA CRUZ METRO'S PREROGATIVE:** Santa Cruz METRO reserves the right to contract with any single firm or joint venture responding to this RFP (without performing interviews), based solely upon its evaluation and judgment of the firm or joint venture in accordance with the evaluation criteria. This RFP does not commit Santa Cruz METRO to negotiate a contract, nor does it obligate Santa Cruz METRO to pay for any costs incurred in preparation and submission of proposals or in submission of a contract.

Santa Cruz METRO reserves and holds at its discretion the following rights and options in addition to any others provided by the Public Utility Code, Section 98000 and the Public Contract Code: (1) to reject any or all of the proposals; (2) to issue subsequent requests for proposals; (3) to elect to cancel the entire request for proposals; (4) to waive minor informalities and irregularities in proposals received; (5) to enter into a contract with any combination of one or more prime contractors, subcontractors, or service providers; (6) to approve or disapprove the use of proposed subcontractors and substitute subcontractors; (7) to negotiate with any, all, or none of the respondents to the RFP.

16. **EXECUTION OF CONTRACT:** The final contract shall be executed by the successful offeror and returned to Santa Cruz METRO Administrative Office no later than ten (10) calendar days after the date of notification of award by Santa Cruz METRO. All required bonds and insurance certificates shall also be submitted by this deadline. In the event successful offeror does not submit any or all of the aforementioned documents on or before the required deadline, Santa Cruz METRO may award the contract to another offeror; in such event, Santa Cruz METRO shall have no liability and said party shall have no remedy of any kind against Santa Cruz METRO.
17. **DISADVANTAGED BUSINESS ENTERPRISES:** The Board of Directors of Santa Cruz METRO has adopted a Disadvantaged Business Enterprise Policy to promote the participation of disadvantaged business enterprises (DBE) in all areas of Santa Cruz METRO contracting to the maximum extent practicable. Consistent with the DBE Policy, the successful offeror selected for this project shall take all necessary and reasonable steps to ensure that DBE firms have the maximum practicable opportunity to participate in the performance of this project and any subcontracting opportunities thereof.

18. NONDISCRIMINATION: Santa Cruz METRO will not discriminate with regard to race, color, creed, ancestry, national origin, religion, sex, sexual preference, marital status, age, medical condition or disability in the consideration for award of contract.

19. PUBLIC RECORDS ACT:

- A. Responses to this IFB shall be subject to the provisions of the California Public Records Act (Government Code Sections §6250 *et. seq.*).
- B. The Bidder may label information as "Trade Secret", "Confidential" or "Proprietary". Santa Cruz METRO will not advise as to the nature or content of documents entitled to protection from disclosure under the California Public Records Act. Santa Cruz METRO will use its best efforts to inform the Contractor of any request for any documents provided by the Bidder to Santa Cruz METRO marked "Trade Secret", "Confidential", or "Proprietary". However, it is incumbent on the Contractor to assert any rights to confidentiality and to seek and obtain a court order prohibiting the release of such information.
- C. Under no circumstances, will Santa Cruz METRO be responsible or liable to the Bidder or any other party for the disclosure of any such labeled information, whether the disclosure is required by law or a court order or occurs through inadvertence, mistake, or negligence on the part of Santa Cruz METRO or its officers, employees, agents, and/or Contractors.
- D. The Bidder, at its sole expense and risk, shall be responsible for prosecuting or defending any action concerning the information contained in the IFB and shall hold Santa Cruz METRO harmless from all costs and expenses, including attorney's fees, in connection with such actions.

***ADDITIONAL INSTRUCTIONS TO OFFERORS ARE SET FORTH IN  
OTHER SECTIONS OF THIS REQUEST FOR PROPOSALS***

**PART II**

**GENERAL INFORMATION FORM**

**RADIO SYSTEM MAINTENANCE AND REPAIR SERVICES  
RFP No. 10-21**

(To be completed by the offeror and placed at the front of your proposal)

Khavariaz ENT. Inc. dba Vision Communications Co, Inc 3-10-2011  
Legal Name of Firm Date

1770 NEPTUNE DR, SAN LEANDRO, CA 94577  
Firm's Address

510 346 0300 510 346 8474  
Telephone Number FAX Number

Corp 33 0799088  
Type of Organization (Partnership, Corporation, etc.) Tax ID Number

Offeror understands and agrees that, by his/her signature, if awarded the contract for the project, he/she is entering into a contract with Santa Cruz METRO that incorporates the terms and conditions of the entire Request for Proposals package, including the General Conditions section of the Request for Proposals. Offeror understands that this proposal constitutes a firm offer to Santa Cruz METRO that cannot be withdrawn for ninety (90) calendar days from the date of the deadline for receipt of proposals. If awarded the contract, offeror agrees to deliver to Santa Cruz METRO the required insurance certificates within ten (10) calendar days of the Notice of Award.

Sharon Asbe  
Signature of Authorized Principal

Sharon Asbe Operations SUPERVISOR  
Name of Principal-in-Charge and Title

Mark Champ Account Executive  
Name of Project Manager and Title

Sharon Asbe, Ops SUPER, SASBE@2viscom.com 510 346 0300  
Name, Title, Email Address and Phone Number of Person To Whom Correspondence Should be Directed

1770 NEPTUNE DR SAN LEANDRO, CA 94577  
Addresses Where Correspondence Should Be Sent

\_\_\_\_\_  
Areas of Responsibility of Prime Contractor



**CERTIFICATION OF PROPOSED CONTRACTOR REGARDING DEBARMENT,  
SUSPENSION AND OTHER INELIGIBILITY AND VOLUNTARY EXCLUSION**

(Contractor) Vision Comm Co certifies to the best of its knowledge and belief, that it and its principals:

Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;

Have not within a three year period preceding this bid been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;

Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and

Have not within a three year period preceding this bid had one or more public transactions (Federal, State or local) terminated for cause or default.

If the Proposed Subcontractor is unable to certify to any of the statements in this certification, it shall attach an explanation to this certification.

(Contractor) Vision Comm Co, CERTIFIES OR AFFIRMS THE TRUTHFULNESS AND ACCURACY OF THE CONTENTS OF THE STATEMENTS SUBMITTED ON OR WITH THIS CERTIFICATION AND UNDERSTANDS THAT THE PROVISIONS OF 31 U.S.C. SECTIONS 3801 ET. SEQ. ARE APPLICABLE THERETO.

Shawon Above Ops SUPER  
Signature and Title of Authorized Official



**LOBBYING CERTIFICATION**  
(Only for Contracts above \$100,000)

Lobbying Certification for Contracts Grants, Loans and Cooperative Agreements (Pursuant to 49 CFR Part 20, Appendix A)

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal Contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions and as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96).

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and Contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Bidder/Offeror certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Bidder/Offeror understands and agrees that the provisions of 31 U.S.C. A 3801, et. seq. apply to this certification and disclosure, if any.

Firm Name Vision CommCo

Signature of Authorized Official Sharon Asbe

Name and Title of Authorized Official SHARON ASBE Ops SUPER

Date 3-10-2010

**BUY AMERICA PROVISION**  
(Only for Contracts above \$100,000)

This procurement is subject to the Federal Transit Administration Buy America Requirements in 49 CFR part 661.

A Buy American Certificate, as per attached format, must be completed and submitted with the bid. A bid which does not include the certificate will be considered non-responsive.

A false certification is a criminal act in violation of 18 U.S.C. 1001. Should this procurement be investigated, the successful bidder/proposer has the burden of proof to establish that it is in compliance.

A waiver from the Buy America Provision may be sought by SCMTD if grounds for the waiver exist.

Section 165(a) of the Surface Transportation Act of 1982 permits FTA participation on this contract only if steel and manufactured products used in the contract are produced in the United States.

**BUY AMERICA CERTIFICATE**

The bidder hereby certifies that it will comply with the requirements of Section 165(a) or (b) (3) of the Surface Transportation Assistance Act of 1982, and the applicable regulations in 49 CFR Part 661.

Date: 3-10-2010  
Signature: Shaun O'Neil  
Company Name: Vision Comm Co  
Title: Operations Supervisor

OR

The bidder hereby certifies that it cannot comply with the requirements of Section 165(a) or (b) (3) of the Surface Transportation Act of 1982, but may qualify for an exception to the requirement pursuant to Section 165(b)(2) or (b)(4) of the Surface Transportation Assistance Act of 1982, as amended, and regulations in 49 CFR 661.7.

Date: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Company Name: \_\_\_\_\_  
Title: \_\_\_\_\_



# CONTRACTOR DBE INFORMATION

CONTRACT ITEM NO.	ITEM OF WORK AND DESCRIPTION OF WORK OR SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED *	CERTIFICATION FILE NUMBER	NAME OF DBE	DOLLAR AMOUNT DBE ***	PERCENT DBE
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TOTAL CLAIMED DBE PARTICIPATION \$ \_\_\_\_\_ %

## PART III

### SPECIFICATIONS FOR RADIO SYSTEM MAINTENANCE AND REPAIR

#### 1. INTRODUCTION

The Santa Cruz Metropolitan Transit District (Santa Cruz METRO) is requesting proposals from qualified firms to undertake the following activities related to the repair and scheduled preventive maintenance repair and service for all of its radio communication system equipment, including, but not limited to, mobile units, base stations, and repeater units.

#### 2. SCOPE OF SERVICES:

Services provided shall include:

- A. Quarterly inspections and routine maintenance of four (4) radio repeaters and associated equipment including phone line interface.
- B. Preventative Maintenance for all handheld and mobile units.
- C. Preventative Maintenance for a base station / microphone and all associated equipment including phone line interface.
- D. Act as Santa Cruz METRO's agent when dealing with SBC or Verizon as it relates to the operation of Santa Cruz METRO's repeaters and base station.
- E. Coordinate repair calls and be present when SBC or Verizon is called to perform a repair on Santa Cruz METRO's repeaters. This includes being at remote locations with SBC and or Verizon when services are performed.
- F. Preventative maintenance for voice recording system and phone line interface.
- G. Programming handheld, mobile, base repeater and voice recording equipment and associated equipment

##### 2.1. Time of Performances:

- 2.1.1. Contractor must have personnel on call and available to repair Santa Cruz METRO equipment, upon receiving notification from Santa Cruz METRO, twenty-four (24) hours a day throughout the year.
- 2.1.2. Corrective action shall be initiated within six (6) hours of notification from Santa Cruz METRO and repairs shall continue until completed.
- 2.1.3. Fixed and Mobile Equipment. The following list of equipment requires twenty-four (24) hour maintenance:

- 97 Each Transit Buses with Motorola MaraTrac (HCN1090A) units
- 13 Each Transit Buses with Motorola PM 1500 units
- 35 Each Non-revenue Vehicles with Motorola Mitrek units
- 1 Each GAI-Tronics ICP9000 Navigator Series PC-Based Console w/ Graphical User Interface - Operations Building
- 1 Each Motorola Transmitter/Receiver Operations Building
- 4 Each Motorola HT 125001s 450-512Mhz 4W 32 Ch Portable Hand Held Radios
- 5 Each Motorola HT 1000 Portable Hand Held Radios
- 1 Each Exacom Hindsight-Net/V6 Multi-Media Digital Logging Recorder - Operations Building
- 1 Each Motorola Main Transmitting Receiving Unit – Operations Building
- 1 Each Motorola TLN1991A Radio Receiver Encoder Signal Amplification Unit – Watsonville Transit Center
- 3 Each Repeaters are used and maintained by METRO and are currently placed at the following locations in Santa Cruz County:

Transmit Frequency: 453.975      Receive Frequency 458.975

1 Each Motorola T5766A, Pasatiempo Water Tank Hill, Santa Cruz - Kite Hill  
Lat. (NAD83): 37-0-31.8 N  
Long. (NAD83): 122-1-43.9 W  
Ground Elev: 155.0

1 Each Motorola T5766A, 15715 Skyline Blvd., Los Gatos - Mount Biewlaski  
Lat. (NAD83): 37-13-22.2 N  
Long. (NAD83): 122-5-37.3 W  
Ground Elev: 36.0

1 Each Motorola MSR 200, Hwy 1, 1250 YDS N of Post Office – Davenport  
Lat. (NAD83): 37-0-50.8 N  
Long. (NAD83): 122-5-37.3 W  
Ground Elev: 999.0

5 Each Antennas – Output = 25.000 w, ERP = 160.000 w, Frequencies – 458.97500 and 453.97500

- 2.1.4. Contractor will be available for servicing of equipment from 8:00 a.m. to 12:00 a.m., Monday through Friday.
- 2.1.5. On-call maintenance on bus fleet equipment will be required on evenings and weekends due to the daily operation of the fleet.

## 2.2. Repair Sites:

- 2.2.1. Maintenance and repair service on mobile units shall be performed at the Santa Cruz METRO location where the unit is assigned. Contractor must have the capability to perform on-site testing and calibrations. Santa Cruz METRO mobile radio repairs, testing, calibration and preventive maintenance will be done at 1200 River Street, 138 Golf Club Dr., and 110 Vernon Street, Santa Cruz, CA 95060.
- 2.2.2. Contractor must make necessary arrangements with site owners to obtain access to transmitter sites. This is especially necessary during inclement weather and hazardous weather conditions, and the Contractor is notified by Santa Cruz METRO to respond.

## 2.3. Documentation:

All maintenance and repair services shall be completely documented by the Contractor and copies shall be submitted to Santa Cruz METRO. All documentation shall include the following information prior to processing:

- 2.3.1. Vehicle/Bus number, or equipment description/asset number.
- 2.3.2. Purchase Order number assigned to contract.
- 2.3.3. Date service was performed.
- 2.3.4. Description of service performed.
- 2.3.5. Description of any parts used/replaced.
- 2.3.6. A "C" to denote contract work.
- 2.3.7. All work orders must be signed by an authorized Santa Cruz METRO employee.
- 2.3.8. All work orders and invoices for fixed and mobile equipment should be directed to the Maintenance Department.
- 2.3.9. Serial number and model number of equipment work performed on.

## 2.4. Major Repairs:

- 2.4.1. Contractor shall consult Santa Cruz METRO prior to disabling any District equipment. An estimate of out-of-service time shall be given. If repairs should take longer than

expected, Contractor shall revise the estimate with Santa Cruz METRO. Contractor will consult with the Manager of Maintenance prior to performing major repairs (over \$200.00) on fixed equipment. Contractor will consult with the Manager of Maintenance prior to performing major repairs on mobile equipment.

- 2.4.2 For problems or deficiencies of significant importance, or of a continual nature, a time period of compliance shall be established after discussion and mutual agreement. Failure of the Contractor to correct the deficiencies within the time period agreed upon shall constitute cause for termination of the services and/or withholding of payment.

**2.5. Mobile Equipment: New Installations, Change Outs**

2.5.1 Contractor shall install new radio and communication equipment in Santa Cruz METRO vehicles and/or transfer radio communications equipment from one vehicle to another.

2.5.2 New Installation: When a radio is installed in a vehicle that does not currently have a radio.

2.5.3 Change Out: When a radio is removed and another one is installed or when a radio is switched from one vehicle to another.

**2.6. Maintenance Standards:**

2.6.1 Contractor must maintain 95% function level of all mobile equipment used in revenue service and in revenue support service or be considered in default of this contract.

2.6.2 Periodic Maintenance: at a minimum, fixed equipment will receive, at quarterly intervals:

- a) One FCC performance inspection (measurement, adjustment and part replacement) as specified in accordance with individual transmitter requirements;
- b) Adjustments will be made and parts replaced, if necessary, to maintain transmitter output, receiver sensitivity, and selectivity specifications to maintain factory specifications and conform to applicable FCC rules and regulations;
- c) Inspection of all associated cables, antennas, battery back-up systems, and telephone line protectors, for wear and proper operation.
- d) The Manager of Maintenance will be notified of actions recommended to correct deficiencies in this associated hardware, and must approve any actions taken. Corrective adjustments and parts replacement will be at indicated time and materials rates.

**2.7. Qualifications of Personnel:**

Contractor shall ensure that personnel used for the service are properly qualified, possess all required licenses and certificates, take proper safety precautions, and to extent work is performed on Santa Cruz METRO premises, abide by Santa Cruz METRO operating rules.

**2.8. Additional Requirements:**

2.8.1 Contractor will provide all parts and labor necessary for this contract.

2.8.2 The contractor shall provide warranty language in response to this RFP that insures the quality necessary to assure performance of the equipment in accordance with the manufacturer's published specifications. Specify warranty timeline.

2.8.3 Contractor must have available on a mobile basis all test and calibration equipment necessary for repair of mobile equipment.

2.8.4 Contract Term: The term of the contract will be for a period of three (3) years and shall commence upon the signing of the agreement by the successful contractor and Santa Cruz METRO. At the option of Santa Cruz METRO, this contract agreement may be renewed for two (2) additional one (1) year terms under the same terms and conditions. On each anniversary date for the option years, the vendor will be allowed to increase rates for services. Increase may not exceed annual percentage change in the San Francisco-

Oakland- San Jose Consumer Price Index for all urban consumers. In all cases, Santa Cruz METRO may cancel the contract if a requested price increase(s) is not acceptable.

### 3. SPECIAL INSTRUCTIONS TO OFFERORS

#### 3.1. Proposal Requirements

- 3.1.1 Contractor shall be required to meet all other provisions of the contract documents enclosed as part of this Request for Proposal package.
- 3.1.2 Conflict of Interest - The offeror shall disclose any financial, business or other relationship with Santa Cruz METRO or any of its officers or officials that may have an impact upon the outcome of the work. The offeror shall also list current clients who may have a financial interest in the outcome of the work.
- 3.1.3 Professional Services Agreement - Offeror's proposal shall be based on the requirements set forth in the "Professional Services Agreement" included in this RFP. The final agreement between Santa Cruz METRO and Contractor shall be in substantially the same form and content as the "Professional Services Agreement" included herein.
- 3.1.4 Pricing Information - Offeror shall submit a proposed monthly fee for services. Fee shall include all costs, including labor, parts, freight, applicable taxes, travel and number of required personnel. Offeror shall provide pricing information (hourly rates) for different work shifts, short notice service, and emergency service. Offeror shall provide pricing information (hourly rates and parts pricing formula) for work performed that is not included in the monthly fee. Offeror shall provide pricing information on replacement equipment if Santa Cruz METRO's equipment was out of service for repair.
- 3.1.5 Signature - The proposal shall be signed by an official authorized to bind the offeror and shall contain a statement to the effect that the proposal is a firm offer for a 90-day period. The proposal shall also provide the following: name, title, address and telephone number of the individual(s) with authority to negotiate and contractually bind the company.

#### 3.2. Proposal Submittal

One signed, unbound original proposal and four bound copies must be received no later than 5:00 p.m. on March 12, 2010 at Santa Cruz METRO's Purchasing Office, 110 Vernon Street, Santa Cruz, California, 95060. Proposals must be clearly marked:

"Proposal for Radio Communications System Maintenance  
RFP No. 10-21"

#### 3.3 Modification or Withdrawal of Proposals

Any proposal received prior to the date and time specified above for receipt of proposals may be withdrawn or modified by written request of the offeror. To be considered, however, the modified proposal must be received by the date and time specified above.

All verbal modifications of these conditions or provisions are void and ineffective for proposal evaluation purposes. Only written changes issued to offerors by the Purchasing Department are authorized and binding.

#### 3.4 Rejection of Proposals

Failure to meet the requirements for the Request for Proposals will be cause for rejection of the proposal. Santa Cruz METRO may reject any proposal if it is conditional, incomplete or contains irregularities. Santa Cruz METRO may waive an immaterial deviation in the proposal. Waiver of an immaterial deviation shall in no way modify the Request for Proposal's documents or excuses the offeror from full compliance with the contract documents if the offeror is awarded the contract. Santa Cruz METRO reserves the right to not award the contract should it determine that the proposals are not in its best interest.



**3.5 Evaluation Criteria**

- 3.5.1 Offeror is required to demonstrate, to the satisfaction of Santa Cruz METRO, that it is able to provide personnel, equipment and expertise sufficient to execute all terms of the agreement.
- 3.5.2 Offeror shall submit a monthly maintenance fee based on a unit price schedule and an hourly rate.
- 3.5.3 Offerors are required to furnish the following information with their proposals:
  - 3.5.3.1 A listing of management personnel and proof of certification and qualifications of personnel performing projected maintenance including total number of personnel projected to do required maintenance, and the hourly rate to be charged during this contract for work not covered in this contract.
  - 3.5.3.2 Evidence of ability to access transmitter sites during inclement and hazardous weather conditions.
  - 3.5.3.3 Accounting data to be verified by Santa Cruz METRO before acceptance of proposal, to determine if local parts and stock are adequate to handle normal repairs.
  - 3.5.3.4 Proof of unlimited access to transmitter sites in case of system breakdown, interference, or related problems.
  - 3.5.3.5 Ability to provide adequate personnel for emergency service to the Transit District on a twenty-four (24) hour basis.
  - 3.5.3.6 Proof of experience in the maintenance of equipment in use by Santa Cruz METRO. For such purposes, Contractor must certify that his personnel are trained and familiar with the equipment in use by Santa Cruz METRO.
  - 3.5.3.7 Prompt payment discounts will be considered when evaluating the proposals, providing Santa Cruz METRO is allowed at least ten (10) days in which to take advantage of the discount.

**3.6 Selection of the Successful Offeror**

Selection of the successful offeror will be based on information provided in response to the RFP and a variety of factors to include:

EVALUATION CRITERIA	POINTS POSSIBLE
1. Understanding of the Service Requirements	20
2. Experience and capability of the firm	30
3. Cost Proposal	30
4. References	15
5. Disadvantaged Business Enterprises	5
Total Possible Points	100

**4. PROJECT SCHEDULE**

The anticipated schedule of activities related to this RFP is as follows:

1. Distribution of RFP	February 12, 2010
2. Proposal Submittal Deadline	March 12, 2010, 5:00 pm
3. Evaluation of Proposal	March 12 <sup>th</sup> – March 16 <sup>th</sup>
3. Board Approval of Award of Contract	March 26, 2010
4. Effective Start Date of Contract	April 1, 2010

## PART IV

### GENERAL CONDITIONS TO THE CONTRACT

#### 1. GENERAL PROVISIONS

##### 1.01 Governing Law & Compliance with All Laws

This Contract is governed by and construed in accordance with the laws of California. Each party will perform its obligations hereunder in accordance with all applicable laws, rules, and regulations now or hereafter in effect. Contractor shall ensure throughout the terms of this Agreement that all federal, state and local laws and requirements are met including any requirements Santa Cruz METRO is obligated to perform because of receipt of grant funding. Contractor shall also be required to fulfill its obligation as a federal and/or state and/or local sub-recipient of grant funding.

##### 1.02 Right to Modify Contract

Santa Cruz METRO may extend the term of this Contract, expand the Scope of Work, or otherwise amend the Contract. Any such extension, expansion or amendment shall be effective only upon written agreement of the parties in accordance with Section 13.14.

#### 2. TERMINATION

##### 2.01 Termination for Convenience

2.01.01 The performance of Work under this Contract may be terminated by Santa Cruz METRO upon fifteen (15) days' notice at any time without cause for any reason in whole or in part, whenever Santa Cruz METRO determines that such termination is in Santa Cruz METRO 's best interest.

2.01.02 Upon receipt of a notice of termination, and except as otherwise directed by Santa Cruz METRO, the Contractor shall: (1) stop work under the Contract on the date and to the extent specified in the notice of termination; (2) place no further orders or subcontracts for materials, services, or facilities, except as may be necessary for completion of such portion of the Work under the Contract as is not terminated; (3) terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the notice of termination; (4) assign to Santa Cruz METRO in the manner, at the time, and to the extent directed by Santa Cruz METRO all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case Santa Cruz METRO shall have the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts; (5) settle all outstanding liabilities and claims arising out of such termination or orders and subcontracts, with the approval or ratification of Santa Cruz METRO, to the extent Santa Cruz METRO may require, which approval or ratification shall be final for all the purposes of this clause; (6) transfer title to Santa Cruz METRO and deliver in the manner, at the time, and to the extent, if any, directed by Santa Cruz METRO the fabricated or unfabricated parts, work in progress, completed work, supplies and other material produced as a part of, or acquired in connection with the performance of, the work terminated and the completed or partially completed plans, drawings, information and other property which, if the Contract had been completed, would have been required to be furnished to Santa Cruz METRO; (7) use its best efforts to sell, in the manner, at the time, to the extent, and at the price(s) directed or authorized by Santa Cruz METRO, any property of the types referred to above provided, however, that the Contract shall not be required to extend credit to any purchaser, and may acquire any such property under the conditions prescribed by and at a price(s) approved by Santa Cruz METRO, and provided further, that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made to Santa Cruz METRO to the Contractor under this Contract or shall otherwise be credited to the price or cost of the Work covered by this

Contract or paid in such other manner as Santa Cruz METRO may direct; (8) complete performance of such part of the Work as shall not have been terminated by the notice of termination; and (9) take such action as may be necessary, or as Santa Cruz METRO may direct, for the protection or preservation of the property related to this Contract which is in the possession of the Contractor and in which Santa Cruz METRO has or may acquire an interest

## 2.02 Termination for Default

- 2.02.01 Santa Cruz METRO may, upon written notice of default to the Contractor, terminate the whole or any part of this Contract if the Contractor: (1) fails to complete the Scope of Work within time period stated in the Specifications section of the IFB; (2) fails to perform any of the other provisions of the Contract; or (3) fails to make progress as to endanger performance of this Contract in accordance with its provisions.
- 2.02.02 If the Contract is terminated in whole or in part for default, Santa Cruz METRO may procure, upon such terms and in such manner as Santa Cruz METRO may deem appropriate, supplies or services similar to those so terminated. Without limitation to any other remedy available to Santa Cruz METRO, the Contractor shall be liable to Santa Cruz METRO for any excess costs for such similar supplies or services, and shall continue the performance of this Contract to the extent not terminated under the provisions of this clause.
- 2.02.03 If, after notice of termination of this Contract under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, or that the default was excusable under the provisions of this clause, the rights and obligations of Contractor and Santa Cruz METRO shall be considered to have been terminated pursuant to termination for convenience of Santa Cruz METRO pursuant to Article 2.01 from the date of Notification of Default.

## 2.03 No Limitation

The rights and remedies of Santa Cruz METRO provided in this Article 2 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

## 3. FORCE MAJEURE

### 3.01 General

Neither party hereto shall be deemed to be in default of any provision of this Contract, or for any failure in performance, resulting from acts or events beyond the reasonable control of such party. For purposes of this Contract, such acts shall include, but not be limited to, acts of God, civil or military authority, civil disturbance, war, strikes, fires, other catastrophes, or other "force majeure" events beyond the parties' reasonable control; provided, however, that the provisions of this Section 3 shall not preclude Santa Cruz METRO from canceling or terminating this Contract (or any order for any product included herein), as otherwise permitted hereunder, regardless of any force majeure event occurring to Contractor.

### 3.02 Notification by Contractor

Contractor shall notify Santa Cruz METRO in writing as soon as Contractor knows, or should reasonably know, that a force majeure event (as defined in Section 3.01) has occurred that will delay completion of the Scope of Work. Said notification shall include reasonable proofs required by Santa Cruz METRO to evaluate any Contractor request for relief under this Article 3. Santa Cruz METRO shall examine Contractor's notification and determine if the Contractor is entitled to relief. Santa Cruz METRO shall notify the Contractor of its decision in writing. Santa Cruz METRO's decision regarding whether or not the Contractor is entitled to force majeure relief shall be final and binding on the parties.

### 3.03 Losses

Contractor is not entitled to damages, compensation, or reimbursement from Santa Cruz METRO for losses resulting from any "force majeure" event.

## 4. PROFESSIONAL STANDARDS

Contractor shall at all times during the term of this Contract possess the technical ability, experience, financial ability, overall expertise, and all other skills, licenses, and resources necessary to perform and complete the scope of work in a timely, professional manner so as to meet or exceed the provisions of this Contract.

## 5. PROFESSIONAL RELATIONS

### 5.01 Independent Contractor

No relationship of employer and employee is created by this Contract. In the performance of its work and duties, Contractor is at all times acting and performing as an independent contractor in the practice of its profession. Santa Cruz METRO shall neither have nor exercise control or direction over the methods by which Contractor performs services pursuant to this Contract (including, without limitation, its officers, shareholders, and employees); provided, however, that Contractor agrees that all work performed pursuant to this Contract shall be in strict accordance with currently approved methods and practices in its profession, and in accordance with this Contract. The sole interest of METRO is to ensure that such services are performed and rendered in a competent and cost effective manner.

### 5.02 Benefits

Contractor (including, without limitation, its officers, shareholders, subcontractors and employees) has no claim under this Contract or otherwise against Santa Cruz METRO for social security benefits, workers' compensation benefits, disability benefits, unemployment benefits, vacation pay, sick leave, or any other employee benefit of any kind.

## 6. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS

### 6.01 Scope

Contractor shall exonerate, indemnify, defend, and hold harmless Santa Cruz METRO (which for the purpose of Articles 6 and 7 shall include, without limitation, its officers, agents, employees and volunteers) from and against:

6.01.01 Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which Santa Cruz METRO may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, or arising out of, or in any manner connected with the Contractor's negligence, recklessness or willful misconduct under the provisions of this Contract. Such indemnification includes any damage to the person(s) or property (ies) of Contractor and third persons.

6.01.02 Any and all Federal, state and local taxes, charges, fees, or contributions required to be paid with respect to Contractor, Contractor's officers, employees and agents engaged in the performance of this Contract (including, without limitation, unemployment insurance, social security, and payroll tax withholding).

## 7. INSURANCE

### 7.01 General

Contractor, at its sole cost and expense, for the full term of this Contract (and any extensions thereof), shall

obtain and maintain at minimum all of the following insurance coverage. Such insurance coverage shall be primary coverage as respects Santa Cruz METRO and any insurance or self-insurance maintained by Santa Cruz METRO shall be excess of Contractor's insurance coverage and shall not contribute to it.

#### 7.02 Types of Insurance and Minimum Limits

Contractor shall obtain and maintain during the term of this Contract:

- (1) Worker's Compensation and Employer's Liability Insurance in conformance with the laws of the State of California (not required for Contractor's subcontractors having no employees).
- (2) Contractor's vehicles used in the performance of this Contract, including owned, non-owned (e.g. owned by Contractor's employees), leased or hired vehicles, shall each be covered with Automobile Liability Insurance in the minimum amount of \$1,000,000.00 combined single limit per accident for bodily injury and property damage.
- (3) Contractor shall obtain and maintain Comprehensive General Liability Insurance coverage in the minimum amount of \$1,000,000.00 combined single limit, including bodily injury, personal injury, and property damage. Such insurance coverage shall include, without limitation:
  - (a) Contractual liability coverage adequate to meet the Contractor's indemnification obligations under this contract.
  - (a) Full Personal Injury coverage
  - (a) Broad form Property Damage coverage
  - (a) A cross-liability clause in favor of Santa Cruz METRO.
- (4) Contractor shall obtain and maintain Professional Liability Insurance coverage in the minimum amount of \$1,000,000.00.

#### 7.03 Other Insurance Provisions

- (1) As to all insurance coverage required herein, any deductible or self-insured retention exceeding \$5,000.00 shall be disclosed to and be subject to written approval by Santa Cruz METRO.
- (2) If any insurance coverage required hereunder is provided on a "claims made" rather than "occurrence" form, Contractor shall maintain such insurance coverage for three (3) years after expiration of the term (and any extensions) of this Contract.
- (3) All required Automobile Liability Insurance and Comprehensive or Commercial General Liability Insurance shall contain the following endorsement as a part of each policy: "The Santa Cruz Metropolitan Transit District is hereby added as an additional insured as respects the operations of the named insured."
- (4) All the insurance required herein shall contain the following clause: "It is agreed that this insurance shall not be canceled until thirty (30) days after Santa Cruz METRO shall have been given written notice of such cancellation or reduction."
- (5) Contractor shall notify Santa Cruz METRO in writing at least thirty (30) days in advance of any reduction in any insurance policy required under this Contract.
- (6) Contractor agrees to provide Santa Cruz METRO at or before the effective date of this Contract with a certificate of insurance of the coverage required.

- (6) All insurance shall be obtained from brokers or carriers authorized to transact business in California and are satisfactory to Santa Cruz METRO.

## 8. SINGLE PROPOSAL

If only one proposal is received in response to the RFP, Offeror may be required to submit to Santa Cruz METRO within five (5) days of Santa Cruz METRO demand, a detailed cost proposal. Santa Cruz METRO may conduct a cost or price analysis of the cost proposal to determine if the proposal price(s) are fair and reasonable. Offeror shall cooperate with Santa Cruz METRO in compiling and submitting detailed information for the cost and price analysis.

## 9. NO DISCRIMINATION

The Contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR, Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as recipient deems appropriate.

## 10. DISADVANTAGED BUSINESS ENTERPRISES

The Board of Directors of the Santa Cruz Metropolitan Transit District has adopted a Disadvantaged Business Enterprise Policy to promote the participation of disadvantaged business enterprises (DBE's) in all areas of Santa Cruz METRO contracting to the maximum extent practicable. Consistent with the DBE Policy, the Contractor shall take all necessary and reasonable steps to ensure that DBE firms have the maximum practicable opportunity to participate in the performance of this project and any subcontracting opportunities thereof.

### I. PROMPT PAYMENT

#### 11.01 Prompt Progress Payment to Subcontractors

The prime contractor or subcontractor shall pay to any subcontractor not later than 10-days of receipt of each progress payment, in accordance with the provision in Section 7108.5 of the California Business and Professions Code concerning prompt payment to subcontractors. The 10-days is applicable unless a longer period is agreed to in writing. Any delay or postponement of payment over 30-days may take place only for good cause and with Santa Cruz METRO's prior written approval. Any violation of Section 7108.5 shall subject the violating contractor or subcontractor to the penalties, sanctions, and other remedies of that Section. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

#### A. Prompt Payment of Withheld Funds to Subcontractors

Santa Cruz METRO shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by Santa Cruz METRO of the contract work and pay retainage to the prime contractor based on these acceptances. The prime contractor or subcontractor shall return all monies withheld in retention from all subcontractors within 30 days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by Santa Cruz METRO. Any delay or postponement of payment may take place only for good cause and with Santa Cruz METRO's prior written approval. Any violation of these provisions shall subject the violating prime contractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of: a dispute involving late payment or nonpayment by the contractor; deficient subcontractor performance; and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

Prime subcontractors must include the prompt payment language of paragraph 1 in all subcontracts, regardless of subcontractor's DBE status. Failure of a prime contractor to uphold prompt payment requirements for subcontractors will result in Santa Cruz METRO withholding reimbursement for completed work.

## 12. RESERVED

## 13. MISCELLANEOUS PROVISIONS

### 13.01 Successors and Assigns

The Contract shall inure to the benefit of, and be binding upon, the respective successors and assigns, if any, of the parties hereto, except that nothing contained in this Article shall be construed to permit any attempted assignment which would be unauthorized or void pursuant to any other provision of this Contract.

### 13.02 Survival of Rights and Obligations

In the event of termination, the rights and obligations of the parties which by their nature survive termination of the services covered by this Contract shall remain in full force and effect after termination. Compensation and revenues due from one party to the other under this Contract shall be paid; loaned equipment and material shall be returned to their respective owners; the duty to maintain and allow inspection of books, accounts, records and data shall be extended as provided in Section 13.15; and the hold harmless agreement contained in Article 6 shall survive.

### 13.03 Limitation on Santa Cruz METRO Liability

Santa Cruz METRO's liability is, in the aggregate, limited to the total amount payable under this Contract.

### 13.04 Drug and Alcohol Policy

Contractor shall not use, possess, manufacture, or distribute alcohol or illegal drugs during the performance of the Contract or while on Santa Cruz METRO premises or distribute same to Santa Cruz METRO employees.

### 13.05 Publicity

Contractor agrees to submit to Santa Cruz METRO all advertising, sales promotion, and other public matter relating to any service furnished by Contractor wherein Santa Cruz METRO's name is mentioned or language used from which the connection of Santa Cruz METRO's name therewith may, within reason, be inferred or implied. Contractor further agrees not to publish or use any such advertising, sales promotion or publicity matter without the prior written consent of Santa Cruz METRO.

### 13.06 Consent to Breach Not Waiver

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 a consent to, waiver of, or excuse for any other different or subsequent breach.

### 13.07 Attorneys' Fees

In the event that suit is brought to enforce or interpret any part of this Contract, the prevailing party shall be entitled to recover as an element of its costs of suit, and not as damages, a reasonable attorney's fee to be fixed by the court. The "prevailing party" shall be the party who is entitled to recover its costs of suit, whether or not the suit proceeds to final judgment. A party not entitled to recover its costs shall not recover

attorney's fees. No sum for attorney's fees shall be counted in calculating the amount of a judgment for purposes of determining whether a party is entitled to recover its costs or attorney's fees.

13.08 No Conflict of Interest

Contractor represents that it currently has no interest, and shall not have any interest, direct or indirect, that would conflict in any manner with the performance of services required under this Contract.

13.09 Prohibition of Discrimination against Qualified Handicapped Persons

Contractor shall comply with the provisions of Section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified handicapped persons in federally-assisted programs.

13.10 Cal OSHA/Hazardous Substances

13.10.01 Contractor shall comply with California Administrative Code Title 8, Section 5194, and shall directly (1) inform its employees of the hazardous substances they may be exposed to while performing their work on Santa Cruz METRO property, (2) ensure that its employees take appropriate protective measures, and (3) provide Santa Cruz METRO's Manager of Facility Maintenance with a Material Safety Data Sheet (MSDS) for all hazardous substances to be used on Santa Cruz METRO property.

13.10.02 Contractor shall comply with Cal OSHA regulations and the Hazardous Substance Training and Information Act. Further, said parties shall indemnify Santa Cruz METRO against any and all damage, loss, and injury resulting from non-compliance with this Article.

13.10.03 Contractor will comply with the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) California Health and Safety Code Section 25249.5 - 25249.13. Contractor will ensure that clear and reasonable warnings are made to persons exposed to those chemicals listed by the State of California as being known to cause cancer or reproductive toxicity.

13.10.04 Contractor shall be solely responsible for any hazardous material, substance or chemical released or threatened release caused or contributed to by Contractor. Contractor shall be solely responsible for all clean-up efforts and costs.

13.11 Non-Assignment of Contract

The Contractor shall not assign, transfer, convey, sublet, or otherwise dispose of the Contract or Contractor's right, title or interest in or to the same or any part thereof without previous written consent by Santa Cruz METRO; and any such action by Contractor without Santa Cruz METRO's previous written consent shall be void.

13.12 No Subcontract

Contractor shall not subcontract or permit anyone other than Contractor or its authorized staff and subcontractors to perform any of the scope of work, services or other performance required of Contractor under this Contract without the prior written consent of Santa Cruz METRO. Any such action by Contractor without Santa Cruz METRO's previous consent shall be void.

13.13 Severability

If any provision of this Contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force and effect, and shall in no way be affected, impaired or invalidated.



13.14 All Amendments in Writing

No amendment to this Contract shall be effective unless it is in writing and signed by duly authorized representatives of both parties.

13.15 Audit

This Contract is subject to audit by Federal, State, or Santa Cruz METRO personnel or their representatives at no cost for a period of four (4) years after the date of expiration or termination of the Contract. Requests for audits shall be made in writing, and Contractor shall respond with all information requested within ten (10) calendar days of the date of the request. During the four-year period that the Contract is subject to audit, Contractor shall maintain detailed records substantiating all costs and expenses billed against the Contract.

13.16 Smoking Prohibited

Contractor, its employees and agents shall not smoke in any enclosed area on Santa Cruz METRO premises or in a Santa Cruz METRO vehicle.

13.17 Responsibility for Equipment

13.17.01 Santa Cruz METRO shall not be responsible nor held liable for any damage to person or property consequent upon the use, or misuse, or failure of any equipment used by Contractor, or any of its employees, even though such equipment be furnished, rented or loaned to Contractor by Santa Cruz METRO.

13.17.02 Contractor is responsible to return to Santa Cruz METRO in good condition any equipment, including keys, issued to it by Santa Cruz METRO pursuant to this Agreement. If the contractor fails or refuses to return Santa Cruz METRO-issued equipment within five days of the conclusion of the contract work Santa Cruz METRO shall deduct the actual costs to repair or replace the equipment not returned from the final payment owed to contractor or take other appropriate legal action at the discretion of Santa Cruz METRO.

13.18 Grant Contracts

13.18.01 Contractor shall ensure throughout the terms of this Agreement that all federal, state and local laws and requirements are met including any requirements Santa Cruz METRO is obligated to perform because of receipt of grant funding. Contractor shall also be required to fulfill its obligation as a federal and/or state and/or local sub-recipient of grant funding.

13.19 Time of the Essence

13.19.01 Time is of the essence in this Contract

## PART V

### PROFESSIONAL SERVICES CONTRACT FOR RADIO SYSTEM MAINTENANCE AND REPAIR (10-21)

THIS CONTRACT is made effective on \_\_\_\_\_, 2009 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("Santa Cruz METRO"), and \_\_\_\_\_ ("Contractor").

#### I. RECITALS

##### 1.01 Santa Cruz METRO's Primary Objective

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

##### 1.02 Santa Cruz METRO's Need for RADIO SYSTEM MAINTENANCE AND REPAIR

Santa Cruz METRO has the need for RADIO SYSTEM MAINTENANCE AND REPAIR. In order to obtain these services, Santa Cruz METRO issued a Request for Proposals, dated February 12, 2010, 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 RADIO SYSTEM MAINTENANCE AND REPAIR and whose principal place of business is \_\_\_\_\_. Pursuant to the Request for Proposals by Santa Cruz METRO, Contractor submitted a proposal for RADIO SYSTEM MAINTENANCE AND REPAIR which is attached hereto and incorporated herein by reference as Exhibit "B."

##### 1.04 Selection of Contractor and Intent of Contract

On \_\_\_\_\_, Santa Cruz METRO selected Contractor as the offeror whose proposal was most advantageous to Santa Cruz METRO, to provide the RADIO SYSTEM MAINTENANCE AND REPAIR 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 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 13.14.

##### A. Exhibit "A"

Santa Cruz Metropolitan Transit District's "Request for Proposals" dated February 12, 2010

##### B. Exhibit "B" (Contractor's Proposal)

Contractor's Proposal to Santa Cruz METRO for RADIO SYSTEM MAINTENANCE AND REPAIR, signed by Contractor and dated March 12, 2010.

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" supercede 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 Section 13.14.
- 3.01.02 CONTRACTOR - The Contractor selected by Santa Cruz METRO for this project in accordance with the Request for Proposals issued February 12, 2010.
- 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 February 12, 2010.
- 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 one (1) year and shall commence upon the issuance of the contract by Santa Cruz METRO.

At the option of Santa Cruz METRO, this contract agreement may be renewed for four (4) additional one (1) year terms upon mutual written consent.

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. Santa Cruz METRO shall reasonably determine whether work has been successfully performed for purposes of payment. Compensation shall be made within thirty (30) days of Santa Cruz METRO written approval of Contractor's written invoice for said work. Contractor understands and agrees that if he/she exceeds the \$ \_\_\_\_\_ maximum amount payable under this contract, that it does so at its own risk.

5.02 Invoices

Contractor shall submit invoices with a purchase order number provided by Santa Cruz METRO on a monthly basis. Contractor's invoices shall include detailed records showing actual time devoted, work accomplished, date work accomplished, personnel used, and amount billed per hour. Expenses shall only be billed if allowed under the Contract. Telephone call expenses shall show the nature of the call and identify location and individual called. 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.

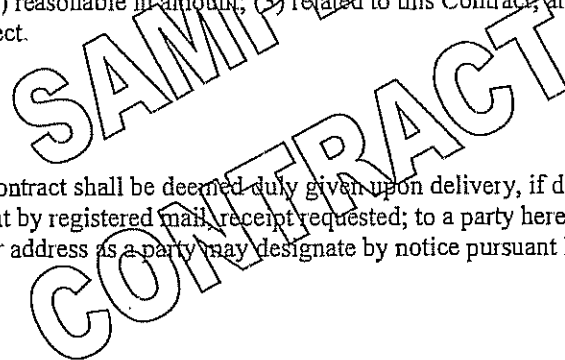
Santa Cruz METRO

Santa Cruz Metropolitan Transit District  
110 Vernon Street  
Santa Cruz, CA 95060  
Attention: General Manager

CONTRACTOR

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_



7. 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

\_\_\_\_\_  
Leslie R. White  
General Manager

CONTRACTOR -

By \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Margaret Rose Gallagher  
District Counsel

SAMPLE  
CONTRACT

## PART VI

### FEDERAL TRANSIT ADMINISTRATION REQUIREMENTS FOR NON-CONSTRUCTION CONTRACTS

#### 1.0 GENERAL

This Contract is subject to the terms of a financial assistance contract between the Santa Cruz Metropolitan Transit District and the Federal Transit Administration (FTA) of the United States Department of Transportation.

#### 2.0 INTEREST TO MEMBERS OF OR DELEGATES TO CONGRESS

In accordance with 18 U.S.C. 431, no member of, nor delegates to, the Congress of the United States shall be admitted to a share or part of this Contract or to any benefit arising therefrom.

#### 3.0 INELIGIBLE CONTRACTORS

Neither Contractor, subcontractor, nor any officer or controlling interest holder of Contractor or subcontractor, is currently, or has been previously, on any debarred bidders list maintained by the United States Government.

#### 4.0 EQUAL EMPLOYMENT OPPORTUNITY (Not applicable to contracts for standard commercial supplies and raw materials)

In connection with the execution of this Contract, the Contractor shall not discriminate against any employee or application for employment because of race, religion, color, sex, age (40 or over), national origin, pregnancy, ancestry, marital status, medical condition, physical handicap, sexual orientation, or citizenship status. The Contractor shall take affirmative action to insure that applicants employed and that employees are treated during their employment, without regard to their race, religion, color, sex national origin, etc. Such actions shall include, but not be limited to the following: Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and, selection for training including apprenticeship. Contractor further agrees to insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

#### 5.0 TITLE VI CIVIL RIGHTS ACT OF 1964

During the performance of this Contract, the Contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "Contractor"), agrees as follows:

##### 5.1 Compliance with Regulations

The Contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the "Regulations"), which are herein incorporated by reference and made a part of this Contract.

##### 5.2 Nondiscrimination

The Contractor, with regard to the work performed by it during the Contract, shall not discriminate on the grounds of race, religion, color, sex, age or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor shall not participate either directly or indirectly in the discrimination prohibited in Section 21.5 of the Regulations, including employment practices when the Contract covers a program set forth in Appendix B of the regulations.

### 5.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment

In all solicitations either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Contractor of the Contractor's obligations under this Contract and the Regulations relative to nondiscrimination on the grounds of race, religion, color, sex, age or national origin.

### 5.4 Information and Reports

The Contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by Santa Cruz METRO or the Federal Transit Administration (FTA) to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information is required or a Contractor is in the exclusive possession of another who fails or refuses to furnish this information, the Contractor shall so certify to Santa Cruz METRO, or the Federal Transit Administration, as appropriate, and shall set forth what efforts it has made to obtain the information.

### 5.5 Sanctions for Noncompliance

In the event of the Contractor's noncompliance with the nondiscrimination provisions of this Contract, Santa Cruz METRO shall impose such contract sanctions as it or the Federal Transit Administration may determine to be appropriate, including, but not limited to:

- (a) Withholding of payments to the Contractor under the Contract until the Contractor complies; and/or,
- (b) Cancellation, termination or suspension of the Contract, in whole or in part.

### 5.6 Incorporation of Provisions

The Contractor shall include the provisions of Paragraphs (1) through (6) of this section in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The Contractor shall take such action with respect to any subcontract or procurement as Santa Cruz METRO or the Federal Transit Administration may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the Contractor may require Santa Cruz METRO to enter into such litigation to protect the interests of Santa Cruz METRO, and, in addition, the Contractor may request the services of the Attorney General in such litigation to protect the interests of the United States.

## 6.0 CLEAN AIR AND FEDERAL WATER POLLUTION CONTROL ACTS (Applicable only to contracts in excess of \$100,000)

Contractor shall comply with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act (42 USC 1857[h]), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR, Part 15), which prohibit the use under non-exempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. Contractor shall report all violations to FTA and to the USEPA Assistant Administrator for Enforcement (EN0329).

## 7.0 CONSERVATION

Contractor shall recognize mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 USC Section 6321, et seq.).

## 8.0 AUDIT AND INSPECTION OF RECORDS (Applicable only to sole source or negotiated contracts in excess of \$10,000)

Contractor agrees that Santa Cruz METRO, the Comptroller General of the United States, or any of their duly authorized representatives shall, for the purpose of audit and examination, be permitted to inspect all work, materials, payrolls and other data and records with regard to the project, and to audit the books, records and accounts with regard to the project. Further, Contractor agrees to maintain all required records for at least three years after Santa Cruz METRO makes final payments and all other pending matters are closed.

## 9.0 LABOR PROVISIONS (Applicable only to contracts of \$2,500.00 or more that involve the employment of mechanics or laborers)

### 9.1 Overtime Requirements

No Contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any work week in which he or she is employed on such work to work in excess of eight (8) hours in any calendar day or in excess of forty (40) hours in such work week unless such laborer or mechanic receives compensation at a rate not less than one and one-half (1 1/2) times the basic rate of pay for all hours worked in excess of eight (8) hours in any calendar day or in excess of forty (40) hours in such work week, whichever is greater.

### 9.2 Violation; Liability for Unpaid Wages; Liquidated Damages

In the event of any violation of the clause set forth in subparagraph (b)(1) of 29 CFR Section 5.5, the Contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for Santa Cruz METRO of Columbia or a territory, to such district or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (b)(1) of which such individual was required or permitted to work in excess of eight (8) hours in excess of the standard work week of forty (40) hours without payment of the overtime wages required by the clause set forth in subparagraph (b)(1) of 29 CFR Section 5.5.

### 9.3 Withholding for Unpaid Wages and Liquidated Damages

DOT or Santa Cruz METRO shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any monies payable on account of work performed by the Contractor or subcontractor under any such contract or any other Federal contract with the same prime Contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b)(2) of 29 CFR Section 5.5.

### 9.4 Nonconstruction Grants

The Contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three (3) years from the completion of



the Contract for all laborers and mechanics, including guards and watchmen, working on the Contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made and actual wages paid. Further, Santa Cruz METRO shall require the contracting officer to insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the Contractor or subcontractor for inspection, copying or transcription by authorized representatives of DOT and the Department of Labor, and the Contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

#### 9.5 Subcontracts

The Contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (5) of this paragraph and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in subparagraphs (1) through (5) of this paragraph.

#### 10.0 CARGO PREFERENCE (Applicable only to Contracts under which equipment, materials or commodities may be transported by ocean vehicle in carrying out the project)

The Contractor agrees:

- 10.1 To utilize privately owned United States-flag commercial vessels to ship at least fifty percent (50%) of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners and tankers) involved, whenever shipping any equipment, materials or commodities pursuant to this section, to the extent such vessels are available at fair and reasonable rates for United States- flag commercial vessels.
- 10.2 To furnish within 30 days following the date of loading for shipments originating within the United States, or within thirty (30) working days following the date of loading for shipment originating outside the United States, a legible copy of a rated, "on-board" commercial ocean bill-of-lading in English for each shipment of cargo described in paragraph (1) above, to Santa Cruz METRO (through the prime Contractor in the case of subcontractor bills-of-lading) and to the Division of National Cargo, Office of Market Development, Maritime Administration, 400 Seventh Street, S.W., Washington D. C. 20590, marked with appropriate identification of the project.
- 10.3 To insert the substance of the provisions of this clause in all subcontracts issued pursuant to this Contract.

#### 11.0 BUY AMERICA PROVISION

This procurement is subject to the Federal Transportation Administration Buy America Requirements in 49 CFR 661. A Buy America Certificate, if required format (see Form of Proposal or Bid Form) must be completed and submitted with the proposal. A proposal that does not include the certificate shall be considered non-responsive. A waiver from the Buy America Provision may be sought by Santa Cruz METRO if grounds for the waiver exist. Section 165a of the Surface Transportation Act of 1982 permits FTA participation on this Contract only if steel and manufactured products used in the Contract are produced in the United States. In order for rolling stock to qualify as a domestic end product, the cost of components produced in the United States must exceed sixty percent (60%) of the cost of all components, and final assembly must take place in the United States.

## 12.0 DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION

### 12.1 Policy

It is the policy of the U.S. Department of Transportation that Disadvantaged Business Enterprises as defined in 49 CFR Part 26 shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this Agreement. Consequently, the DBE requirements of 49 CFR Part 26 apply to this Agreement.

### 12.2 DBE Obligation

Santa Cruz METRO and Contractor agree to insure that Disadvantaged Business Enterprises as defined in 49 CFR Part 26 have the maximum opportunity to participate in the performance of contracts and subcontracts under this Agreement. In this regard, Santa Cruz METRO and Contractor shall take all necessary and reasonable steps in accordance with 49 CFR Part 26 to insure that Disadvantaged Business Enterprises have the maximum opportunity to compete for and perform Contracts. Santa Cruz METRO and Contractor shall not discriminate on the basis of race, creed, color, national origin, age or sex in the award and performance of DOT-assisted Contracts.

### 12.3 Transit Vehicle Manufacturers

Transit vehicle manufacturers must certify compliance with DBE regulations.

## 13.0 CONFLICT OF INTEREST

No employee, officer or agent of Santa Cruz METRO shall participate in selection, or in the award of administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when (1) the employee, officer or agent; (2) any member of his or her immediate family; (3) his or her partner; or (4) an organization that employs, or is about to employ, has a financial or other interest in the firm selected for award. Santa Cruz METRO's officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from Contractors, potential Contractors or parties of sub agreements.

## 14.0 MOTOR VEHICLE EMISSION REQUIREMENTS (Applicable only to Contracts involving the purchase of new motor vehicles)

The Contractor must provide a certification that:

- (a) The horsepower of the vehicle is adequate for the speed, range, and terrain in which it will be required and also to meet the demands of all auxiliary equipment.
- (b) All gases and vapors emanating from the crankcase of a spark-ignition engine are controlled to minimize their escape into the atmosphere.
- (c) Visible emission from the exhaust will not exceed No. 1 on the Ringlemann Scale when measured six inches (6") from the tail pipe with the vehicle in steady operation.
- (d) When the vehicle has been idled for three (3) minutes and then accelerated to eighty percent (80%) of rated speed under load, the opacity of the exhaust will not exceed No. 2 on the Ringlemann Scale for more than five (5) seconds, and not more than No. 1 on the Ringlemann Scale thereafter.

## 15.0 MOTOR VEHICLE SAFETY STANDARDS (Applicable only to contracts involving the purchase of new motor vehicles)

The Contractor will assure that the motor vehicles purchased under this contract will comply with the Motor Vehicle Safety Standards as established by the Department of Transportation at 49 CFR Parts 390 and 571.

## 16.0 DEBARRED BIDDERS

The Contractor, including any of its officers or holders of a controlling interest, is obligated to inform Santa Cruz METRO whether or not it is or has been on any debarred bidders' list maintained by the United States Government. Should the Contractor be included on such a list during the performance of this project, Contractor shall so inform Santa Cruz METRO.

## 17.0 PRIVACY (Applicable only to Contracts involving the administration of any system of records as defined by the Privacy Act of 1974, on behalf of the Federal Government)

### 17.1 General

Santa Cruz METRO and Contractor agree:

- (a) To comply with the Privacy Act of 1974, 5 U.S.C. 552a (the Act) and the rules and regulations issued pursuant to the Act when performance under the Contract involves the design, development or operation of any system of records on individuals to be operated by Santa Cruz METRO, its contractors or employees to accomplish a Government function.
- (b) To notify the Government when Santa Cruz METRO or Contractor anticipates operating a system of records on behalf of the Government in order to accomplish the requirements of this Agreement, if such system contains information about individuals which information will be retrieved by the individual's name or other identifier assigned to the individual. A system of records subject to the Act may not be employed in the performance of this Agreement until the necessary approval and publication requirements applicable to the system have been carried out. Santa Cruz METRO or Contractor, as appropriate, agrees to correct, maintain, disseminate, and use such records in accordance with the requirements of the Act, and to comply with all applicable requirements of the Act.
- (c) To include the Privacy Act Notification contained in this Agreement in every subcontract solicitation and in every subcontract when the performance of Work under the proposed subcontract may involve the design, development or operation of a system of records on individuals that is to be operated under the Contract to accomplish a Government function; and
- (d) To include this clause, including this paragraph in all in subcontracts under which Work for this Agreement is performed or which is awarded pursuant to this Agreement or which may involve the design, development, or operation of such a system of records on behalf of the Government.

### 17.2 Applicability

For purposes of the Privacy Act, when the Agreement involves the operation of a system of records on individuals to accomplish a Government function, Santa Cruz METRO, third party contractors and any of their employees are considered to be employees of the Government with respect to the Government function and the requirements of the Act, including the civil and criminal penalties for violations of the Act, are applicable except that the criminal penalties shall not apply with regard to contracts effective prior to September 27, 1975. In addition, failure to comply with the provisions of the Act or of this clause will make this Agreement subject to termination.

### 17.3 Definitions

The terms used in this clause have the following meanings:

- (a) "Operation of a system of records" means performance of any of the activities associated with maintaining the system of records on behalf of the Government including the collection, use and dissemination of records.
- (b) "Records" means any item, collection or grouping of information about an individual that is maintained by Santa Cruz METRO or Contractor on behalf of the Government, including, but not limited to, his education, financial transactions, medical history, and criminal or employment history and that contains his name, or the identifying number, symbol or other identifying particular assigned to the individual, such as a finger or voice print or a photograph.
- (c) "System of records" on individuals means a group of any records under the control of Santa Cruz METRO or Contractor on behalf of the Government from which information is retrieved by the name of the individual or by some identifying number, symbol or other identifying particular assigned to the individual.

18.0 PATENT RIGHTS (Applicable only to research and development contracts)

If any invention, improvement or discovery of Santa Cruz METRO or contractors or subcontractors is conceived or first actually reduced to practice in the course of or under this project which invention, improvement, or discovery may be patentable under the Patent Laws of the United States of America or any foreign country, Santa Cruz METRO (with appropriate assistance of any contractor or subcontractor involved) shall immediately notify the Government (FTA) and provide a detailed report. The rights and responsibilities of Santa Cruz METRO, third party contractors and subcontractors and the Government with respect to such invention will be determined in accordance with applicable Federal laws, regulations, policies and any waivers thereof.

19.0 RIGHTS IN DATA (Applicable only to research and development contracts)

The term "subject data" as used herein means recorded information, whether or not copyrighted, that is delivered or specified to be delivered under this Contract. The term includes graphic or pictorial delineation in media such as drawings or photographs; text in specifications or related performance or design-type documents, machine forms such as punched cards, magnetic tape or computer memory printouts; and information retained in computer memory. Examples include, but are not limited to, engineering drawings and associated lists, specifications, standards, process sheets, manuals, technical reports, catalog item identifications and related information. The term does not include financial reports, cost analyses and similar information incidental to contract administration.

All "subject data" first produced in the performance of this Agreement shall be the sole property of the Government. Santa Cruz METRO and Contractor agree not to assert any rights at common law or equity and not to establish any claim to statutory copyright in such data. Except for its own internal use, Santa Cruz METRO and Contractor shall not publish or reproduce such data in whole or in part, or in any manner or form, nor authorize others to do so, without the written consent of the Government until such time as the Government may have released such data to the public. This restriction, however, does not apply to Agreements with academic institutions.

Santa Cruz METRO and Contractor agree to grant and do hereby grant to the Government and to its officers, agents, and employees acting within the scope of their official duties, a royalty-free, non-exclusive and irrevocable license throughout the world:

- (a) To publish, translate, reproduce, deliver, perform, use and dispose of, in any manner, any and all data not first produced or composed in the performance of this Contract but which is incorporated in the work furnished under this Contract; and
- (b) To authorize others so to do.

Santa Cruz METRO and Contractor shall indemnify and save and hold harmless the Government, its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by Santa Cruz METRO and Contractor of proprietary

rights, copyrights or rights of privacy, arising out of the publication, translation, reproduction, delivery, performance, use, or disposition of any data furnished under this Contract.

Nothing contained in this clause shall imply a license to the Government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Government under any patent.

The third and fourth paragraphs under Section 19.0 above are not applicable to material furnished to Santa Cruz METRO or Contractor by the Government and incorporated in the work furnished under the Contract, provided that such incorporated material is identified by Santa Cruz METRO or Contractor at the time of delivery of such work.

In the event that the project, which is the subject of this Agreement, is not completed, for any reason whatsoever, all data generated under that project shall become subject data as defined in the Rights in Data clause in this Contract and shall be delivered as the Government may direct. This clause shall be included in all subcontracts under this Contract.

## 20.0 NEW RESTRICTIONS ON LOBBYING

### 20.1 Prohibition

- (a) Section 1352 of Title 31, U.S. Code, provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (b) The prohibition does not apply as follows:
  - (i) Agency and legislative liaison by Own Employees.
  - (ii) Professional and technical services by Own Employees.
  - (iii) Reporting for Own Employees.
  - (iv) Professional and technical services by Other than Own Employees.

### 20.2 Disclosure

- (a) Each person who requests or receives from an agency a Federal contract shall file with that agency a certification, included in Form of Proposal or Bid Forms, that the person has not made, and will not make, any payment prohibited by Section 20.1 of this clause.
- (b) Each person who requests or receives from an agency a Federal contract shall file with that agency a disclosure form, Standard Form-LLL, "Disclosure of Lobbying Activities," if such person has made or has agreed to make any payment using non-appropriated funds (to include profits from any covered Federal action), which would be prohibited under Section 20.1 of this clause if paid for with appropriated funds.
- (c) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraph (c)(2) of this section. An event that materially affects the accuracy of the information reported includes:

- (i) a cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or
  - (ii) a change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or
  - (iii) a change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.
- (d) Any person who requests or receives from a person referred to in paragraph (c)(i) of this section a subcontract exceeding \$100,000 at any tier under a Federal contract shall file a certification, and a disclosure form, if required, to the next tier above.
  - (e) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraph (c)(i) of this section. That person shall forward all disclosure forms to the agency.

### 20.3 Agreement

In accepting any contract resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

### 20.4 Penalties.

- (a) Any person who makes an expenditure prohibited under Section 20.1 of this clause shall be subject to a civil penalty of not less than \$10,000 for each such expenditure.
- (b) Any person who fails to file or amend the disclosure form to be filed or amended if required by this clause, shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
- (c) Contractors may rely without liability on the representations made by their sub- contractors in the certification and disclosure form.

### 20.5 Cost allowability

Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of Part 31 of the Federal Acquisition Regulation.

## PART VII

### SANTA CRUZ METROPOLITAN TRANSIT DISTRICT PROTEST PROCEDURES

#### POLICY

It is the policy of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) that it is responsible for resolving all Pre-Bid, Pre-Award and Post-Award Procurement Protest disputes arising out of third party procurements using good administrative practices and sound business judgment. It is Santa Cruz METRO's intention that its procurement process provides for fair and open competition in compliance with federal and state laws and Santa Cruz METRO policies.

Santa Cruz METRO has established these Pre-Bid, Pre-Award and Post-Award Procurement Protest Policy and Procedures so that all procurement protests/disputes are filed, processed and resolved in a manner consistent with the requirements of the Federal Transit Administration (FTA) Circular (4220.1F) *Third Party Contracting Guidance*, dated November 1, 2008, which are on file at Santa Cruz METRO's Administrative Offices, 110 Vernon Street, Santa Cruz, CA 95060, and available upon request.

#### APPLICABILITY

This regulation is applicable to all Santa Cruz METRO employees. This regulation is applicable to any Interested Party as defined herein who has a protest/dispute against Santa Cruz METRO in the Pre-Bid, Pre-Award and Post-Award procurement phase.

#### DEFINITIONS

"Common Grant Rules" refers to the Department of Transportation regulations "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," 49 CFR Part 18, which apply to Federal grants and cooperative agreements with governmental recipients of Federal assistance including Indian tribal governments.

"Interested Party" means a party that is an actual or prospective bidder or offeror whose direct economic interest would be affected by the award or failure to award the third party contract at issue. A subcontractor does not qualify as an "interested party".

"Protest" means a formal declaration of disapproval or objection issued by a concerned person, group, or organization that arises during the procurement process. A Protest is a potential bidder's or contractor's remedy for correcting a perceived wrong in the procurement process. See "Types of Protests" below.

"Protester" means a person, group, or organization that files a formal declaration of disapproval or objection. A protester must qualify as an "interested party".

"Types of Protests": There are three basic types of Protests pursuant to this regulation, based on the time in the procurement cycle when they occur:

- a.) A pre-bid or solicitation phase Protest is received prior to the bid opening or proposal due date. Pre-bid protests are those based on the content of the initial Notice and/or solicitation published by Santa Cruz METRO requesting bids from vendors or other interested parties.
- b.) A pre-award Protest is a protest against making an award and is received after receipt of proposals or bids, but before award of a contract.
- c.) A post-award Protest is a protest received after award of a contract. A post-award Protest must be received within 5 business days of the making of the award. A post-award Protest generally alleges a violation of applicable federal or state law and/or Santa Cruz METRO policy or procedures relative to the seeking, evaluating and/or awarding of the contract.

**STANDARDS.**

All Protests must be filed in writing with the Santa Cruz METRO Administrative Offices, Finance Manager, Santa Cruz Metropolitan Transit District, 110 Vernon Street, Santa Cruz, CA 95060, or electronically at [financemanager@scmttd.com](mailto:financemanager@scmttd.com). No other location is acceptable.

A Protest must be in writing and set forth the specific grounds of the dispute and shall be fully supported with technical data, test results, or other pertinent information related to the subject being protested. The Protest shall include the name and contact information of the Protester, solicitation/contract number or description, and what remedy the Protester is seeking. The Protester is responsible for adhering to this regulation.

A Protester must exhaust all of Santa Cruz METRO's administrative remedies before pursuing a protest with the FTA.

Santa Cruz METRO's Finance Manager shall make a determination on the Protest generally within ten (10) working days from receipt of the Protest. The Decision of the Finance Manager must be in writing and shall include a response to each substantive issue raised in the Protest.

Any Decision by the Finance Manager may be appealed to the Board of Directors. The Protester has the right within five (5) business days of receipt of the Finance Manager's Decision to file an appeal restating the basis of the Protest and the grounds of the appeal. In the appeal, the Protester is only permitted to raise information and issues previously provided in the Protest or discovered after the Protest was submitted to the Finance Manager for Decision and directly related to the grounds of the Protest. The Protester shall be provided with at least 72-hour notification of when the Board of Directors will hear the Appeal. The Protestor may appear, be represented and present evidence and testimony at the Appeal Hearing. The Board of Directors' decision shall constitute Santa Cruz METRO's final administrative determination.

In the event that the Protester is not satisfied with Santa Cruz METRO's Board of Directors' final administrative determination, he/she may proceed within 90 days of the final decision to State Court for judicial relief. The Superior Court of the State of California for the County of Santa Cruz is the appropriate judicial authority having the jurisdiction over Protest(s) and Appeal(s).

At any time, the Protester may request reconsideration of Santa Cruz METRO's Final Decision if data or information becomes available that was not previously known, or there has been an error of law or regulations.

The Protester may withdraw its Protest or Appeal at any time before Santa Cruz METRO issues a final decision.

If Santa Cruz METRO postpones the date of proposal submission because of a Protest or Appeal of the solicitation specifications, addenda, dates or any other issue relating to the procurement, Santa Cruz METRO will notify, via addendum, all parties who are on record as having obtained a copy of the solicitation documents that a Protest/Appeal had been filed, and the due date for proposal submission shall be postponed until Santa Cruz METRO has issued its final Decision.

Reviews of Protests by FTA are limited to 1) Santa Cruz METRO's failure to have or follow its protest procedures, or its failure to review a complaint or Protest; or 2) violations of Federal law or regulation.

A Protest Appeal to the FTA must be filed in accordance with the provisions of FTA Circular 4220.1F. Any appeal to the FTA shall be made not later than five (5) working days after a final decision is rendered under Santa Cruz METRO's protest procedure. Protest appeals should be filed with:

**Federal Transit Administration**  
Regional Administrator Region IX  
201 Mission Street, Suite 1650  
San Francisco, CA 94105-1839

Telephone: (415) 744-3133  
Fax: (415) 744-2726



**SANTA CRUZ METRO RESPONSIBILITIES TO FTA**

Santa Cruz METRO's Finance Manager will notify the FTA when he/she receives a third party contract protest to which the FTA Circular (4420.1F) *Third Party Contracting Guidance* applies, and will keep the FTA informed about the status of the Protest including any appeals.

Santa Cruz METRO's Finance Manager will provide the following information to FTA:

- a. Subjects: A list of Protests involving third party contracts and potential third party contracts that:
  - (a) Have a value exceeding \$100,000, or
  - (b) Involve controversial matter, irrespective of amount, or
  - (c) Involve a highly publicized matter, irrespective of amount.
  
- b. Details: The following information about each Protest:
  - (a) A brief description of the Protest,
  - (b) The basis of disagreement, and
  - (c) If open, how far the Protest has proceeded, or
  - (d) If resolved, the agreement or decision reached, and
  - (e) Whether an appeal has been taken or is likely to be taken.
  
- c. When and Where: Santa Cruz METRO will provide this information:
  - (a) In its next quarterly Milestone Progress Report, and
  - (b) At its next Project Management Oversight review, if any.
  
- d. FTA Officials to Notify: When Santa Cruz METRO's Board of Directors denies a bid Protest, and an appeal is likely to occur, Santa Cruz METRO's Finance Manager will inform the FTA Regional Administrator for Region IX, or the FTA Associate Administrator for the program office administering a headquarters project directly about the likely appeal.

Santa Cruz METRO's Finance Manager will disclose information about any third party procurement Protest to FTA upon request. FTA reserves the right to require Santa Cruz METRO to provide copies of a particular Protest or all Protests, and any or all related supporting documents, as FTA may deem necessary.



**Vision Communications Co., Inc.'s Proposal for Santa Cruz Metropolitan Transit District Radio System Maintenance and Repair RFP 10-21**

Monthly Maintenance Fee-----\$1595.00

Includes 24 hr on-call services to maintain radio system

Includes regular maintenance for:

- 97 ea Motorola Maratrac's in Transit Buses-repairs subject to parts availability-If repairs cannot be done, a quote for replacement of equipment will be provided
- 13 ea Motorola PM1500 in Transit Buses
- 35 ea Motorola Mitrek's in non-revenue vehicles-repairs subject to parts availability- If repairs cannot be done, a quote for replacement of unit will be provided
- 1 ea Gai-tronics ICP9000 Navigator Series PC-based Console w/Graphical User Interface-located at Operations building
- 1 ea Motorola transmitter/receiver in Operations Building-repairs subject to parts availability-If repairs cannot be done, a quote for replacement of unit will be provided
- 4 ea Motorola HT1250LS portables
- 5 ea Motorola HT1000 portables-repairs subject to parts availability- If repairs cannot be done, a quote for replacement of unit will be provided
- 1 ea Exacom Hindsight-Net/V6 Multi-media Digital Logging Recorder-Operations Building-repairs subject to parts availability-if repairs cannot be done, a quote for replacement of unit will be provided
- 1 ea Motorola main transmitting/receiving unit-Operations building- repairs subject to parts availability-If repairs cannot be done, a quote for replacement of unit will be provided
- 1 ea Motorola TLN991A Radio Receiver Encoder Signal Amplification Unit-Watsonville Transit Center-repairs subject to parts availability-if repairs cannot be done, a quote for replacement of unit will be provided
- 3 ea Motorola repeaters-located at Kite Hill, Mt. Bielawski, and Davenport-2 ea MTR2000 and 1 ea MSR2000-MSR2000 repairs are subject to parts availability-

Vision Communications Co. requests model and serial numbers for all equipment prior to implementation of maintenance agreement.

Vision Communications C. will schedule PM's of all fixed equipment to verify operation upon implementation of maintenance contract. If fixed equipment is not operational, it will be repaired at time and material labor rates plus parts and then added to the maintenance agreement or quoted for replacement as necessary.

Maintenance coverage for fixed equipment does not include power supply, amplifiers, combiners, multi-couplers, antenna systems, phone lines, physical or water damage.

Maintenance coverage for mobiles and portables does not include batteries, antennas, microphones, speaker mics, headsets, surveillance sets, handsets, antenna cables, physical or water damage.



Vision warrants technician/installation repairs for 30 days. Vendor warranties will be passed to customer as necessary.

Vision proposes servicing the buses twice a week-possibly Tuesday and Thursday 8:00 to 12:00. Each service will be considered a PM.

Portables will be sent to our depot in Long Beach for repair and PM. Batteries will be cycled and customer will be advised if antennas or batteries are required. Each service will be considered a PM.

Customer will supply any spare radios needed to maintain system

Vision will maintain appropriate parts inventory to facilitate repairs.

Vision will supply customer with monthly documentation of repairs as requested in Section 2.3

Programming will be provided free of charge on equipment purchased from Vision Communications (\$45.00 value). Any other programming will be quoted as necessary. (reference PART III, Section 2 G)



2.5 Mobile Equipment: New Installations, Change Outs

New mobile installation into new bus with power and antenna already installed at manufacturer-\$375.00  
Install includes radio, radio mount, control head, handset, in-line filter as supplied, external  
Speaker

Transit Bus-Removal of old radio and accessories-\$125.00

Transit Bus-Removal of old radio and installation of new radio with accessories-\$500.00

Revenue vehicles (sedan types)-new vehicle install-radio with remote control head, antenna and accessories  
with standard mobile mic-\$225.00

Revenue vehicles (sedan type)-new vehicle install-radio-dash mount, antenna and accessories with standard  
mobile mic-\$150.00

Revenue vehicles-removal of radio equipment-\$95.00

Fixed equipment (bases, repeaters etc) removals and installations will be quoted as necessary.



2.8 Additional Requirements:

2.8.2 Vision will warranty all work for 30 days and pass all vendor warranties on to customer

2.8.3 Vision has vehicles with test equipment and parts for field repairs

2.8.4 Maintenance rate will increase 3% annually



3. Special Instruction to Offerors

- 3.1.4 Monthly maintenance fee-\$1595.00
  - Hourly labor rate-8:00 a.m. thru 4:30 p.m.-\$120.00
  - Hourly labor rate-4:41 p.m. thru 7:59 a.m.-\$180.00
  - Hourly travel rate-\$75.00
  - Emergency call out-minimum 4 hours at \$180.00 ea plus travel at \$75.00 ea



### 3.5 Evaluation Criteria

- 3.5.3.1 Personnel list attached  
John Hidalgo Technician Certificate attached  
Hourly time and material rate-see attachment for Section 3 Special Instruction to Offerors
- 3.5.3.2 Evidence of ability to access transmitter sites during inclement and hazardous weather conditions.:  
  
Vision has 1 2000 Chevy Tahoe 4x4 available or a rental vehicle would be procured
- 3.5.3.3 Vision has repair and installation parts in stock-vehicles and shop
- 3.5.3.4 Mt. Bielawski access authorization from County of Santa Cruz attached  
Kite Hill-access via PG&E key  
Davenport access only 8:00 a.m. thru 5:00 p.m. thru County Communications
- 3.5.3.5 San Leandro phones forward to after hour dispatch  
Supervisor and technician cell numbers will be provided
- 3.5.3.6 Contractor certifies that technicians and installers are trained and familiar with equipment in use at Santa Cruz Metro. John Hidalgo, Joseph Ellis, Romel Labrador and Patrick Silverio have worked at Santa Cruz Metro when employed elsewhere.
- 3.5.3.7 No prompt payment discounts offered



## **Vision Communications Co. Staff Committed to SCMTD Service**

### **Mary Khavarian**

Khavarian Enterprises Inc President

### **Bob Moayeri**

Khavarian Ent. Inc. dba Vision Comm. Co. Vice President

### **Mark Champ**

Project Manager and Account Executive

35 years industry experience in management, sales and service

### **Sharon Asbe**

Operations Supervisor

30 years industry experience in management, dispatch, service and sales

### **Debra Francis**

Administrative Supervisor

10 years admin-sales, service and rentals

### **John Hidalgo**

Certified Associate Electronics Technician-AST097121

13 years experience

Senior technician versed in Motorola 2-way repeaters, mobiles, base stations, portables and related products

Current customers Genentech, Cisco, Pittsburg Unified School District, Fairmont Sonoma Mission Inn, among others

Previously serviced Santa Cruz Metro as an employee of Mobile Radio Engineers/Day Wireless Systems and Telepath

### **Romel Labrador**

Technician Assistant and Senior Installation Advisor

Experienced in installation of 2-way mobile, base and repeaters, build up of public safety vehicles, in-car camera systems, CCTV, GPS tracking systems, and alarm systems

### **Joseph Ellis**

Technician Assistant and Lead Installer

5 years experience

Experienced in installation of 2-way mobile, base and repeaters, build up of public safety vehicles, in-car camera systems, CCTV, GPS tracking systems, and alarm systems

### **Sean Salamanca**

Technician Assistant and Installer

5 years experience

Experienced in installation of 2-way mobile, base and repeaters, build up of public safety vehicles, in-car camera systems, CCTV, GPS tracking systems, and alarm systems





Vision Communications Co.

Rentals • Sales • Service

Leasing & FCC licensing

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**Patrick Silverio**

Technician Assistant and Installer

4 years experience

Experienced in installation of 2-way mobile, base and repeaters, build up of public safety vehicles, in-car camera systems, CCTV, GPS tracking systems, and alarm systems

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1770 Neptune Drive

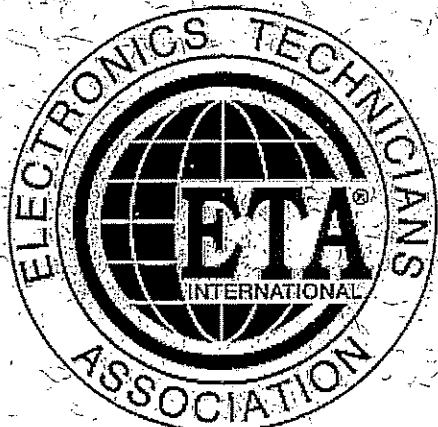
San Leandro, California 94577

Phone 510-346-0300 FAX 510-346-8474

Expiration Date

March, 03

2011



**CETa**

Associate Electronics Technician



*Certified*

*Associate Electronics Technician*

**John Hidalgo , AST097121**

**Sunnyvale, California**

*has successfully completed the technical examinations and requirements to be universally recognized for competency, ability, and knowledge as an Associate Certified Electronics Technician. To be recognized for this honor, practicing specialists with less than two (2) years of combined work and electronics training must pass examinations in 18 or more categories of basic electronics technology with a 75% score. Only well-trained and skilled entry-level specialists are able to accomplish this feat. The Electronics Technicians Association takes great pride in presenting this official recognition to the above-named electronics technician. His/her name has been published in the High-Tech News journal, imbedded in the CET permanent data base, and is available for recognition by officials of the industry. This individual may display the Associate CETa identification items, or advertise his/her level of accomplishment as a specialist. Prior to the listed expiration date the specialist will be required to sit for the Journeyman CET rating. Congratulations from ETA officers and members and the electronics industry.*

*Piensa J. Maher*  
President, Electronics Technicians Assn., Int'l.

ETA® International  
Greencastle, Indiana





# COUNTY OF SANTA CRUZ

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## INFORMATION SERVICES DEPARTMENT

701 OCEAN STREET, ROOM 530, SANTA CRUZ, CA 95060-4073  
(831) 454-2030 FAX: (831) 454-2122 TDD: (831) 454-2123  
KEVIN BOWLING, DIRECTOR

March 4, 2010

To whom it may concern:

**The County of Santa Cruz owns and maintains the radio communications facility at Mount Bielawski. We authorize Vision Communications to have access to this site for the purpose of maintenance to the Santa Cruz Metropolitan Transit District radio equipment.**

Gary E. Bramer  
Supervising Communications Technician  
County of Santa Cruz Radio Communications  
Information Services Department  
701 Ocean Street, Room 530  
Santa Cruz, California 95060  
Radio Shop Phone: (831) 454-2025  
Radio Shop Fax: (831) 454-3124  
Cell/Voice Mail: (831) 234-7363



Section 3.6

References:

1. Orange County Transportation Authority  
600 S. Main Street, 4<sup>th</sup> Floor  
Orange, CA 92868

Edna Ruperto  
Contract Administrator

2. Cisco Systems  
3800 Zanker Rd.  
San Jose, CA 95134

Pete Williams  
Systems and Technology Manager  
Safety, Security, and Business Resiliency

3. Genentech  
1 DNA Way  
South San Francisco, CA 94083

Allan Maclean  
Corporate Security Services

4. SWIG Co.  
Kaiser Center  
300 Lakeside Dr. Suite 13  
Oakland, CA 94612

Diane Rector  
Administrator

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010  
**TO:** Board of Directors  
**FROM:** Angela Aitken, Finance Manager, and Acting Assistant General Manager  
**SUBJECT:** **CONSIDERATION OF ADOPTING A RESOLUTION AUTHORIZING FY10 BUDGET RECONCILIATION ACTIONS**

## I. RECOMMENDED ACTION

**That the Board of Directors adopt a resolution authorizing FY10 Budget Reconciliation Actions as presented.**

## II. SUMMARY OF ISSUES

- The FY10 Budget Reconciliation Actions outlined below would revise the FY10 Operating Budget, in response to the dramatic and unprecedented decline in revenues since the FY10 budget was adopted on June 26, 2009.
- Santa Cruz METRO's sales tax receipts, Transportation Development Act (TDA) funding, and passenger fares, have all declined dramatically since the FY10 budget was adopted.
- In response to the significant decreases in revenue, staff has been working diligently to reduce operating expenses, while continuing to provide the current level of transit service to the public.
- The following budget reconciliation actions are based on actual revenue receipts and spending through February 2010.
- With these budget reconciliation actions, the FY10 Operating Budget **Total Revenues** have been reduced from \$40,935,309 to \$35,451,535, a decrease of \$5,483,774 or 13.4%, while the corresponding **Total Expenses** have been reduced from \$40,935,309 to \$35,451,535, a decrease of \$5,483,774 or 13.4% which allow us to present a balanced budget at this time.
- Major **Operating Revenue** reconciliation actions in the FY10 Operating Budget include:
  - A decrease of 7.8% or \$267,297 in **Passenger Fares** (fare box revenue) is projected due to a decline in ridership year over year
  - A decreases of 12.8% or \$469,607 is projected for **Special Transit Fares** such as the UCSC and Cabrillo contracts, due to declines in ridership year over year
  - **Paratransit Fares** are also projected to decline by 28.5% or \$93,310 due to fewer rides provided than originally anticipated
  - **Advertising Revenues** are expected to exceed budget by 43.3% or \$65,000
  - **Interest Income** receipts continue to exceed the County Treasurers' budget estimate of 0.25%, resulting in a projected increase of approximately \$125,000

- **Sales Tax** revenues through February 2010 have declined by \$1,568,213 or 14% compared to actual receipts through February 2009, resulting in a 13.6% overall estimated decrease for FY10 of approximately \$2,201,999
- The current projected amount for **Transportation Development Act (TDA)** receipts is down by \$549,571 and reflects a 9.9% decrease from the original allocation request, due to a budget revision adopted by the Santa Cruz County Regional Transportation Commission (SCCRTC) in February 2010
- **One-Time Revenues and Transfers from Reserves** required to balance the FY10 Operating Budget have been reduced by \$2,071,955 or 34% from \$6,100,814 to \$4,028,859
- Major **Operating Expense** reconciling actions in the FY10 Operating Budget include:
  - A savings of approximately \$2,936,269 in labor costs due to:
    - Vacant funded positions (approximately 21 positions)
    - Extended unpaid leaves (general leaves of absence, State Disability and Worker's Comp leaves)
    - Lower than anticipated workers compensation expense
    - Medical insurance cost increase of 3% rather than the 12% originally budgeted
  - Lower than anticipated mobile materials and supplies expense of approximately \$1,840,091, with the majority of the savings in fuel expense primarily due to the conversion of the fleet to CNG, and the extension of the Alternative Fuel Tax Credit Rebate Program through December 31, 2010
  - Cost cutting measures and savings at all levels and in all departments of approximately \$734,000 to the extent that only necessary items are funded

### **III. DISCUSSION**

The FY10 Budget Reconciliation Actions outlined below would revise the FY10 Operating Budget in response to the dramatic and unprecedented decline in revenues since the budget was adopted on June 26, 2009.

Santa Cruz METRO's sales tax receipts, Transportation Development Act (TDA) funding, and passenger fares, have all declined dramatically since the FY10 budget was adopted.

In response to the significant decreases in revenue, staff has been working diligently to reduce operating expenses, while continuing to provide the current level of transit service to the public.

Due to significant changes since the FY10 Operating Budget was adopted in June of 2009, this FY10 Budget Reconciliation Action is being presented for the Board of Directors to adopt.

#### **A. Operating Revenues**

In the FY10 Budget Reconciliation Action, **Total Revenues** are reduced from \$40,935,309 to \$35,451,535, which is \$5,483,774 or a 13.4% reduction. The corresponding **Total Expenses** are reduced from \$40,935,309 to \$35,451,535 which is \$5,483,774 or a 13.4% reduction as well.

The FY10 Budget Reconciliation Action is balanced using **One-Time Revenues** and **Transfers from Reserves** in the amount of \$4,028,859, while the adopted FY10 Operating Budget was balanced using \$6,100,814 in One-Time Revenues and Transfers from Reserves. Included in One-Time Revenues is \$205,000 of American Recovery and Reinvestment Act (ARRA) Operating Funds, which is a new revenue source.

The reconciling actions to the Operating Budget will result in \$5,483,774 less revenue, while \$5,483,774 in Operating Expense is anticipated to be saved due to vacant funded positions, lower than anticipated fuel expense coupled with the extension of the Alternative Fuel Tax Credit Rebate Program, and diligent cost saving measures being implemented in all departments.

- Major **Operating Revenue** reconciliation actions in the FY10 Budget include:
  - A decrease of 7.8% or \$267,297 in **Passenger Fares** (fare box revenue)
  - A decreases of 12.8% or \$469,607 for **Special Transit Fares**
  - **Paratransit Fares** are projected to decline by 28.5% or \$93,310
  - **Advertising Revenues** are expected to exceed budget by 43.3% or \$65,000
  - **Interest Income** receipts exceed the County Treasurers' budget estimate, resulting in a projected increase of approximately \$125,000
  - **Sales Tax** revenues are anticipated to decline by \$2,201,999 or 13.6%
  - A decrease of 9.9% or \$549,571 in the amount projected for **Transportation Development Act (TDA)** receipts passed through from the Santa Cruz County Regional Transportation Commission (SCCRTC)
- **One-Time Revenues** and **Transfers from Reserves** include:
  - The use of ARRA Operating funds (a new funding source) in the amount of \$205,000 that was not available when the FY10 budget was adopted. An earmark grant in the amount of \$475,000 was awarded in March 2010. This allows the use of \$205,000 in FY10, and the remaining \$270,000 to be used in FY11, since a budget amendment to the ARRA grant was approved by the Federal Transit Administration (FTA)

- The use of **Carryover from Previous Year** of only \$1,004,151 while \$3,268,589 was originally anticipated in the adopted budget
- Transfer from the Insurance Reserves for **Legal Settlements** of \$150,000; no change from the adopted budget
- A transfer from **Capital Reserves** in the amount of \$119,305 for the Project Manager Salary and Benefits expense; no change from the FY10 adopted budget (The expense will be capitalized as part of the grant-funded MetroBase project)
- The use of \$2,547,920 from **Operating Reserves** to balance the budget in FY10

## **B. Operating Expenses**

**Operating Expenses** in the FY10 Budget Reconciliation Action have been reduced from \$40,935,309 to \$35,451,535 which is a reduction of \$5,483,774 or 13.4%.

Major **Operating Expense** reconciling actions in the FY10 Operating Budget include:

- Savings of approximately \$2,936,269 in labor costs due to:
  - Vacant funded positions (approximately 21 positions)
  - Extended unpaid leaves, (general leaves of absence, and State Disability)
  - Lower than anticipated workers compensation expense
  - Medical insurance cost increase of 3% rather than the 12% originally budgeted
- Lower than anticipated mobile materials and supplies expense of approximately \$1,840,091, with the majority of the savings in fuel expense primarily due to the conversion of the fleet to CNG, and the extension of the Alternative Fuel Tax Credit Rebate Program through December 31, 2010
- Cost cutting measures and savings at all levels and in all departments of approximately \$734,000 to the extent that only necessary items are funded

The budget includes contractual wage and/or benefit adjustments for employees represented by UTU Local 23 and SEIU Local 521, as well as adjustments in accordance with the management compensation plan.

## **IV. FINANCIAL CONSIDERATIONS**

The FY10 Budget Reconciliation Action, as presented, is balanced with the use of **One-Time Revenues** in the amount of \$207,483 and **Transfers from Reserves** in the amount of \$3,821,376 for a total of \$4,028,859.

10.4



**V. ATTACHMENTS**

- Attachment A:** FY10 Budget Resolution
- Attachment B:** FY10 Budget Reconciliation Actions – Revenue Sources
- Attachment C:** FY10 Budget Reconciliation Actions – Total Departmental Expenses
- Attachment D:** FY10 Budget Reconciliation Actions – Consolidated Expenses
- Attachment E:** FY10 Budget Reconciliation Actions – Individual Departmental Expense

Prepared by: Debbie Kinslow, Assistant Finance Manager

Date Prepared: April 14, 2010

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:

**A RESOLUTION OF THE  
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
AUTHORIZING A REVISION TO THE  
FY10 OPERATING BUDGET**

**WHEREAS**, it is necessary to revise the adopted FY10 Operating Budget of the Santa Cruz Metropolitan Transit District to provide for revisions in the operating revenue and expense budget.

**NOW, THEREFORE, BE IT RESOLVED**, the budget is hereby amended per the attached Attachments B - E.

**PASSED AND ADOPTED** this 23rd day of April 2010, by the following vote:

AYES: Directors -

NOES: Directors -

ABSENT: Directors -

ABSTAIN: Directors -

Approved \_\_\_\_\_

ELLEN PIRIE  
Board Chair

**ATTEST** \_\_\_\_\_

LESLIE R. WHITE  
General Manager

**APPROVED AS TO FORM:**

\_\_\_\_\_  
MARGARET GALLAGHER  
District Counsel

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
REVENUE SOURCES**

REVENUE SOURCE	BUDGET FY10	ACTUAL YTD as of 02/28/2010	PROJ BUDGET FY10	S CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
1 Passenger Fares	3,416,931	2,099,756	3,149,634	(267,297)	-7.8%
2 Special Transit Fares	3,682,013	2,141,604	3,212,406	(469,607)	-12.8%
3 Paratransit Fares	327,254	155,963	233,945	(93,310)	-28.5%
4 Highway 17 Fares	1,070,046	698,556	1,047,834	(22,212)	-2.1%
5 Highway 17 Payments	431,200	287,782	431,200	-	0.0%
6 Commissions	5,500	4,016	5,500	-	0.0%
7 Advertising Income	150,000	169,202	215,000	65,000	43.3%
8 Rent Income - SC Pacific Station	91,774	61,261	91,774	-	0.0%
9 Rent Income - Watsonville TC	34,399	23,096	34,399	-	0.0%
10 Rent Income - General	-	-	-	-	0.0%
11 Interest Income	50,000	133,943	175,000	125,000	250.0%
12 Other Non-Transp Revenue	5,823	6,854	8,000	2,177	37.4%
13 Sales Tax (1/2 cent)	16,201,999	9,637,583	14,000,000	(2,201,999)	-13.6%
14 Transp Dev Act (TDA) Funds	5,551,220	2,611,683	5,001,649	(549,571)	-9.9%
15 FTA Sec 5307 - Op Assistance	3,715,442	3,715,442	3,715,442	-	0.0%
16 Misc. Local Operating	-	-	-	-	0.0%
17 Repay FTA Advance (#4 and #5 of 5)	(70,000)	(70,000)	(70,000)	-	0.0%
18 FTA Sec 5311 - Rural Op Asst	170,894	170,894	170,894	-	0.0%
<b>SUBTOTAL REVENUE</b>	<b>34,834,495</b>	<b>21,847,635</b>	<b>31,422,677</b>	<b>(3,411,819)</b>	<b>-9.8%</b>
<b>ONE-TIME REVENUES</b>					
19 FTA Sec 5316 - CalTrans JARC	-	-	-	-	0.0%
20 FTA Sec 5317 - Operating Assistance	-	-	-	-	0.0%
21 AMBAG Funding	15,000	1,868	2,483	(12,517)	-83.4%
22 ARRA Operating	-	-	205,000	205,000	100.0%
23 STIC	-	-	-	-	0.0%
<b>SUBTOTAL ONE-TIME REVENUES</b>	<b>15,000</b>	<b>1,868</b>	<b>207,483</b>	<b>192,483</b>	<b>1283.2%</b>
<b>TRANSFERS FROM RESERVES</b>					
24 Carryover from Previous Year	3,268,589	-	1,004,151	(2,264,438)	-69.3%
25 Carryover from Current Year	-	-	-	-	0.0%
26 Xfr from Ins Res-Legal Settlement	150,000	-	150,000	-	0.0%
27 Transfer (to)/from Capital Reserves	119,305	-	119,305	-	0.0%
28 Transfer (to)/from Operating Reserves	2,547,920	-	2,547,920	-	0.0%
29 Transfer fr Op Res for Retiree Payouts	-	-	-	-	0.0%
<b>SUBTOTAL TRANSFERS FROM RESERVES</b>	<b>6,085,814</b>	<b>-</b>	<b>3,821,376</b>	<b>(2,264,438)</b>	<b>-37.2%</b>
<b>SUBTOTAL ONE-TIME REVENUE AND TRANSFERS FROM RESERVES</b>	<b>6,100,814</b>	<b>1,868</b>	<b>4,028,859</b>	<b>(2,071,955)</b>	<b>-34.0%</b>
<b>TOTAL REVENUE</b>	<b>40,935,309</b>	<b>21,849,503</b>	<b>35,451,535</b>	<b>(5,483,774)</b>	<b>-13.4%</b>

\* FTA funding is used solely to fund labor expense

10.61

Attachment B

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
Total Departmental Expenses**

<b>DEPARTMENT</b>	<b>PUBLISHED BUDGET FY10</b>	<b>YTD ACTUAL as of 02/28/2010</b>	<b>PROJECTED BUDGET FY10</b>	<b>\$ CHANGE BUDGET FY10 PROJ BUDGET FY10</b>	<b>% CHANGE BUDGET FY10 PROJ BUDGET FY10</b>
1100 Administration	1,116,801	653,385	939,190	(177,612)	-15.9%
1200 Finance	2,153,007	1,317,002	2,056,527	(96,479)	-4.5%
1300 Customer Service	572,736	295,450	439,431	(133,305)	-23.3%
1400 Human Resources	800,140	391,059	585,625	(214,515)	-26.8%
1500 Information Technology	716,342	460,175	695,709	(20,633)	-2.9%
1700 District Counsel	490,759	333,753	494,178	3,418	0.7%
1800 Risk Management	250,000	44,795	67,193	(182,808)	-73.1%
2200 Facilities Maintenance	2,568,539	1,730,178	2,551,163	(17,375)	-0.7%
3100 Paratransit Program	4,579,272	2,591,145	3,894,861	(684,411)	-14.9%
3200 Operations	2,603,509	1,683,341	2,522,083	(81,426)	-3.1%
3300 Bus Operators	14,348,318	8,802,473	13,253,891	(1,094,427)	-7.6%
4100 Fleet Maintenance	8,575,136	3,927,242	6,290,834	(2,284,302)	-26.6%
9001 Cobra Benefits	-	1,301	1,952	1,952	100.0%
9005 Retired Employee Benefits	2,160,449	1,039,999	1,658,648	(501,801)	-23.2%
700 SCCIC/COPS	300	250	250	(50)	-16.8%
<b>TOTAL OPERATING EXPENSES</b>	<b>40,935,309</b>	<b>23,271,549</b>	<b>35,451,535</b>	<b>(5,483,774)</b>	<b>-13.4%</b>

10.01

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
Consolidated Expenses**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	8,139,509	4,920,263	7,380,395	(759,115)	-9.3%
501013 Bus Operator OT	1,340,792	1,095,728	1,643,592	302,800	22.6%
501021 Other Salaries	6,760,686	4,223,311	6,379,967	(380,720)	-5.6%
501023 Other OT	310,543	228,287	342,431	31,887	10.3%
Totals	16,551,531	10,467,589	15,746,384	(805,147)	-4.9%
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	257,801	152,753	229,563	(28,238)	-11.0%
502021 Retirement	2,388,462	1,446,194	2,170,260	(218,202)	-9.1%
502031 Medical Ins	6,334,591	3,373,901	5,239,275	(1,095,316)	-17.3%
502041 Dental Ins	556,752	319,281	478,430	(78,323)	-14.1%
502045 Vision Ins	144,513	89,534	134,150	(10,364)	-7.2%
502051 Life Ins/AD&D	51,834	28,645	42,896	(8,938)	-17.2%
502060 State Disability Ins (SDI)	317,792	129,143	194,014	(123,779)	-38.9%
502061 Long Term Disability Ins	271,195	139,803	208,370	(62,825)	-23.2%
502071 State Unemployment Ins (SUI)	53,211	62,167	69,419	16,208	30.5%
502081 Worker's Comp Ins	1,029,073	403,875	605,813	(423,261)	-41.1%
502101 Holiday Pay	404,834	256,836	351,251	(53,584)	-13.2%
502103 Floating Holiday	72,498	22,894	67,900	(4,599)	-6.3%
502109 Sick Leave	886,879	489,506	686,810	(200,069)	-22.6%
502111 Annual Leave	1,556,459	1,187,665	1,778,496	222,036	14.3%
502121 Other Paid Absence	127,880	99,069	148,604	20,724	16.2%
502251 Phys. Exams	13,300	6,657	9,986	(3,315)	-24.9%
502253 Driver Lic Renewal	4,400	1,825	2,738	(1,663)	-37.8%
502999 Other Fringe Benefits	149,310	48,732	71,694	(77,617)	-52.0%
Totals	14,620,784	8,258,480	12,489,662	(2,131,122)	-14.6%

10.01

4/15/2010

Attachment D

Consolidated

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Consolidated Expenses

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	103,250	78,129	117,069	13,819	13.4%
503012 Admin/Bank Fees	216,630	101,549	152,323	(64,307)	-29.7%
503031 Prof/Technical Fees	334,575	93,511	140,267	(194,309)	-58.1%
503032 Legislative Services	103,400	60,000	90,000	(13,400)	-13.0%
503033 Legal Services	55,000	14,288	21,432	(33,568)	-61.0%
503034 Pre-Employment Exams	12,440	8,147	12,221	(220)	-1.8%
503041 Temp Help	-	169,357	283,824	283,824	100.0%
503161 Custodial Services	66,100	41,046	61,569	(4,531)	-6.9%
503162 Uniforms/Laundry	44,015	13,644	28,354	(15,662)	-35.6%
503171 Security Services	406,368	227,576	341,364	(65,004)	-16.0%
503221 Classified/Legal Ads	26,400	7,291	10,937	(15,464)	-58.6%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	4,000	-	-	(4,000)	-100.0%
503351 Repair - Bldg & Impr	91,500	24,317	75,000	(16,500)	-18.0%
503352 Repair - Equipment	412,872	311,893	467,840	54,968	13.3%
503353 Repair - Rev Vehicle	437,300	213,608	320,412	(116,888)	-26.7%
503354 Repair - Non Rev Vehicle	31,500	17,366	26,049	(5,451)	-17.3%
503363 Haz Mat Disposal	46,000	35,817	53,726	7,726	16.8%
Totals	2,391,350	1,417,539	2,202,383	(188,967)	-7.9%
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	207,400	92,701	139,052	(68,349)	-33.0%
504012 Fuels & Lubricants - Rev Veh	3,245,000	939,186	1,682,279	(1,562,721)	-48.2%
504021 Tires & Tubes	213,000	129,869	194,804	(18,197)	-8.5%
504161 Other Mobile Supplies	10,300	287	431	(9,870)	-95.8%
504191 Rev Vehicle Parts	817,000	340,055	636,045	(180,955)	-22.1%
Totals	4,492,700	1,502,098	2,652,610	(1,840,091)	-41.0%

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**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
Consolidated Expenses

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	3,600	1,050	1,575	(2,025)	-56.3%
504211 Postage & Mailing	26,266	8,245	12,368	(13,899)	-52.9%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	101,137	40,741	61,112	(40,026)	-39.6%
504217 Photo Supp/Process	9,900	450	675	(9,225)	-93.2%
504311 Office Supplies	88,240	38,648	57,972	(30,268)	-34.3%
504315 Safety Supplies	33,500	7,701	11,552	(21,949)	-65.5%
504317 Cleaning Supplies	59,200	23,521	35,282	(23,919)	-40.4%
504409 Repair/Maint Supplies	57,300	25,097	37,646	(19,655)	-34.3%
504421 Non-Inventory Parts	53,550	6,406	9,609	(43,941)	-82.1%
504511 Small Tools	10,500	1,501	2,252	(8,249)	-78.6%
504515 Employee Tool Replacement	2,700	990	1,485	(1,215)	-45.0%
Totals	445,893	154,350	231,525	(214,368)	-48.1%
<b>UTILITIES</b>					
505011 Gas & Electric	229,212	116,278	185,000	(44,212)	-19.3%
505021 Water & Garbage	128,171	90,088	135,132	6,961	5.4%
505031 Telecommunications	147,578	104,778	157,167	9,589	6.5%
Totals	504,961	311,144	477,299	(27,662)	-5.5%
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	121,898	53,860	80,790	(41,108)	-33.7%
506015 Insurance - PL/PD	525,300	304,805	457,208	(68,093)	-13.0%
506021 Insurance - Other	800	711	1,067	267	33.3%
506123 Settlement Costs	150,000	24,073	36,110	(113,891)	-75.9%
506127 Repairs - District Prop	-	-	-	-	0.0%
Totals	797,998	383,449	575,174	(222,825)	-27.9%

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**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Consolidated Expenses

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	14,510	8,233	12,350	(2,161)	-14.9%
507201 Licenses & Permits	15,800	15,141	22,712	6,912	43.7%
507999 Other Taxes	27,000	16,017	24,026	(2,975)	-11.0%
Totals	57,310	39,391	59,087	1,777	3.1%
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	250,000	213,473	320,210	70,210	28.1%
Totals	250,000	213,473	320,210	70,210	28.1%
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	66,820	41,427	62,141	(4,680)	-7.0%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	34,600	6,952	8,821	(25,780)	-74.5%
509121 Employee Training	63,065	12,388	18,582	(44,483)	-70.5%
509123 Travel	86,780	22,591	33,887	(52,894)	-61.0%
509125 Local Meeting Expense	4,950	1,776	2,664	(2,286)	-46.2%
509127 Board Director Fees	13,200	5,050	7,575	(5,625)	-42.6%
509150 Contributions	650	1,980	2,970	2,320	356.9%
509198 Cash Over/Short	500	106	159	(341)	-68.2%
Totals	270,565	92,270	136,798	(133,768)	-49.4%
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	522,357	423,011	547,273	24,916	4.8%
512061 Equipment Rental	29,860	8,755	13,133	(16,728)	-56.0%
Totals	552,217	431,766	560,406	8,189	1.5%
PERSONNEL TOTAL	31,172,315	18,726,069	28,236,046	(2,936,269)	-9.4%
NON-PERSONNEL TOTAL	9,762,994	4,545,480	7,215,489	(2,547,505)	-26.1%
<b>TOTAL OPERATING EXPENSES</b>	<b>40,935,309</b>	<b>23,271,549</b>	<b>35,451,535</b>	<b>(5,483,774)</b>	<b>-13.4%</b>

hp-01



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

Administration - 1100

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	-	-	-	-	0.0%
501013 Bus Operator OT	-	-	-	-	0.0%
501021 Other Salaries	376,042	226,849	340,274	(35,769)	-9.5%
501023 Other OT	584	64	96	(488)	-83.5%
<b>Totals</b>	<b>376,626</b>	<b>226,913</b>	<b>340,370</b>	<b>(36,256)</b>	<b>-9.6%</b>
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	7,761	5,459	8,189	428	5.5%
502021 Retirement	71,613	46,072	64,072	(7,541)	-10.5%
502031 Medical Ins	64,953	40,031	58,031	(6,922)	-10.7%
502041 Dental Ins	5,714	4,184	5,784	70	1.2%
502045 Vision Ins	1,842	1,183	1,623	(219)	-11.9%
502051 Life Ins/AD&D	876	551	755	(121)	-13.8%
502060 State Disability Ins (SDI)	5,289	2,202	3,602	(1,687)	-31.9%
502061 Long Term Disability Ins	10,166	4,670	5,670	(4,496)	-44.2%
502071 State Unemployment Ins (SUI)	886	380	1,152	266	30.0%
502081 Worker's Comp Ins	17,137	6,882	10,323	(6,814)	-39.8%
502101 Holiday Pay	7,054	5,793	5,793	(1,261)	-17.9%
502103 Floating Holiday	18,665	6,553	18,665	-	0.0%
502109 Sick Leave	69,442	84,399	92,399	22,957	33.1%
502111 Annual Leave	60,728	47,060	67,588	6,860	11.3%
502121 Other Paid Absence	3,292	2,213	3,320	28	0.8%
502251 Phys. Exams	-	-	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	-	0.0%
502999 Other Fringe Benefits	8,000	4,242	4,959	(3,041)	-38.0%
<b>Totals</b>	<b>353,417</b>	<b>261,874</b>	<b>351,923</b>	<b>(1,493)</b>	<b>-0.4%</b>

10.e1

4/15/2010

Admin - 1100

Attachment 11

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

Administration - 1100

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	-	-	-	-	0.0%
503012 Admin/Bank Fees	1,300	-	-	(1,300)	-100.0%
503031 Prof/Technical Fees	42,232	8,040	12,060	(30,172)	-71.4%
503032 Legislative Services	103,400	60,000	90,000	(13,400)	-13.0%
503033 Legal Services	-	-	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	-	0.0%
503041 Temp Help	-	15,419	23,129	23,129	100.0%
503161 Custodial Services	-	-	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	-	0.0%
503171 Security Services	-	-	-	-	0.0%
503221 Classified/Legal Ads	8,100	1,566	2,349	(5,751)	-71.0%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	-	-	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	-	0.0%
503352 Repair - Equipment	11,700	3,030	4,545	(7,155)	-61.2%
503353 Repair - Rev Vehicle	-	-	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	-	0.0%
<b>Totals</b>	<b>166,732</b>	<b>88,055</b>	<b>132,083</b>	<b>(34,650)</b>	<b>-20.8%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	-	0.0%
504021 Tires & Tubes	-	-	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.e2

4/15/2010

Admin - 1100

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
Administration - 1100

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	-	-	-	-	0.0%
504211 Postage & Mailing	11,800	4,387	6,581	(5,220)	-44.2%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	10,487	710	1,065	(9,422)	-89.8%
504217 Photo Supp/Process	100	-	-	(100)	-100.0%
504311 Office Supplies	8,790	3,153	4,730	(4,061)	-46.2%
504315 Safety Supplies	-	-	-	-	0.0%
504317 Cleaning Supplies	-	-	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	-	0.0%
504511 Small Tools	-	-	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	-	0.0%
Totals	31,177	8,250	12,375	(18,802)	-60.3%
<b>UTILITIES</b>					
505011 Gas & Electric	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	-	0.0%
505031 Telecommunications	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	-	0.0%
506123 Settlement Costs	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.e3

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
Administration - 1100

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	-	-	-	-	0.0%
507201 Licenses & Permits	-	-	-	-	0.0%
507999 Other Taxes	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	54,450	33,209	49,814	(4,637)	-8.5%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	31,100	3,547	5,321	(25,780)	-82.9%
509121 Employee Training	-	-	-	-	0.0%
509123 Travel	84,780	22,225	33,338	(51,443)	-60.7%
509125 Local Meeting Expense	4,700	1,776	2,664	(2,036)	-43.3%
509127 Board Director Fees	13,200	5,050	7,575	(5,625)	-42.6%
509150 Contributions	-	1,980	2,970	2,970	100.0%
509198 Cash Over/Short	-	-	-	-	0.0%
Totals	188,230	67,787	101,681	(86,550)	-46.0%
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	-	-	-	-	0.0%
512061 Equipment Rental	620	506	759	139	22.4%
Totals	620	506	759	139	22.4%
<b>PERSONNEL TOTAL</b>					
	730,042	488,787	692,293	(37,750)	-5.2%
<b>NON-PERSONNEL TOTAL</b>					
	386,759	164,598	246,897	(139,862)	-36.2%
<b>DEPARTMENT TOTALS</b>					
	1,116,801	653,385	939,190	(177,612)	-15.9%

10.e4

4/15/2010

Admin - 1100

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

Finance - 1200

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	-	-	-	-	0.0%
501013 Bus Operator OT	-	-	-	-	0.0%
501021 Other Salaries	698,081	420,479	675,719	(22,363)	-3.2%
501023 Other OT	551	275	413	(138)	-25.1%
<b>Totals</b>	<b>698,632</b>	<b>420,754</b>	<b>676,131</b>	<b>(22,501)</b>	<b>-3.2%</b>
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	11,974	7,781	12,105	131	1.1%
502021 Retirement	106,594	65,971	104,961	(1,633)	-1.5%
502031 Medical Ins	130,921	77,862	117,862	(13,059)	-10.0%
502041 Dental Ins	15,306	8,232	12,348	(2,958)	-19.3%
502045 Vision Ins	4,019	2,640	3,960	(59)	-1.5%
502051 Life Ins/AD&D	1,590	974	1,461	(129)	-8.1%
502060 State Disability Ins (SDI)	11,539	4,909	7,364	(4,176)	-36.2%
502061 Long Term Disability Ins	11,876	4,938	7,407	(4,469)	-37.6%
502071 State Unemployment Ins (SUI)	1,932	2,683	2,753	821	42.5%
502081 Worker's Comp Ins	37,391	6,364	9,546	(27,845)	-74.5%
502101 Holiday Pay	9,528	9,007	13,511	3,982	41.8%
502103 Floating Holiday	9,465	2,351	3,527	(5,938)	-62.7%
502109 Sick Leave	36,769	13,299	19,949	(16,821)	-45.7%
502111 Annual Leave	66,199	50,549	75,824	9,625	14.5%
502121 Other Paid Absence	5,745	5,091	7,637	1,891	32.9%
502251 Phys. Exams	-	-	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	-	0.0%
502999 Other Fringe Benefits	6,228	3,663	5,495	(733)	-11.8%
<b>Totals</b>	<b>467,076</b>	<b>266,314</b>	<b>405,707</b>	<b>(61,369)</b>	<b>-13.1%</b>

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4/15/2010

Finance - 1200

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

Finance - 1200

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	103,000	77,879	116,819	13,819	13.4%
503012 Admin/Bank Fees	215,280	101,549	152,324	(62,957)	-29.2%
503031 Prof/Technical Fees	-	-	-	-	0.0%
503032 Legislative Services	-	-	-	-	0.0%
503033 Legal Services	-	-	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	-	0.0%
503041 Temp Help	-	82,030	152,833	152,833	100.0%
503161 Custodial Services	-	-	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	-	0.0%
503171 Security Services	-	-	-	-	0.0%
503221 Classified/Legal Ads	7,100	4,214	6,321	(779)	-11.0%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	-	-	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	-	0.0%
503352 Repair - Equipment	515	477	716	201	38.9%
503353 Repair - Rev Vehicle	-	-	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	-	0.0%
<b>Totals</b>	<b>325,895</b>	<b>266,149</b>	<b>429,012</b>	<b>103,117</b>	<b>31.6%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	-	0.0%
504021 Tires & Tubes	-	-	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.26

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

Finance - 1200

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	-	-	-	-	0.0%
504211 Postage & Mailing	106	281	422	316	297.6%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	2,100	265	398	(1,703)	-81.1%
504217 Photo Supp/Process	-	-	-	-	0.0%
504311 Office Supplies	8,550	3,244	4,866	(3,684)	-43.1%
504315 Safety Supplies	-	-	-	-	0.0%
504317 Cleaning Supplies	-	-	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	-	0.0%
504511 Small Tools	-	-	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	-	0.0%
<b>Totals</b>	<b>10,756</b>	<b>3,790</b>	<b>5,685</b>	<b>(5,071)</b>	<b>-47.1%</b>
<b>UTILITIES</b>					
505011 Gas & Electric	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	-	0.0%
505031 Telecommunications	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	121,898	53,860	80,790	(41,108)	-33.7%
506015 Insurance - PL/PD	525,300	304,805	457,208	(68,093)	-13.0%
506021 Insurance - Other	800	711	1,067	267	33.3%
506123 Settlement Costs	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	-	0.0%
<b>Totals</b>	<b>647,998</b>	<b>359,376</b>	<b>539,064</b>	<b>(108,934)</b>	<b>-16.8%</b>

10.27

4/15/2010

Finance - 1200

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

Finance - 1200

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	-	-	-	-	0.0%
507201 Licenses & Permits	-	-	-	-	0.0%
507999 Other Taxes	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	2,150	513	770	(1,381)	-64.2%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	-	-	-	-	0.0%
509121 Employee Training	-	-	-	-	0.0%
509123 Travel	-	-	-	-	0.0%
509125 Local Meeting Expense	-	-	-	-	0.0%
509127 Board Director Fees	-	-	-	-	0.0%
509150 Contributions	-	-	-	-	0.0%
509198 Cash Over/Short	500	106	159	(341)	-68.2%
Totals	2,650	619	929	(1,722)	-65.0%
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	-	-	-	-	0.0%
512061 Equipment Rental	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
PERSONNEL TOTAL	1,165,708	687,068	1,081,838	(83,870)	-7.2%
NON-PERSONNEL TOTAL	987,299	629,934	974,689	(12,610)	-1.3%
DEPARTMENT TOTALS	2,153,007	1,317,002	2,056,527	(96,479)	-4.5%

10.e8

4/15/2010

Finance - 1200



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

Customer Service - 1300

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	-	-	-	-	0.0%
501013 Bus Operator OT	-	-	-	-	0.0%
501021 Other Salaries	237,483	137,437	206,156	(31,328)	-13.2%
501023 Other OT	5,000	374	561	(4,439)	-88.8%
<b>Totals</b>	<b>242,483</b>	<b>137,811</b>	<b>206,717</b>	<b>(35,767)</b>	<b>-14.8%</b>
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	2,744	1,576	2,364	(380)	-13.8%
502021 Retirement	38,796	21,723	32,585	(6,211)	-16.0%
502031 Medical Ins	91,128	41,754	60,554	(30,574)	-33.6%
502041 Dental Ins	10,367	4,534	6,801	(3,566)	-34.4%
502045 Vision Ins	2,009	1,128	1,692	(317)	-15.8%
502051 Life Ins/AD&D	702	354	531	(171)	-24.4%
502060 State Disability Ins (SDI)	5,769	1,792	2,688	(3,081)	-53.4%
502061 Long Term Disability Ins	3,297	1,900	2,850	(447)	-13.6%
502071 State Unemployment Ins (SUI)	966	1,048	1,256	290	30.0%
502081 Worker's Comp Ins	17,918	2,507	3,761	(14,158)	-79.0%
502101 Holiday Pay	3,269	2,702	2,702	(567)	-17.3%
502103 Floating Holiday	-	0	-	-	0.0%
502109 Sick Leave	13,075	5,601	8,402	(4,674)	-35.7%
502111 Annual Leave	34,084	28,378	42,567	8,483	24.9%
502121 Other Paid Absence	2,043	1,001	1,502	(542)	-26.5%
502251 Phys. Exams	-	-	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	-	0.0%
502999 Other Fringe Benefits	185	404	606	421	226.9%
<b>Totals</b>	<b>226,352</b>	<b>116,402</b>	<b>170,859</b>	<b>(55,493)</b>	<b>-24.5%</b>

10.29

4/15/2010

CusService - 1300

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

Customer Service - 1300

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	-	-	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	-	0.0%
503031 Prof/Technical Fees	14,500	9,374	14,061	(439)	-3.0%
503032 Legislative Services	-	-	-	-	0.0%
503033 Legal Services	-	-	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	-	0.0%
503041 Temp Help	-	-	-	-	0.0%
503161 Custodial Services	-	-	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	-	0.0%
503171 Security Services	-	-	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	-	0.0%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	4,000	-	-	(4,000)	-100.0%
503351 Repair - Bldg & Impr	-	-	-	-	0.0%
503352 Repair - Equipment	2,100	1,218	1,827	(273)	-13.0%
503353 Repair - Rev Vehicle	-	-	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	-	0.0%
<b>Totals</b>	<b>20,600</b>	<b>10,592</b>	<b>15,888</b>	<b>(4,712)</b>	<b>-22.9%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	-	0.0%
504021 Tires & Tubes	-	-	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.210

4/15/2010

CusService - 1300

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

Customer Service - 1300

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	-	-	-	-	0.0%
504211 Postage & Mailing	6,000	3,024	4,536	(1,464)	-24.4%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	65,000	24,920	37,380	(27,620)	-42.5%
504217 Photo Supp/Process	4,300	-	-	(4,300)	-100.0%
504311 Office Supplies	4,000	1,207	1,811	(2,190)	-54.7%
504315 Safety Supplies	-	-	-	-	0.0%
504317 Cleaning Supplies	-	-	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	-	0.0%
504511 Small Tools	-	-	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	-	0.0%
<b>Totals</b>	<b>79,300</b>	<b>29,151</b>	<b>43,727</b>	<b>(35,574)</b>	<b>-44.9%</b>
<b>UTILITIES</b>					
505011 Gas & Electric	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	-	0.0%
505031 Telecommunications	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	-	0.0%
506123 Settlement Costs	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.e11

4/15/2010

CusService - 1300

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
Customer Service - 1300

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	-	-	-	-	0.0%
507201 Licenses & Permits	1,900	1,050	1,575	(325)	-17.1%
507999 Other Taxes	-	-	-	-	0.0%
Totals	1,900	1,050	1,575	(325)	-17.1%
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	-	-	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	-	-	-	-	0.0%
509121 Employee Training	-	-	-	-	0.0%
509123 Travel	-	-	-	-	0.0%
509125 Local Meeting Expense	-	-	-	-	0.0%
509127 Board Director Fees	-	-	-	-	0.0%
509150 Contributions	500	-	-	(500)	-100.0%
509198 Cash Over/Short	-	-	-	-	0.0%
Totals	500	-	-	(500)	-100.0%
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	-	-	-	-	0.0%
512061 Equipment Rental	1,600	444	666	(934)	-58.4%
Totals	1,600	444	666	(934)	-58.4%
<b>PERSONNEL TOTAL</b>					
	468,836	254,213	377,575	(91,260)	-19.5%
<b>NON-PERSONNEL TOTAL</b>					
	103,900	41,237	61,856	(42,045)	-40.5%
<b>DEPARTMENT TOTALS</b>					
	572,736	295,450	439,431	(133,305)	-23.3%

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**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

Human Resources - 1400

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	-	-	-	-	0.0%
501013 Bus Operator OT	-	-	-	-	0.0%
501021 Other Salaries	349,386	194,142	291,213	(58,173)	-16.7%
501023 Other OT	1,400	367	551	(850)	-60.7%
<b>Totals</b>	<b>350,786</b>	<b>194,509</b>	<b>291,764</b>	<b>(59,022)</b>	<b>-16.8%</b>
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	6,032	3,527	5,291	(741)	-12.3%
502021 Retirement	55,658	31,552	47,328	(8,330)	-15.0%
502031 Medical Ins	80,041	48,028	68,028	(12,013)	-15.0%
502041 Dental Ins	7,654	4,218	6,327	(1,327)	-17.3%
502045 Vision Ins	2,009	1,210	1,815	(194)	-9.7%
502051 Life Ins/AD&D	888	513	770	(119)	-13.3%
502060 State Disability Ins (SDI)	5,769	2,179	3,269	(2,501)	-43.3%
502061 Long Term Disability Ins	7,292	2,448	3,672	(3,620)	-49.6%
502071 State Unemployment Ins (SUI)	966	1,080	1,256	290	30.0%
502081 Worker's Comp Ins	18,696	3,409	5,114	(13,583)	-72.6%
502101 Holiday Pay	4,800	4,101	4,101	(699)	-14.6%
502103 Floating Holiday	8,906	2,294	8,906	-	0.0%
502109 Sick Leave	19,199	6,882	10,323	(8,876)	-46.2%
502111 Annual Leave	30,689	20,249	30,374	(316)	-1.0%
502121 Other Paid Absence	3,000	13,605	20,408	17,408	580.3%
502251 Phys. Exams	-	-	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	-	0.0%
502999 Other Fringe Benefits	4,781	2,729	4,094	(688)	-14.4%
<b>Totals</b>	<b>256,380</b>	<b>148,024</b>	<b>221,072</b>	<b>(35,308)</b>	<b>-13.8%</b>

10213

4/15/2010

HR - 1400

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
Human Resources - 1400

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	-	-	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	-	0.0%
503031 Prof/Technical Fees	115,800	6,074	9,111	(106,689)	-92.1%
503032 Legislative Services	-	-	-	-	0.0%
503033 Legal Services	-	-	-	-	0.0%
503034 Pre-Employment Exams	12,440	8,147	12,221	(220)	-1.8%
503041 Temp Help	-	25,052	37,578	37,578	100.0%
503161 Custodial Services	-	-	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	-	0.0%
503171 Security Services	-	-	-	-	0.0%
503221 Classified/Legal Ads	11,000	1,186	1,779	(9,221)	-83.8%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	-	-	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	-	0.0%
503352 Repair - Equipment	-	-	-	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	-	0.0%
<b>Totals</b>	<b>139,240</b>	<b>40,459</b>	<b>60,689</b>	<b>(78,552)</b>	<b>-56.4%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	-	0.0%
504021 Tires & Tubes	-	-	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.014

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Human Resources - 1400

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	-	-	-	-	0.0%
504211 Postage & Mailing	750	61	92	(659)	-87.8%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	200	2,290	3,435	3,235	1617.5%
504217 Photo Supp/Process	-	(75)	(113)	(113)	100.0%
504311 Office Supplies	1,500	840	1,260	(240)	-16.0%
504315 Safety Supplies	-	-	-	-	0.0%
504317 Cleaning Supplies	-	-	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	-	0.0%
504511 Small Tools	-	-	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	-	0.0%
Totals	2,450	3,116	4,674	2,224	90.8%
<b>UTILITIES</b>					
505011 Gas & Electric	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	-	0.0%
505031 Telecommunications	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	-	0.0%
506123 Settlement Costs	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.e15

4/15/2010

HR - 1400

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

Human Resources - 1400

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	-	-	-	-	0.0%
507201 Licenses & Permits	-	-	-	-	0.0%
507999 Other Taxes	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	1,270	383	575	(696)	-54.8%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	-	-	-	-	0.0%
509121 Employee Training	49,765	4,569	6,854	(42,912)	-86.2%
509123 Travel	-	-	-	-	0.0%
509125 Local Meeting Expense	250	-	-	(250)	-100.0%
509127 Board Director Fees	-	-	-	-	0.0%
509150 Contributions	-	-	-	-	0.0%
509198 Cash Over/Short	-	-	-	-	0.0%
<b>Totals</b>	<b>51,285</b>	<b>4,952</b>	<b>7,428</b>	<b>(43,857)</b>	<b>-85.5%</b>
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	-	-	-	-	0.0%
512061 Equipment Rental	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PERSONNEL TOTAL</b>	<b>607,166</b>	<b>342,533</b>	<b>512,836</b>	<b>(94,330)</b>	<b>-15.5%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>192,975</b>	<b>48,527</b>	<b>72,791</b>	<b>(120,185)</b>	<b>-62.3%</b>
<b>DEPARTMENT TOTALS</b>	<b>800,140</b>	<b>391,059</b>	<b>585,625</b>	<b>(214,516)</b>	<b>-26.8%</b>

10.216

4/15/2010

HR - 1400



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Information Technology - 1500

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	-	-	-	-	0.0%
501013 Bus Operator OT	-	-	-	-	0.0%
501021 Other Salaries	308,786	228,429	342,644	33,858	11.0%
501023 Other OT	2,090	2,270	3,405	1,315	62.9%
<b>Totals</b>	<b>310,876</b>	<b>230,699</b>	<b>346,049</b>	<b>35,173</b>	<b>11.3%</b>
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	5,417	3,732	5,598	181	3.3%
502021 Retirement	49,983	33,040	49,560	(423)	-0.8%
502031 Medical Ins	60,858	35,994	55,994	(4,864)	-8.0%
502041 Dental Ins	6,350	4,028	6,042	(308)	-4.9%
502045 Vision Ins	1,340	880	1,320	(20)	-1.5%
502051 Life Ins/AD&D	654	407	611	(44)	-6.7%
502060 State Disability Ins (SDI)	3,846	2,146	3,219	(627)	-16.3%
502061 Long Term Disability Ins	6,802	1,952	2,928	(3,874)	-57.0%
502071 State Unemployment Ins (SUI)	644	794	837	193	30.0%
502081 Worker's Comp Ins	12,465	1,929	2,894	(9,572)	-76.8%
502101 Holiday Pay	4,287	4,236	4,236	(51)	-1.2%
502103 Floating Holiday	9,177	2,174	9,177	-	0.0%
502109 Sick Leave	17,149	3,952	5,928	(11,221)	-65.4%
502111 Annual Leave	31,486	13,635	20,453	(11,033)	-35.0%
502121 Other Paid Absence	2,680	49	74	(2,606)	-97.3%
502251 Phys. Exams	-	-	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	-	0.0%
502999 Other Fringe Benefits	4,720	2,698	4,047	(673)	-14.3%
<b>Totals</b>	<b>217,857</b>	<b>111,646</b>	<b>172,916</b>	<b>(44,941)</b>	<b>-20.6%</b>

10.e17

4/15/2010

IT - 1500

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
Information Technology - 1500

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	-	-	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	-	0.0%
503031 Prof/Technical Fees	52,143	32,964	49,446	(2,697)	-5.2%
503032 Legislative Services	-	-	-	-	0.0%
503033 Legal Services	-	-	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	-	0.0%
503041 Temp Help	-	-	-	-	0.0%
503161 Custodial Services	-	-	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	-	0.0%
503171 Security Services	-	-	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	-	0.0%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	-	-	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	-	0.0%
503352 Repair - Equipment	100,507	60,120	90,180	(10,327)	-10.3%
503353 Repair - Rev Vehicle	-	-	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	-	0.0%
Totals	152,650	93,084	139,626	(13,024)	-8.5%
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	-	0.0%
504021 Tires & Tubes	-	-	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.e18

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Information Technology - 1500

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	-	-	-	-	0.0%
504211 Postage & Mailing	210	-	-	(210)	-100.0%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	-	-	-	-	0.0%
504217 Photo Supp/Process	-	-	-	-	0.0%
504311 Office Supplies	26,300	19,346	29,019	2,719	10.3%
504315 Safety Supplies	-	-	-	-	0.0%
504317 Cleaning Supplies	-	-	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	-	0.0%
504511 Small Tools	-	-	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	-	0.0%
Totals	26,510	19,346	29,019	2,509	9.5%
<b>UTILITIES</b>					
505011 Gas & Electric	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	-	0.0%
505031 Telecommunications	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	-	0.0%
506123 Settlement Costs	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.019

4/15/2010

IT - 1500

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Information Technology - 1500

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	-	-	-	-	0.0%
507201 Licenses & Permits	-	-	-	-	0.0%
507999 Other Taxes	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	150	-	-	(150)	-100.0%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	-	-	-	-	0.0%
509121 Employee Training	8,300	5,400	8,100	(200)	-2.4%
509123 Travel	-	-	-	-	0.0%
509125 Local Meeting Expense	-	-	-	-	0.0%
509127 Board Director Fees	-	-	-	-	0.0%
509150 Contributions	-	-	-	-	0.0%
509198 Cash Over/Short	-	-	-	-	0.0%
Totals	8,450	5,400	8,100	(350)	-4.1%
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	-	-	-	-	0.0%
512061 Equipment Rental	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PERSONNEL TOTAL</b>	528,732	342,345	518,964	(9,768)	-1.8%
<b>NON-PERSONNEL TOTAL</b>	187,610	117,830	176,745	(10,865)	-5.8%
<b>DEPARTMENT TOTALS</b>	716,342	460,175	695,709	(20,633)	-2.9%

10.e20

4/15/2010

IT - 1500

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

District Counsel - 1700

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	-	-	-	-	0.0%
501013 Bus Operator OT	-	-	-	-	0.0%
501021 Other Salaries	285,411	199,124	298,686	13,275	4.7%
501023 Other OT	270	-	-	(270)	-100.0%
<b>Totals</b>	<b>285,682</b>	<b>199,124</b>	<b>298,686</b>	<b>13,004</b>	<b>4.6%</b>
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	5,046	3,698	5,547	501	9.9%
502021 Retirement	46,559	30,486	45,729	(830)	-1.8%
502031 Medical Ins	38,860	23,878	37,878	(982)	-2.5%
502041 Dental Ins	4,479	2,448	3,672	(807)	-18.0%
502045 Vision Ins	1,340	880	1,320	(20)	-1.5%
502051 Life Ins/AD&D	561	345	518	(44)	-7.8%
502060 State Disability Ins (SDI)	3,846	1,610	2,415	(1,431)	-37.2%
502061 Long Term Disability Ins	5,996	1,878	2,817	(3,179)	-53.0%
502071 State Unemployment Ins (SUI)	644	840	840	196	30.4%
502081 Worker's Comp Ins	12,465	1,929	2,894	(9,572)	-76.8%
502101 Holiday Pay	3,997	3,967	3,967	(30)	-0.8%
502103 Floating Holiday	7,141	-	7,141	-	0.0%
502109 Sick Leave	15,988	34,538	38,557	22,569	141.2%
502111 Annual Leave	32,937	13,473	20,210	(12,727)	-38.6%
502121 Other Paid Absence	2,498	2,660	3,990	1,492	59.7%
502251 Phys. Exams	-	-	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	-	0.0%
502999 Other Fringe Benefits	2,422	1,391	2,087	(335)	-13.8%
<b>Totals</b>	<b>184,778</b>	<b>124,021</b>	<b>179,580</b>	<b>(5,198)</b>	<b>-2.8%</b>

10.021

4/15/2010

District Counsel - 1700

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

District Counsel - 1700

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	-	-	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	-	0.0%
503031 Prof/Technical Fees	-	-	-	-	0.0%
503032 Legislative Services	-	-	-	-	0.0%
503033 Legal Services	5,000	32	48	(4,952)	-99.0%
503034 Pre-Employment Exams	-	-	-	-	0.0%
503041 Temp Help	-	409	614	614	100.0%
503161 Custodial Services	-	-	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	-	0.0%
503171 Security Services	-	-	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	-	0.0%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	-	-	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	-	0.0%
503352 Repair - Equipment	-	-	-	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	-	0.0%
<b>Totals</b>	<b>5,000</b>	<b>441</b>	<b>662</b>	<b>(4,339)</b>	<b>-86.8%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	-	0.0%
504021 Tires & Tubes	-	-	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.e22

4/15/2010

District Counsel - 1700

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

District Counsel - 1700

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	-	-	-	-	0.0%
504211 Postage & Mailing	-	-	-	-	0.0%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	-	-	-	-	0.0%
504217 Photo Supp/Process	-	-	-	-	0.0%
504311 Office Supplies	800	618	927	127	15.9%
504315 Safety Supplies	-	-	-	-	0.0%
504317 Cleaning Supplies	-	-	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	-	0.0%
504511 Small Tools	-	-	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	-	0.0%
Totals	800	618	927	127	15.9%
<b>UTILITIES</b>					
505011 Gas & Electric	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	-	0.0%
505031 Telecommunications	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	-	0.0%
506123 Settlement Costs	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.e23

4/15/2010

District Counsel - 1700

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

District Counsel - 1700

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	-	-	-	-	0.0%
507201 Licenses & Permits	-	-	-	-	0.0%
507999 Other Taxes	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	7,500	6,764	10,146	2,646	35.3%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	-	-	-	-	0.0%
509121 Employee Training	5,000	2,419	3,629	(1,372)	-27.4%
509123 Travel	2,000	366	549	(1,451)	-72.6%
509125 Local Meeting Expense	-	-	-	-	0.0%
509127 Board Director Fees	-	-	-	-	0.0%
509150 Contributions	-	-	-	-	0.0%
509198 Cash Over/Short	-	-	-	-	0.0%
<b>Totals</b>	<b>14,500</b>	<b>9,549</b>	<b>14,324</b>	<b>(177)</b>	<b>-1.2%</b>
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	-	-	-	-	0.0%
512061 Equipment Rental	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>PERSONNEL TOTAL</b>	<b>470,459</b>	<b>323,145</b>	<b>478,266</b>	<b>7,806</b>	<b>1.7%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>20,300</b>	<b>10,608</b>	<b>15,912</b>	<b>(4,388)</b>	<b>-21.6%</b>
<b>DEPARTMENT TOTALS</b>	<b>490,759</b>	<b>333,753</b>	<b>494,178</b>	<b>3,418</b>	<b>0.7%</b>

10.e24

4/15/2010

District Counsel - 1700



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Risk Management - 1800

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	-	-	-	-	0.0%
501013 Bus Operator OT	-	-	-	-	0.0%
501021 Other Salaries	-	-	-	-	0.0%
501023 Other OT	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	-	-	-	-	0.0%
502021 Retirement	-	-	-	-	0.0%
502031 Medical Ins	-	-	-	-	0.0%
502041 Dental Ins	-	-	-	-	0.0%
502045 Vision Ins	-	-	-	-	0.0%
502051 Life Ins/AD&D	-	-	-	-	0.0%
502060 State Disability Ins (SDI)	-	-	-	-	0.0%
502061 Long Term Disability Ins	-	-	-	-	0.0%
502071 State Unemployment Ins (SUI)	-	-	-	-	0.0%
502081 Worker's Comp Ins	-	-	-	-	0.0%
502101 Holiday Pay	-	-	-	-	0.0%
502103 Floating Holiday	-	-	-	-	0.0%
502109 Sick Leave	-	-	-	-	0.0%
502111 Annual Leave	-	-	-	-	0.0%
502121 Other Paid Absence	-	-	-	-	0.0%
502251 Phys. Exams	-	-	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	-	0.0%
502999 Other Fringe Benefits	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.e25

4/15/2010

Risk Mgmt - 1800

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

Risk Management - 1800

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	-	-	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	-	0.0%
503031 Prof/Technical Fees	50,000	6,466	9,699	(40,301)	-80.6%
503032 Legislative Services	-	-	-	-	0.0%
503033 Legal Services	50,000	14,256	21,384	(28,616)	-57.2%
503034 Pre-Employment Exams	-	-	-	-	0.0%
503041 Temp Help	-	-	-	-	0.0%
503161 Custodial Services	-	-	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	-	0.0%
503171 Security Services	-	-	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	-	0.0%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	-	-	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	-	0.0%
503352 Repair - Equipment	-	-	-	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	-	0.0%
<b>Totals</b>	<b>100,000</b>	<b>20,722</b>	<b>31,083</b>	<b>(68,917)</b>	<b>-68.9%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	-	0.0%
504021 Tires & Tubes	-	-	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.e26

4/15/2010

Risk Mgmt - 1800

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

Risk Management - 1800

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	-	-	-	-	0.0%
504211 Postage & Mailing	-	-	-	-	0.0%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	-	-	-	-	0.0%
504217 Photo Supp/Process	-	-	-	-	0.0%
504311 Office Supplies	-	-	-	-	0.0%
504315 Safety Supplies	-	-	-	-	0.0%
504317 Cleaning Supplies	-	-	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	-	0.0%
504421 Non-inventory Parts	-	-	-	-	0.0%
504511 Small Tools	-	-	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>UTILITIES</b>					
505011 Gas & Electric	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	-	0.0%
505031 Telecommunications	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	-	0.0%
506123 Settlement Costs	150,000	24,073	36,110	(113,891)	-75.9%
506127 Repairs - District Prop	-	-	-	-	0.0%
Totals	150,000	24,073	36,110	(113,891)	-75.9%

10.e27

4/15/2010

Risk Mgmt - 1800

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
Risk Management - 1800**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	-	-	-	-	0.0%
507201 Licenses & Permits	-	-	-	-	0.0%
507999 Other Taxes	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	-	-	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	-	-	-	-	0.0%
509121 Employee Training	-	-	-	-	0.0%
509123 Travel	-	-	-	-	0.0%
509125 Local Meeting Expense	-	-	-	-	0.0%
509127 Board Director Fees	-	-	-	-	0.0%
509150 Contributions	-	-	-	-	0.0%
509198 Cash Over/Short	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	-	-	-	-	0.0%
512061 Equipment Rental	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PERSONNEL TOTAL</b>					
	-	-	-	-	0.0%
<b>NON-PERSONNEL TOTAL</b>					
	250,000	44,795	67,193	(182,808)	-73.1%
<b>DEPARTMENT TOTALS</b>					
	250,000	44,795	67,193	(182,808)	-73.1%

10.e28

4/15/2010

Risk Mgmt - 1800

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Facilities Maintenance - 2200

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	-	-	-	-	0.0%
501013 Bus Operator OT	-	-	-	-	0.0%
501021 Other Salaries	510,123	319,216	478,824	(31,299)	-6.1%
501023 Other OT	32,201	29,801	44,702	12,501	38.8%
Totals	542,324	349,017	523,526	(18,799)	-3.5%
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	9,013	4,927	7,391	(1,622)	-18.0%
502021 Retirement	83,168	52,215	78,323	(4,846)	-5.8%
502031 Medical Ins	211,171	114,793	170,793	(40,378)	-19.1%
502041 Dental Ins	20,359	13,294	19,941	(418)	-2.1%
502045 Vision Ins	4,354	2,640	3,960	(394)	-9.0%
502051 Life Ins/AD&D	1,521	850	1,275	(246)	-16.2%
502060 State Disability Ins (SDI)	12,500	4,628	6,942	(5,558)	-44.5%
502061 Long Term Disability Ins	7,235	4,575	6,863	(372)	-5.1%
502071 State Unemployment Ins (SUI)	2,093	2,473	2,721	628	30.0%
502081 Worker's Comp Ins	40,509	5,915	8,873	(31,637)	-78.1%
502101 Holiday Pay	7,172	6,669	6,669	(503)	-7.0%
502103 Floating Holiday	-	893	1,340	1,340	100.0%
502109 Sick Leave	28,689	13,300	19,950	(8,739)	-30.5%
502111 Annual Leave	71,119	42,398	63,597	(7,522)	-10.6%
502121 Other Paid Absence	4,483	8,425	12,638	8,155	181.9%
502251 Phys. Exams	-	-	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	-	0.0%
502999 Other Fringe Benefits	408	250	375	(33)	-8.1%
Totals	503,793	278,245	411,648	(92,145)	-18.3%

10.229

4/15/2010

Fac Maint- 2200

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Facilities Maintenance - 2200

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	-	-	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	-	0.0%
503031 Prof/Technical Fees	17,800	10,189	15,284	(2,517)	-14.1%
503032 Legislative Services	-	-	-	-	0.0%
503033 Legal Services	-	-	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	-	0.0%
503041 Temp Help	-	16,774	25,161	25,161	100.0%
503161 Custodial Services	66,100	41,046	61,569	(4,531)	-6.9%
503162 Uniforms/Laundry	4,700	1,824	2,736	(1,964)	-41.8%
503171 Security Services	9,200	5,259	7,889	(1,312)	-14.3%
503221 Classified/Legal Ads	-	-	-	-	0.0%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	-	-	-	-	0.0%
503351 Repair - Bldg & Impr	91,500	24,317	75,000	(16,500)	-18.0%
503352 Repair - Equipment	218,050	213,832	320,748	102,698	47.1%
503353 Repair - Rev Vehicle	-	-	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	-	0.0%
503363 Haz Mat Disposal	46,000	35,817	53,726	7,726	16.8%
<b>Totals</b>	<b>453,350</b>	<b>349,058</b>	<b>562,112</b>	<b>108,762</b>	<b>24.0%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	-	0.0%
504021 Tires & Tubes	-	-	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.e30

4/15/2010

Fac Maint- 2200

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Facilities Maintenance - 2200

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	-	-	-	-	0.0%
504211 Postage & Mailing	-	21	32	32	100.0%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	550	-	-	(550)	-100.0%
504217 Photo Supp/Process	-	-	-	-	0.0%
504311 Office Supplies	3,200	635	953	(2,248)	-70.2%
504315 Safety Supplies	6,200	3,786	5,679	(521)	-8.4%
504317 Cleaning Supplies	33,100	19,948	29,922	(3,178)	-9.6%
504409 Repair/Maint Supplies	57,300	25,097	37,646	(19,655)	-34.3%
504421 Non-Inventory Parts	5,300	1,447	2,171	(3,130)	-59.0%
504511 Small Tools	3,600	553	830	(2,771)	-77.0%
504515 Employee Tool Replacement	-	-	-	-	0.0%
Totals	109,250	51,487	77,231	(32,020)	-29.3%
<b>UTILITIES</b>					
505011 Gas & Electric	229,212	116,278	185,000	(44,212)	-19.3%
505021 Water & Garbage	128,171	90,088	135,132	6,961	5.4%
505031 Telecommunications	55,157	58,988	88,482	33,325	60.4%
Totals	412,540	265,354	408,614	(3,926)	-1.0%
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	-	0.0%
506123 Settlement Costs	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.e31

4/15/2010

Fac Maint- 2200

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Facilities Maintenance - 2200

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	-	-	-	-	0.0%
507201 Licenses & Permits	13,000	14,091	21,137	8,137	62.6%
507999 Other Taxes	27,000	16,017	24,026	(2,975)	-11.0%
Totals	40,000	30,108	45,162	5,162	12.9%
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	-	-	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	-	-	-	-	0.0%
509121 Employee Training	-	-	-	-	0.0%
509123 Travel	-	-	-	-	0.0%
509125 Local Meeting Expense	-	-	-	-	0.0%
509127 Board Director Fees	-	-	-	-	0.0%
509150 Contributions	-	-	-	-	0.0%
509198 Cash Over/Short	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	495,742	404,239	518,867	23,125	4.7%
512061 Equipment Rental	11,540	2,670	4,005	(7,535)	-65.3%
Totals	507,282	406,909	522,872	15,590	3.1%
<b>PERSONNEL TOTAL</b>					
	1,046,117	627,262	935,173	(110,943)	-10.6%
<b>NON-PERSONNEL TOTAL</b>					
	1,522,422	1,102,916	1,615,990	93,568	6.1%
<b>DEPARTMENT TOTALS</b>					
	2,568,539	1,730,178	2,551,163	(17,375)	-0.7%

10.e32

4/15/2010

Fac Maint- 2200



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
Paratransit - 3100**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	927,092	492,902	739,353	(187,739)	-20.3%
501013 Bus Operator OT	124,350	97,495	146,243	21,893	17.6%
501021 Other Salaries	812,774	451,933	677,900	(134,875)	-16.6%
501023 Other OT	74,200	50,215	75,323	1,123	1.5%
Totals	1,938,416	1,092,545	1,638,818	(299,598)	-15.5%
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	29,221	19,087	28,631	(590)	-2.0%
502021 Retirement	269,637	149,290	223,935	(45,702)	-16.9%
502031 Medical Ins	798,613	437,675	667,675	(130,938)	-16.4%
502041 Dental Ins	67,798	39,142	58,713	(9,085)	-13.4%
502045 Vision Ins	18,755	11,220	16,830	(1,925)	-10.3%
502051 Life Ins/AD&D	6,738	3,728	5,592	(1,146)	-17.0%
502060 State Disability Ins (SDI)	53,850	14,148	21,222	(32,628)	-60.6%
502061 Long Term Disability Ins	33,761	14,356	21,534	(12,227)	-36.2%
502071 State Unemployment Ins (SUI)	9,016	9,346	11,721	2,705	30.0%
502081 Worker's Comp Ins	174,499	106,934	160,401	(14,098)	-8.1%
502101 Holiday Pay	56,230	29,634	44,451	(11,779)	-20.9%
502103 Floating Holiday	5,805	4,351	5,805	-	0.0%
502109 Sick Leave	95,491	48,159	72,239	(23,252)	-24.4%
502111 Annual Leave	103,470	106,985	160,478	57,008	55.1%
502121 Other Paid Absence	14,360	8,201	12,302	(2,058)	-14.3%
502251 Phys. Exams	3,000	1,008	1,512	(1,488)	-49.6%
502253 Driver Lic Renewal	1,000	102	153	(847)	-84.7%
502999 Other Fringe Benefits	6,363	3,248	4,872	(1,491)	-23.4%
Totals	1,747,606	1,006,614	1,518,064	(229,541)	-13.1%

10.e33

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Paratransit - 3100

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	-	-	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	-	0.0%
503031 Prof/Technical Fees	8,000	2,190	3,285	(4,715)	-58.9%
503032 Legislative Services	-	-	-	-	0.0%
503033 Legal Services	-	-	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	-	0.0%
503041 Temp Help	-	5,283	7,925	7,925	100.0%
503161 Custodial Services	-	-	-	-	0.0%
503162 Uniforms/Laundry	3,600	495	743	(2,858)	-79.4%
503171 Security Services	-	-	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	-	0.0%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	-	-	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	-	0.0%
503352 Repair - Equipment	8,000	1,710	2,565	(5,435)	-67.9%
503353 Repair - Rev Vehicle	180,000	108,787	163,181	(16,820)	-9.3%
503354 Repair - Non Rev Vehicle	-	-	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	-	0.0%
<b>Totals</b>	<b>199,600</b>	<b>118,465</b>	<b>177,698</b>	<b>(21,903)</b>	<b>-11.0%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	1,100	-	-	(1,100)	-100.0%
504012 Fuels & Lubricants - Rev Veh	250,000	107,735	161,603	(88,398)	-35.4%
504021 Tires & Tubes	26,000	11,957	17,936	(8,065)	-31.0%
504161 Other Mobile Supplies	-	-	-	-	0.0%
504191 Rev Vehicle Parts	95,000	24,030	36,045	(58,955)	-62.1%
<b>Totals</b>	<b>372,100</b>	<b>143,722</b>	<b>215,583</b>	<b>(156,517)</b>	<b>-42.1%</b>

10.e34

4/15/2010

Paratransit - 3100

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
Paratransit - 3100**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	-	-	-	-	0.0%
504211 Postage & Mailing	5,500	-	-	(5,500)	-100.0%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	7,000	-	-	(7,000)	-100.0%
504217 Photo Supp/Process	1,600	86	129	(1,471)	-91.9%
504311 Office Supplies	12,500	3,947	5,921	(6,580)	-52.6%
504315 Safety Supplies	1,300	536	804	(496)	-38.2%
504317 Cleaning Supplies	1,100	440	660	(440)	-40.0%
504409 Repair/Maint Supplies	-	-	-	-	0.0%
504421 Non-Inventory Parts	1,100	-	-	(1,100)	-100.0%
504511 Small Tools	1,700	-	-	(1,700)	-100.0%
504515 Employee Tool Replacement	1,000	300	450	(550)	-55.0%
Totals	32,800	5,309	7,964	(24,837)	-75.7%
<b>UTILITIES</b>					
505011 Gas & Electric	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	-	0.0%
505031 Telecommunications	37,000	10,667	16,001	(21,000)	-56.8%
Totals	37,000	10,667	16,001	(21,000)	-56.8%
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	-	0.0%
506123 Settlement Costs	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.e35

4/15/2010

Paratransit - 3100

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
Paratransit - 3100**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	-	-	-	-	0.0%
507201 Licenses & Permits	800	-	-	(800)	-100.0%
507999 Other Taxes	-	-	-	-	0.0%
Totals	800	-	-	(800)	-100.0%
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	250,000	213,473	320,210	70,210	28.1%
Totals	250,000	213,473	320,210	70,210	28.1%
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	-	-	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	-	-	-	-	0.0%
509121 Employee Training	-	-	-	-	0.0%
509123 Travel	-	-	-	-	0.0%
509125 Local Meeting Expense	-	-	-	-	0.0%
509127 Board Director Fees	-	-	-	-	0.0%
509150 Contributions	150	-	-	(150)	-100.0%
509198 Cash Over/Short	-	-	-	-	0.0%
Totals	150	-	-	(150)	-100.0%
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	-	-	-	-	0.0%
512061 Equipment Rental	800	350	525	(275)	-34.4%
Totals	800	350	525	(275)	-34.4%
<b>PERSONNEL TOTAL</b>	3,686,022	2,099,159	3,156,882	(529,140)	-14.4%
<b>NON-PERSONNEL TOTAL</b>	893,250	491,986	737,979	(155,271)	-17.4%
<b>DEPARTMENT TOTALS</b>	<u>4,579,272</u>	<u>2,591,145</u>	<u>3,894,861</u>	<u>(684,411)</u>	<u>-14.9%</u>

10.e36

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
Operations - 3200

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	-	-	-	-	0.0%
501013 Bus Operator OT	-	-	-	-	0.0%
501021 Other Salaries	1,110,162	739,926	1,109,889	(273)	0.0%
501023 Other OT	100,217	96,043	144,065	43,848	43.8%
Totals	1,210,378	835,969	1,253,954	43,575	3.6%
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	19,766	8,603	12,905	(6,862)	-34.7%
502021 Retirement	182,396	116,514	174,771	(7,625)	-4.2%
502031 Medical ins	266,791	157,065	239,065	(27,726)	-10.4%
502041 Dental ins	25,482	15,446	23,169	(2,313)	-9.1%
502045 Vision Ins	6,363	4,042	6,063	(300)	-4.7%
502051 Life Ins/AD&D	2,409	1,425	2,138	(272)	-11.3%
502060 State Disability Ins (SDI)	18,269	9,821	14,732	(3,538)	-19.4%
502061 Long Term Disability Ins	18,318	8,242	12,363	(5,955)	-32.5%
502071 State Unemployment Ins (SUI)	3,059	3,688	3,977	918	30.0%
502081 Worker's Comp ins	59,204	54,632	81,948	22,744	38.4%
502101 Holiday Pay	15,668	15,616	15,616	(52)	-0.3%
502103 Floating Holiday	9,136	4,278	9,136	-	0.0%
502109 Sick Leave	62,671	18,492	27,738	(34,933)	-55.7%
502111 Annual Leave	155,769	94,853	142,280	(13,490)	-8.7%
502121 Other Paid Absence	9,792	5,458	8,187	(1,605)	-16.4%
502251 Phys. Exams	500	610	915	415	83.0%
502253 Driver Lic Renewal	-	50	75	75	100.0%
502999 Other Fringe Benefits	5,189	3,177	4,766	(424)	-8.2%
Totals	860,783	522,012	779,842	(80,941)	-9.4%

10.e37

4/15/2010

Operations - 3200

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
Operations - 3200

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	-	-	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	-	0.0%
503031 Prof/Technical Fees	30,900	16,014	24,021	(6,879)	-22.3%
503032 Legislative Services	-	-	-	-	0.0%
503033 Legal Services	-	-	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	-	0.0%
503041 Temp Help	-	24,390	36,585	36,585	100.0%
503161 Custodial Services	-	-	-	-	0.0%
503162 Uniforms/Laundry	565	81	122	(444)	-78.5%
503171 Security Services	397,168	222,317	333,476	(63,693)	-16.0%
503221 Classified/Legal Ads	-	-	-	-	0.0%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	-	-	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	-	0.0%
503352 Repair - Equipment	4,000	1,543	2,315	(1,686)	-42.1%
503353 Repair - Rev Vehicle	-	-	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	-	0.0%
Totals	432,633	264,345	396,518	(36,116)	-8.3%
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	-	0.0%
504021 Tires & Tubes	-	-	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.e38

4/15/2010

Operations - 3200

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
Operations - 3200

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	-	-	-	-	0.0%
504211 Postage & Mailing	900	84	126	(774)	-86.0%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	15,000	12,556	18,834	3,834	25.6%
504217 Photo Supp/Process	3,500	439	659	(2,842)	-81.2%
504311 Office Supplies	15,200	3,811	5,717	(9,484)	-62.4%
504315 Safety Supplies	-	-	-	-	0.0%
504317 Cleaning Supplies	-	-	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	-	0.0%
504511 Small Tools	-	-	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	-	0.0%
Totals	34,600	16,890	25,335	(9,265)	-26.8%
<b>UTILITIES</b>					
505011 Gas & Electric	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	-	0.0%
505031 Telecommunications	33,500	22,038	33,057	(443)	-1.3%
Totals	33,500	22,038	33,057	(443)	-1.3%
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	-	0.0%
506123 Settlement Costs	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.e39

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION**

Operations - 3200

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	-	-	-	-	0.0%
507201 Licenses & Permits	-	-	-	-	0.0%
507999 Other Taxes	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	-	-	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	-	-	-	-	0.0%
509121 Employee Training	-	-	-	-	0.0%
509123 Travel	-	-	-	-	0.0%
509125 Local Meeting Expense	-	-	-	-	0.0%
509127 Board Director Fees	-	-	-	-	0.0%
509150 Contributions	-	-	-	-	0.0%
509198 Cash Over/Short	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	26,615	18,772	28,406	1,791	6.7%
512061 Equipment Rental	5,000	3,315	4,973	(28)	-0.6%
Totals	31,615	22,087	33,379	1,764	5.6%
PERSONNEL TOTAL	2,071,161	1,357,981	2,033,795	(37,366)	-1.8%
NON-PERSONNEL TOTAL	532,348	325,360	488,288	(44,060)	-8.3%
DEPARTMENT TOTALS	2,603,509	1,683,341	2,522,083	(81,426)	-3.1%

10.240

4/15/2010

Operations - 3200



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
Bus Operators - 3300**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	7,212,418	4,427,361	6,641,042	(571,376)	-7.9%
501013 Bus Operator OT	1,216,442	998,233	1,497,350	280,908	23.1%
501021 Other Salaries	-	-	-	-	0.0%
501023 Other OT	-	-	-	-	0.0%
<b>Totals</b>	<b>8,428,860</b>	<b>5,425,594</b>	<b>8,138,391</b>	<b>(290,469)</b>	<b>-3.4%</b>
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	124,296	75,053	112,580	(11,717)	-9.4%
502021 Retirement	1,146,955	686,504	1,029,756	(117,199)	-10.2%
502031 Medical Ins	2,087,421	1,122,049	1,748,049	(339,372)	-16.3%
502041 Dental Ins	208,879	124,637	186,956	(21,924)	-10.5%
502045 Vision Ins	53,920	33,794	50,691	(3,229)	-6.0%
502051 Life Ins/AD&D	18,837	10,430	15,645	(3,192)	-16.9%
502060 State Disability Ins (SDI)	154,807	67,567	101,351	(53,457)	-34.5%
502061 Long Term Disability Ins	135,972	79,011	118,517	(17,455)	-12.8%
502071 State Unemployment Ins (SUI)	25,921	31,256	33,697	7,776	30.0%
502081 Worker's Comp Ins	501,683	163,561	245,342	(256,342)	-51.1%
502101 Holiday Pay	263,759	150,188	225,282	(38,477)	-14.6%
502103 Floating Holiday	-	-	-	-	0.0%
502109 Sick Leave	412,123	185,142	277,713	(134,410)	-32.6%
502111 Annual Leave	690,684	589,585	884,378	193,693	28.0%
502121 Other Paid Absence	61,818	40,366	60,549	(1,269)	-2.1%
502251 Phys. Exams	8,000	4,474	6,711	(1,289)	-16.1%
502253 Driver Lic Renewal	3,000	1,554	2,331	(669)	-22.3%
502999 Other Fringe Benefits	13,732	7,134	10,701	(3,031)	-22.1%
<b>Totals</b>	<b>5,911,808</b>	<b>3,372,305</b>	<b>5,110,246</b>	<b>(801,562)</b>	<b>-13.6%</b>

10.e41

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
Bus Operators - 3300**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	-	-	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	-	0.0%
503031 Prof/Technical Fees	-	-	-	-	0.0%
503032 Legislative Services	-	-	-	-	0.0%
503033 Legal Services	-	-	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	-	0.0%
503041 Temp Help	-	-	-	-	0.0%
503161 Custodial Services	-	-	-	-	0.0%
503162 Uniforms/Laundry	4,150	1,169	1,754	(2,397)	-57.7%
503171 Security Services	-	-	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	-	0.0%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	-	-	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	-	0.0%
503352 Repair - Equipment	-	-	-	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	-	0.0%
<b>Totals</b>	<b>4,150</b>	<b>1,169</b>	<b>1,754</b>	<b>(2,397)</b>	<b>-57.7%</b>
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	-	0.0%
504021 Tires & Tubes	-	-	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>

10.242

4/15/2010

Bus Operators - 3300

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Bus Operators - 3300

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	-	-	-	-	0.0%
504211 Postage & Mailing	-	-	-	-	0.0%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	-	-	-	-	0.0%
504217 Photo Supp/Process	-	-	-	-	0.0%
504311 Office Supplies	-	-	-	-	0.0%
504315 Safety Supplies	-	-	-	-	0.0%
504317 Cleaning Supplies	-	-	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	-	0.0%
504511 Small Tools	-	-	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>UTILITIES</b>					
505011 Gas & Electric	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	-	0.0%
505031 Telecommunications	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	-	0.0%
506123 Settlement Costs	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.243

4/15/2010

Bus Operators - 3300

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Bus Operators - 3300

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	-	-	-	-	0.0%
507201 Licenses & Permits	-	-	-	-	0.0%
507999 Other Taxes	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	-	-	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	3,500	3,405	3,500	-	0.0%
509121 Employee Training	-	-	-	-	0.0%
509123 Travel	-	-	-	-	0.0%
509125 Local Meeting Expense	-	-	-	-	0.0%
509127 Board Director Fees	-	-	-	-	0.0%
509150 Contributions	-	-	-	-	0.0%
509198 Cash Over/Short	-	-	-	-	0.0%
Totals	3,500	3,405	3,500	-	0.0%
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	-	-	-	-	0.0%
512061 Equipment Rental	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PERSONNEL TOTAL</b>	14,340,668	8,797,899	13,248,637	(1,092,030)	-7.6%
<b>NON-PERSONNEL TOTAL</b>	7,650	4,574	5,254	(2,397)	-31.3%
<b>DEPARTMENT TOTALS</b>	<u>14,348,318</u>	<u>8,802,473</u>	<u>13,253,891</u>	<u>(1,094,427)</u>	<u>-7.6%</u>

10.844

4/15/2010

Bus Operators - 3300

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Fleet Maintenance - 4100

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	-	-	-	-	0.0%
501013 Bus Operator OT	-	-	-	-	0.0%
501021 Other Salaries	2,072,437	1,305,776	1,958,664	(113,773)	-5.5%
501023 Other OT	94,031	48,878	73,317	(20,714)	-22.0%
Totals	2,166,469	1,354,654	2,031,981	(134,488)	-6.2%
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	36,532	19,310	28,965	(7,567)	-20.7%
502021 Retirement	337,103	212,827	319,241	(17,863)	-5.3%
502031 Medical Ins	604,278	342,923	518,923	(85,355)	-14.1%
502041 Dental Ins	61,514	34,415	51,623	(9,892)	-16.1%
502045 Vision Ins	14,736	9,075	13,613	(1,124)	-7.6%
502051 Life Ins/AD&D	5,241	2,605	3,908	(1,334)	-25.4%
502060 State Disability Ins (SDI)	42,308	18,141	27,212	(15,097)	-35.7%
502061 Long Term Disability Ins	30,480	15,833	23,750	(6,731)	-22.1%
502071 State Unemployment Ins (SUI)	7,084	8,579	9,209	2,125	30.0%
502081 Worker's Comp Ins	137,106	49,813	74,720	(62,387)	-45.5%
502101 Holiday Pay	29,071	24,923	24,923	(4,148)	-14.3%
502103 Floating Holiday	4,204	-	4,204	-	0.0%
502109 Sick Leave	116,283	75,742	113,613	(2,670)	-2.3%
502111 Annual Leave	279,295	180,500	270,750	(8,545)	-3.1%
502121 Other Paid Absence	18,169	12,000	18,000	(169)	-0.9%
502251 Phys. Exams	1,800	565	848	(953)	-52.9%
502253 Driver Lic Renewal	400	119	179	(222)	-55.4%
502999 Other Fringe Benefits	4,882	2,353	3,530	(1,353)	-27.7%
Totals	1,730,486	1,009,723	1,507,206	(223,280)	-12.9%

10.e45

4/15/2010

Fleet Maint- 4100

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
Fleet Maintenance - 4100**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	-	-	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	-	0.0%
503031 Prof/Technical Fees	3,200	2,200	3,300	100	3.1%
503032 Legislative Services	-	-	-	-	0.0%
503033 Legal Services	-	-	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	-	0.0%
503041 Temp Help	-	-	-	-	0.0%
503161 Custodial Services	-	-	-	-	0.0%
503162 Uniforms/Laundry	31,000	10,075	23,000	(8,000)	-25.8%
503171 Security Services	-	-	-	-	0.0%
503221 Classified/Legal Ads	200	325	488	288	143.8%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	-	-	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	-	0.0%
503352 Repair - Equipment	68,000	29,963	44,945	(23,056)	-33.9%
503353 Repair - Rev Vehicle	257,300	104,821	157,232	(100,069)	-38.9%
503354 Repair - Non Rev Vehicle	31,500	17,366	26,049	(5,451)	-17.3%
503363 Haz Mat Disposal	-	-	-	-	0.0%
Totals	391,200	164,750	255,013	(136,188)	-34.8%
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	206,300	92,701	139,052	(67,249)	-32.6%
504012 Fuels & Lubricants - Rev Veh	2,995,000	831,451	1,520,677	(1,474,324)	-49.2%
504021 Tires & Tubes	187,000	117,912	176,868	(10,132)	-5.4%
504161 Other Mobile Supplies	10,300	287	431	(9,870)	-95.8%
504191 Rev Vehicle Parts	722,000	316,025	600,000	(122,000)	-16.9%
Totals	4,120,600	1,358,376	2,437,027	(1,683,574)	-40.9%

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4/15/2010

Fleet Maint- 4100

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Fleet Maintenance - 4100

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	3,600	1,050	1,575	(2,025)	-56.3%
504211 Postage & Mailing	1,000	387	581	(420)	-42.0%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	800	-	-	(800)	-100.0%
504217 Photo Supp/Process	400	-	-	(400)	-100.0%
504311 Office Supplies	7,400	1,847	2,771	(4,630)	-62.6%
504315 Safety Supplies	26,000	3,379	5,069	(20,932)	-80.5%
504317 Cleaning Supplies	25,000	3,133	4,700	(20,301)	-81.2%
504409 Repair/Maint Supplies	-	-	-	-	0.0%
504421 Non-Inventory Parts	47,150	4,959	7,439	(39,712)	-84.2%
504511 Small Tools	5,200	948	1,422	(3,778)	-72.7%
504515 Employee Tool Replacement	1,700	690	1,035	(665)	-39.1%
Totals	118,250	16,393	24,590	(93,661)	-79.2%
<b>UTILITIES</b>					
505011 Gas & Electric	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	-	0.0%
505031 Telecommunications	21,921	13,085	19,628	(2,294)	-10.5%
Totals	21,921	13,085	19,628	(2,294)	-10.5%
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	-	0.0%
506123 Settlement Costs	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.247

4/15/2010

Fleet Maint- 4100

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Fleet Maintenance - 4100

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	14,510	8,233	12,350	(2,161)	-14.9%
507201 Licenses & Permits	100	-	-	(100)	-100.0%
507999 Other Taxes	-	-	-	-	0.0%
<b>Totals</b>	<b>14,610</b>	<b>8,233</b>	<b>12,350</b>	<b>(2,261)</b>	<b>-15.5%</b>
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	-	-	-	-	0.0%
<b>Totals</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.0%</b>
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	1,300	558	837	(463)	-35.6%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee incentive Program	-	-	-	-	0.0%
509121 Employee Training	-	-	-	-	0.0%
509123 Travel	-	-	-	-	0.0%
509125 Local Meeting Expense	-	-	-	-	0.0%
509127 Board Director Fees	-	-	-	-	0.0%
509150 Contributions	-	-	-	-	0.0%
509198 Cash Over/Short	-	-	-	-	0.0%
<b>Totals</b>	<b>1,300</b>	<b>558</b>	<b>837</b>	<b>(463)</b>	<b>-35.6%</b>
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	-	-	-	-	0.0%
512061 Equipment Rental	10,300	1,470	2,205	(8,095)	-78.6%
<b>Totals</b>	<b>10,300</b>	<b>1,470</b>	<b>2,205</b>	<b>(8,095)</b>	<b>-78.6%</b>
<b>PERSONNEL TOTAL</b>	<b>3,896,955</b>	<b>2,364,377</b>	<b>3,539,187</b>	<b>(357,768)</b>	<b>-9.2%</b>
<b>NON-PERSONNEL TOTAL</b>	<b>4,678,181</b>	<b>1,562,865</b>	<b>2,751,648</b>	<b>(1,926,534)</b>	<b>-41.2%</b>
<b>DEPARTMENT TOTALS</b>	<b>8,575,136</b>	<b>3,927,242</b>	<b>6,290,834</b>	<b>(2,284,302)</b>	<b>-26.6%</b>

10.248

4/15/2010

Fleet Maint- 4100



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Retired Employee Benefits - 9005

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	-	-	-	-	0.0%
501013 Bus Operator OT	-	-	-	-	0.0%
501021 Other Salaries	-	-	-	-	0.0%
501023 Other OT	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	-	-	-	-	0.0%
502021 Retirement	-	-	-	-	0.0%
502031 Medical Ins	1,899,556	930,701	1,494,701	(404,855)	-21.3%
502041 Dental Ins	122,850	64,887	97,331	(25,520)	-20.8%
502045 Vision Ins	33,826	20,505	30,758	(3,069)	-9.1%
502051 Life Ins/AD&D	11,817	6,463	9,695	(2,123)	-18.0%
502060 State Disability Ins (SDI)	-	-	-	-	0.0%
502061 Long Term Disability Ins	-	-	-	-	0.0%
502071 State Unemployment Ins (SUI)	-	-	-	-	0.0%
502081 Worker's Comp Ins	-	-	-	-	0.0%
502101 Holiday Pay	-	-	-	-	0.0%
502103 Floating Holiday	-	-	-	-	0.0%
502109 Sick Leave	-	-	-	-	0.0%
502111 Annual Leave	-	-	-	-	0.0%
502121 Other Paid Absence	-	-	-	-	0.0%
502251 Phys. Exams	-	-	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	-	0.0%
502999 Other Fringe Benefits	92,400	17,443	26,165	(66,236)	-71.7%
Totals	2,160,449	1,039,999	1,658,648	(501,801)	-23.2%

10.249

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Retired Employee Benefits - 9005

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	-	-	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	-	0.0%
503031 Prof/Technical Fees	-	-	-	-	0.0%
503032 Legislative Services	-	-	-	-	0.0%
503033 Legal Services	-	-	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	-	0.0%
503041 Temp Help	-	-	-	-	0.0%
503161 Custodial Services	-	-	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	-	0.0%
503171 Security Services	-	-	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	-	0.0%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	-	-	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	-	0.0%
503352 Repair - Equipment	-	-	-	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	-	0.0%
504021 Tires & Tubes	-	-	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.e50

4/15/2010

Retirees- 9005

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
Retired Employee Benefits - 9005**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	-	-	-	-	0.0%
504211 Postage & Mailing	-	-	-	-	0.0%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	-	-	-	-	0.0%
504217 Photo Supp/Process	-	-	-	-	0.0%
504311 Office Supplies	-	-	-	-	0.0%
504315 Safety Supplies	-	-	-	-	0.0%
504317 Cleaning Supplies	-	-	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	-	0.0%
504511 Small Tools	-	-	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>UTILITIES</b>					
505011 Gas & Electric	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	-	0.0%
505031 Telecommunications	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	-	0.0%
506123 Settlement Costs	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.e51

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 Retired Employee Benefits - 9005

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	-	-	-	-	0.0%
507201 Licenses & Permits	-	-	-	-	0.0%
507999 Other Taxes	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	-	-	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	-	-	-	-	0.0%
509121 Employee Training	-	-	-	-	0.0%
509123 Travel	-	-	-	-	0.0%
509125 Local Meeting Expense	-	-	-	-	0.0%
509127 Board Director Fees	-	-	-	-	0.0%
509150 Contributions	-	-	-	-	0.0%
509198 Cash Over/Short	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	-	-	-	-	0.0%
512061 Equipment Rental	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PERSONNEL TOTAL</b>	2,160,449	1,039,999	1,658,648	(501,801)	-23.2%
<b>NON-PERSONNEL TOTAL</b>	-	-	-	-	0.0%
<b>DEPARTMENT TOTALS</b>	<u>2,160,449</u>	<u>1,039,999</u>	<u>1,658,648</u>	<u>(501,801)</u>	<u>-23.2%</u>

10.e52

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
**FY10 BUDGET RECONCILIATION ACTION**  
 COBRA Benefits - 9001

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	-	-	-	-	0.0%
501013 Bus Operator OT	-	-	-	-	0.0%
501021 Other Salaries	-	-	-	-	0.0%
501023 Other OT	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	-	-	-	-	0.0%
502021 Retirement	-	-	-	-	0.0%
502031 Medical Ins	-	1,148	1,722	1,722	100.0%
502041 Dental Ins	-	(184)	(276)	(276)	100.0%
502045 Vision Ins	-	337	506	506	100.0%
502051 Life Ins/AD&D	-	-	-	-	0.0%
502060 State Disability Ins (SDI)	-	-	-	-	0.0%
502061 Long Term Disability Ins	-	-	-	-	0.0%
502071 State Unemployment Ins (SUI)	-	-	-	-	0.0%
502081 Worker's Comp Ins	-	-	-	-	0.0%
502101 Holiday Pay	-	-	-	-	0.0%
502103 Floating Holiday	-	-	-	-	0.0%
502109 Sick Leave	-	-	-	-	0.0%
502111 Annual Leave	-	-	-	-	0.0%
502121 Other Paid Absence	-	-	-	-	0.0%
502251 Phys. Exams	-	-	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	-	0.0%
502999 Other Fringe Benefits	-	-	-	-	0.0%
Totals	-	1,301	1,952	1,952	100.0%

10.053

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
 FY10 BUDGET RECONCILIATION ACTION  
 COBRA Benefits - 9001**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	-	-	-	-	0.0%
503012 Admin/Bank Fees	-	-	-	-	0.0%
503031 Prof/Technical Fees	-	-	-	-	0.0%
503032 Legislative Services	-	-	-	-	0.0%
503033 Legal Services	-	-	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	-	0.0%
503041 Temp Help	-	-	-	-	0.0%
503161 Custodial Services	-	-	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	-	0.0%
503171 Security Services	-	-	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	-	0.0%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	-	-	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	-	0.0%
503352 Repair - Equipment	-	-	-	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	-	0.0%
504021 Tires & Tubes	-	-	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.e54

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
COBRA Benefits - 9001**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	-	-	-	-	0.0%
504211 Postage & Mailing	-	-	-	-	0.0%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	-	-	-	-	0.0%
504217 Photo Supp/Process	-	-	-	-	0.0%
504311 Office Supplies	-	-	-	-	0.0%
504315 Safety Supplies	-	-	-	-	0.0%
504317 Cleaning Supplies	-	-	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	-	0.0%
504511 Small Tools	-	-	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>UTILITIES</b>					
505011 Gas & Electric	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	-	0.0%
505031 Telecommunications	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	-	0.0%
506123 Settlement Costs	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.055

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
COBRA Benefits - 9001**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	-	-	-	-	0.0%
507201 Licenses & Permits	-	-	-	-	0.0%
507999 Other Taxes	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	-	-	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	-	-	-	-	0.0%
509121 Employee Training	-	-	-	-	0.0%
509123 Travel	-	-	-	-	0.0%
509125 Local Meeting Expense	-	-	-	-	0.0%
509127 Board Director Fees	-	-	-	-	0.0%
509150 Contributions	-	-	-	-	0.0%
509198 Cash Over/Short	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	-	-	-	-	0.0%
512061 Equipment Rental	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PERSONNEL TOTAL</b>	-	1,301	1,952	1,952	100.0%
<b>NON-PERSONNEL TOTAL</b>	-	-	-	-	0.0%
<b>DEPARTMENT TOTALS</b>	-	1,301	1,952	1,952	100.0%

10.050



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
SCCIC/COPS - 700**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>LABOR</b>					
501011 Bus Operator Pay	-	-	-	-	0.0%
501013 Bus Operator OT	-	-	-	-	0.0%
501021 Other Salaries	-	-	-	-	0.0%
501023 Other OT	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>FRINGE BENEFITS</b>					
502011 Medicare/Soc. Sec.	-	-	-	-	0.0%
502021 Retirement	-	-	-	-	0.0%
502031 Medical Ins	-	-	-	-	0.0%
502041 Dental Ins	-	-	-	-	0.0%
502045 Vision Ins	-	-	-	-	0.0%
502051 Life Ins/AD&D	-	-	-	-	0.0%
502060 State Disability Ins (SDI)	-	-	-	-	0.0%
502061 Long Term Disability Ins	-	-	-	-	0.0%
502071 State Unemployment Ins (SUI)	-	-	-	-	0.0%
502081 Worker's Comp Ins	-	-	-	-	0.0%
502101 Holiday Pay	-	-	-	-	0.0%
502103 Floating Holiday	-	-	-	-	0.0%
502109 Sick Leave	-	-	-	-	0.0%
502111 Annual Leave	-	-	-	-	0.0%
502121 Other Paid Absence	-	-	-	-	0.0%
502251 Phys. Exams	-	-	-	-	0.0%
502253 Driver Lic Renewal	-	-	-	-	0.0%
502999 Other Fringe Benefits	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.e57

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
SCCIC/COPS - 700**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>SERVICES</b>					
503011 Accting/Audit Fees	250	250	250	-	0.0%
503012 Admin/Bank Fees	50	(0)	(0)	(50)	-100.7%
503031 Prof/Technical Fees	-	-	-	-	0.0%
503032 Legislative Services	-	-	-	-	0.0%
503033 Legal Services	-	-	-	-	0.0%
503034 Pre-Employment Exams	-	-	-	-	0.0%
503041 Temp Help	-	-	-	-	0.0%
503161 Custodial Services	-	-	-	-	0.0%
503162 Uniforms/Laundry	-	-	-	-	0.0%
503171 Security Services	-	-	-	-	0.0%
503221 Classified/Legal Ads	-	-	-	-	0.0%
503222 Legal Ads	-	-	-	-	0.0%
503225 Graphic Services	-	-	-	-	0.0%
503351 Repair - Bldg & Impr	-	-	-	-	0.0%
503352 Repair - Equipment	-	-	-	-	0.0%
503353 Repair - Rev Vehicle	-	-	-	-	0.0%
503354 Repair - Non Rev Vehicle	-	-	-	-	0.0%
503363 Haz Mat Disposal	-	-	-	-	0.0%
Totals	300	250	250	(50)	-16.8%
<b>MOBILE MATERIALS &amp; SUPPLIES</b>					
504011 Fuels & Lubricants - Non Rev Veh	-	-	-	-	0.0%
504012 Fuels & Lubricants - Rev Veh	-	-	-	-	0.0%
504021 Tires & Tubes	-	-	-	-	0.0%
504161 Other Mobile Supplies	-	-	-	-	0.0%
504191 Rev Vehicle Parts	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.058

4/15/2010

SCCIC- 700

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
SCCIC/COPS - 700**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>OTHER MATERIALS &amp; SUPPLIES</b>					
504205 Freight Out	-	-	-	-	0.0%
504211 Postage & Mailing	-	-	-	-	0.0%
504214 Promotional Items	-	-	-	-	0.0%
504215 Printing	-	-	-	-	0.0%
504217 Photo Supp/Process	-	-	-	-	0.0%
504311 Office Supplies	-	-	-	-	0.0%
504315 Safety Supplies	-	-	-	-	0.0%
504317 Cleaning Supplies	-	-	-	-	0.0%
504409 Repair/Maint Supplies	-	-	-	-	0.0%
504421 Non-Inventory Parts	-	-	-	-	0.0%
504511 Small Tools	-	-	-	-	0.0%
504515 Employee Tool Replacement	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>UTILITIES</b>					
505011 Gas & Electric	-	-	-	-	0.0%
505021 Water & Garbage	-	-	-	-	0.0%
505031 Telecommunications	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>CASUALTY &amp; LIABILITY</b>					
506011 Insurance - Property	-	-	-	-	0.0%
506015 Insurance - PL/PD	-	-	-	-	0.0%
506021 Insurance - Other	-	-	-	-	0.0%
506123 Settlement Costs	-	-	-	-	0.0%
506127 Repairs - District Prop	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%

10.659

4/15/2010

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
FY10 BUDGET RECONCILIATION ACTION  
SCCIC/COPS - 700**

ACCOUNT	PUBLISHED BUDGET FY10	YTD ACTUAL as of 02/28/2010	PROJECTED BUDGET FY10	\$ CHANGE BUDGET FY10 PROJ BUDGET FY10	% CHANGE BUDGET FY10 PROJ BUDGET FY10
<b>TAXES</b>					
507051 Fuel Tax	-	-	-	-	0.0%
507201 Licenses & Permits	-	-	-	-	0.0%
507999 Other Taxes	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PURCHASED TRANS.</b>					
503406 Contract/Paratransit	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>MISC EXPENSE</b>					
509011 Dues/Subscriptions	-	-	-	-	0.0%
509085 Advertising - Rev Prod	-	-	-	-	0.0%
509101 Employee Incentive Program	-	-	-	-	0.0%
509121 Employee Training	-	-	-	-	0.0%
509123 Travel	-	-	-	-	0.0%
509125 Local Meeting Expense	-	-	-	-	0.0%
509127 Board Director Fees	-	-	-	-	0.0%
509150 Contributions	-	-	-	-	0.0%
509198 Cash Over/Short	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>LEASES &amp; RENTALS</b>					
512011 Facility Lease	-	-	-	-	0.0%
512061 Equipment Rental	-	-	-	-	0.0%
Totals	-	-	-	-	0.0%
<b>PERSONNEL TOTAL</b>					
	-	-	-	-	0.0%
<b>NON-PERSONNEL TOTAL</b>					
	300	250	250	(50)	-16.8%
<b>DEPARTMENT TOTALS</b>					
	300	250	250	(50)	-16.8%

10.e.60

4/15/2010

SCCIC- 700

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010  
**TO:** Board of Directors  
**FROM:** Ciro F. Aguirre, Manager of Operations  
**SUBJECT:** **CONSIDERATION OF SCHEDULING AND HOLDING PUBLIC HEARINGS REGARDING PROPOSED METRO FIXED ROUTE SERVICE REDUCTIONS FOR FALL 2010.**

## I. RECOMMENDED ACTION

**Authorize METRO staff to schedule and hold Public Hearings to obtain feedback on proposed METRO Fixed Route Service reductions for Fall Bid Schedule to take effect on September 16, 2010.**

## II. SUMMARY OF ISSUES

- Due to elimination and reduction from various funding sources, METRO is experiencing a decrease in its operating funds.
- METRO has been able to sustain its current level of service through the use of funding from unfilled positions and reliance on overtime performed by existing staff. This method of providing service can not be sustained as a long-term strategy.
- METRO is unable to financially sustain Fixed Route Bus Service at the current levels in Fiscal Year 2011.
- On April 09, 2010 staff presented to the METRO Board of Directors a Fixed Route Service Reduction Proposal improving its alignment of service to that of projected budget and labor resources which results in a service reduction. This proposal will allow Metro to provide a level of bus service to the community that is projected to be fiscally sustainable throughout Fiscal Year 2011.
- METRO staff is requesting to schedule to hold various Public Hearings in order to solicit public input and comments on the proposed Service Reduction Proposal.

## III. DISCUSSION

Due to a prolonged recession, there has been a reduction of Federal, State and Local funding sources to Mass Transit. These economic conditions have impacted METRO's operational revenues significantly. METRO has been able to continue providing bus service, at current levels, to the community by reducing its labor expenditures through attrition of staff and operator positions. Because revenues have not rebounded sufficiently a budget deficit now exists, and bus service to the community at current levels will not be sustainable in Fiscal Year 2011.

METRO staff has developed a service reduction proposal that will allow METRO to provide bus service at a sustainable level in alignment with projected budget and labor resources for Fiscal Year 2011. These proposed service reductions were created taking into consideration the following criteria: minimal impact to the community, more efficient scheduling of trips through improved interlining and departure times, reduction in underperforming trips, reduction in redundant service, and increased in-service driving time.

Review of the information found in Attachment A will reflect that the proposed service reductions include some fixed-route service deletions; while other fixed-route service would be added or combined.

Detailed information may be reviewed in Attachment A – **Santa Cruz METRO Proposed Service Reduction Recommendations - April 09, 2010.**

Staff requests that the METRO Board of Directors consider approving the schedule of Public Hearings to be held in order to receive input and comments from the community regarding the proposed service. These Public Hearings to receive public input and comments will commence Monday, May 3, 2010 through Friday, June 11, 2010.

The approved list of Public Hearing dates, times and locations will be published on METRO's website, local newspapers, posted on METRO buses and Transit Centers.

The list of proposed Public Hearing locations dates, and times are found in Attachment B– **SANTA CRUZ METRO SERVICE REDUCTION PROPOSALS APRIL 09, 2010 PUBLIC HEARING LOCATIONS.**

**IV. FINANCIAL CONSIDERATIONS:**

None

**V. ATTACHMENTS:**

**Attachment A: Santa Cruz METRO Proposed Service Reduction Recommendations - April 09, 2010**

**Attachment B: SANTA CRUZ METRO SERVICE REDUCTION PROPOSALS APRIL 09, 2010 PUBLIC HEARING LOCATIONS**

11.2

**Proposed Service Reduction Recommendations  
April 09, 2010**

Service Affected	Area	Weekday Weekend	Description of Change	Alternative Trips	Ridership		
					Min	Max	Average
Routes 3/7	Mission/Beach	WD	Combine Route 3 and 7 into a new 50 minute route	Route 20/20D			11.5 & 4.2
Route 16N (Night Owl)	UCSC Late Night via Laurel	WD (Su -Th)	Delete 12:00 AM trip Delete 12:40 AM trip Delete 1:20 AM trip Delete 2:00 AM trip	None None None None			28.6
Route 16N (Night Owl)	UCSC Late Night via Laurel	WE (Fri - Sat)	Delete 11:45 PM trip Delete 12:00 AM trip Delete 12:40 AM trip Delete 1:20 AM trip Delete 2:00 AM trip Delete 2:40 AM trip	None None None None None None			45.3
Hwy 17	Santa Cruz / San Jose	WD	Delete part of 4:35 AM trip from Soquel Park & Ride to SCMC Delete part of 5:15 AM trip from Soquel Park & Ride to SCMC Delete part of 5:15 PM trip from SCMC to Soquel Park & Ride Delete part of 6:15 PM trip from SCMC to Soquel Park & Ride	None None 6:45 PM Route 71 7:45 PM Route 71	0 1 3 1	4 5 13 14	1.7 2.1 7.3 6.1
Route 19	UCSC via Lower Bay	WD WE	Alter routing on evening trips to serve more of Beach area that was served by 68N	N/A			
Route 19N (Night Owl)	UCSC Late Night via Lower Bay	WE (Fri - Sat)	Delete 11:45 PM trip (partial trip) Delete 12:20 AM trip Delete 1:00 AM trip Delete 1:40 AM trip Delete 2:20 AM trip Delete 3:00 AM trip	None None None None None None			33.8
Route 27X	UCSC Express	WD	Delete all 8 trips of the Route 27X	Many alternative trips exist for these passengers			34.1
Route 31	Scotts Valley	WD	Delete 6:55 AM trip Delete 7:25 AM trip Delete 1:25 PM trip Delete 2:30 PM trip Delete 3:25 PM trip Delete 4:25 PM trip	7:00 AM Route 35A 7:30 AM Route 35A	7 8 3 4 3 3	20 33 15 23 35 31	13.3 18.4 9.1 7.4 9.5 12.5
Route 32	Scotts Valley	WD	Delete 2:15 PM trip Delete 2:55 PM trip	(see below)	2 6	14 38	6.5 17.3
Route 31/32	Scotts Valley	WD	Add partial local service to Scotts Valley to serve school times.	N/A			
Route 35	San Lorenzo Valley	WD	Change 1:00 PM, 1:30 PM, 3:00 PM, 3:30 PM, 4:00 PM, 4:30 PM to 35A	N/A			
Route 35A	San Lorenzo Valley	WD	Delete 10:45 PM (inbound)	N/A			6.5
Route 42	Davenport	WD	Delete 12:30 PM trip Combine 7:15PM trip and 10:00PM into an 8:30PM trip	None None	8 4	25 19	18.3 12.1
Route 42	Davenport	WE	Delete 10:00 PM trip	None	1	16	10.7

11.21

Attachment A

**Proposed Service Reduction Recommendations  
April 09, 2010**

Service Affected	Area	Weekday Weekend	Description of Change	Alternative Trips	Ridership		
					Min	Max	Average
Route 53	Capitola / Dominican	WD	Delete all 5 trips	Route 55 covers part Route 71 covers part			6
Route 54	La Selva	WE	Delete all 6 trips	Route 56 covers part Route 71 covers part			11.5
Route 54	La Selva	WD	Delete 5:30 PM trip	Route 55 covers part Route 56 covers part	3	23	11.8
Route 56	La Selva	WD	Delete all 5 trips	Route 55 covers part Route 71 covers part			13.8
Route 56	La Selva	WD	Add a 8:45 AM trip Add 1:55 PM trip Add 5:35 PM trip	N/A			
Route 56	La Selva	WE	Add 8:25 AM trip Add 11:05 AM trip Add 6:40 PM trip	N/A			
Route 66 and 68	Live Oak	WD WE	Adjust departure times of Route 66 & Route 68	N/A			
Route 68	Live Oak	WE	Delete 6:45 PM trip (inbound)	Route 66 covers part	2	19	8.1
Route 68N	Live Oak	WD	Delete all 10 trips	Route 19 covers part Route 66 covers part			8.2
Route 68N	Live Oak	WE	Delete all 10 trips	Route 19 cover part Route 66 covers part			8.2
Route 69 (Between SCMC & Capitola Mall only)	Capitola Road	WD	Delete 6:00 AM trip (inbound) Delete 9:52 AM trip (outbound) Delete 10:22 AM trip (outbound)	5:55 AM Route 66 9:37 AM Route 69W 10:37 AM Route 69W	2 3 5	19 14 23	8.1 8.4 9.7
Route 69A	Watsonville to SC	WE	Change 7:50 AM trip (inbound) into a 69W	N/A			
Route 69N	Capitola Road	WD	Delete 9:40 PM inbound trip	9:36 PM Route 71 from Cabrillo	2	16	7.1
Route 70	Cabrillo	WD	Delete all 21 trips of the Route 70	Various trips of the Route 71 and the Route 91X			19.8
Route 75	Green Valley	WE	Delete 8:09 PM trip	None None	2 2	17 18	9.4 8.3
Route 75	Green Valley	WD WE	Delete Wheelock loop on 7:09 AM, 9:09 AM, 11:09 AM, 1:09 PM, 3:09 PM, 5:09 PM and 7:09 PM trips	None			
Route 76	Corralitos/Buena Vista	WE	Delete all trips	Route 69A and Route 71 cover parts			7.6
Route 91X	Santa Cruz Express	WD	Delete 6:25 AM trip	6:10 AM Route 71 6:20 AM Route 69W	4	17	13.5
Route 91X	Watsonville Express	WD	Delete 6:35 AM trip	6:10 AM Route 71 6:37 AM Route 69W	3	14	10.6
Route 91X	Santa Cruz Express	WE	Delete 7:15 AM trip	7:10 AM Route 71 7:15 AM 69W	8	39	20
New Relief Models	System-wide	WD WE	Initiate new relief models	N/A			
Night Owl Dial-A-Ride	UCSC Late Night Floater	WE (Fri - Sat)	Delete Friday/Saturday Floater (12:45AM through 3:18 AM)	None			8.7

11.02



**Proposed Service Reduction Recommendations**  
**April 09, 2010**

Service Affected	Area	Weekday Weekend	Description of Change	Alternative Trips	Ridership		
					Min	Max	Average
Shift adjustment	System-wide	WD	Increase avg. shift from 8h10m to 8h35m Increase avg. platform time from 7h32m to 7h54m - platform time includes 2 (10 minute) IWC breaks	N/A N/A			
Shift adjustment	System-wide	WE	Increase avg. shift from 8h24m to 8h26m Increase avg. platform time from 7h44m to 7h49m - platform time includes 2 (10 minute) IWC breaks	N/A N/A			

11.a3

**SANTA CRUZ METRO  
SERVICE REDUCTION PROPOSAL  
APRIL 09, 2010  
PUBLIC HEARING LOCATIONS**

<b>Date</b>	<b>Time</b>	<b>Location</b>	<b>City</b>
May 25, 2010	2:00 p.m.	Santa Cruz Metro Center 920 Pacific Avenue	Santa Cruz
May 25, 2010	6:00 p.m.	Santa Cruz Metro Center 920 Pacific Avenue	Santa Cruz
May 26, 2010	3:30 p.m.	Aptos Library 7695 Soquel Drive	Aptos
May 26, 2010	5:00 p.m.	Aptos Library 7695 Soquel Drive	Aptos
May 27, 2010	4:30 p.m.	Marinovich Park Community Center 120 2 <sup>nd</sup> Street	Watsonville
May 27, 2010	6:00 p.m.	Marinovich Park Community Center 120 2 <sup>nd</sup> Street	Watsonville
May 28, 2010	4:30 p.m.	Simpkins Family Swim Center 979 17 <sup>th</sup> Avenue	Santa Cruz
May 28, 2010	6:00 p.m.	Simpkins Family Swim Center 979 17 <sup>th</sup> Avenue	Santa Cruz
June 1, 2010	3:30 p.m.	Watsonville Public Library 275 Main Street, Suite 100	Watsonville
June 1, 2010	5:00 p.m.	Watsonville Public Library 275 Main Street, Suite 100	Watsonville
June 2, 2010	4:30 p.m.	Scotts Valley Community Center 360 Kings Village Road	Scotts Valley
June 2, 2010	6:00 p.m.	Scotts Valley Community Center 360 Kings Village Road	Scotts Valley
June 4, 2010	4:30 p.m.	Boulder Creek Recreation Hall Annex 13333 Middleton Avenue	Boulder Creek
June 4, 2010	6:30 p.m.	Boulder Creek Recreation Hall Annex 13333 Middleton Avenue	Boulder Creek

11.61

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010

**TO:** Board of Directors

**FROM:** Leslie R. White, General Manager

**SUBJECT: CONSIDERATION OF EXTENDING THE ROUTE # 79 TO THE SANTA CRUZ COUNTY FAIR GROUNDS DURING THE 2010 FAIR AT A COST OF \$4,000 TO PROVIDE BOTH FIXED ROUTE AND PARACRUZ SERVICE.**

## I. RECOMMENDED ACTION

**That the Board of Directors deny the request from the Central Coast Center for Independent Living for the provision of transit and paratransit service to the 2010 Santa Cruz County Fair.**

## II. SUMMARY OF ISSUES

- On March 26, 2010 the Board of Directors received a request from the Central Coast Center for Independent Living (CCCIL) for the provision of fixed route and paratransit service to the 2010 Santa Cruz County Fair.
- In past years METRO has sporadically provided service to the Santa Cruz County Fair based on financial support from other agencies. However, the Charter Regulations issued by the Federal Transit Administration in 2008 prohibited METRO from providing services like the Fair Service on the basis of external financing.
- The cost of extending the Route #79 and accompanying ParaCruz service to the 2010 would be approximately \$4,000.
- The METRO Operating Budget does not contain internal funding for service to the Santa Cruz County Fair.
- As METRO is currently considering substantial service cuts, staff recommends that the Board of Directors deny the request from the CCCIL for the provision of service to the 2010 Santa Cruz County Fair.

## III. DISCUSSION

Santa Cruz METRO provided service to the Santa Cruz County Fair for many years when the budget was more stable. After the declines in revenues in 2002 and 2003 METRO was not financially able to support the service to the Santa Cruz County Fair. In order to preserve service, other agencies provided funds to METRO to continue the service on a limited basis. The last year of Fair Service provided under this arrangement was 2007. In 2008, the Federal Transit Administration (FTA) issued Revised Charter Regulations that prohibited transit agencies like

METRO from providing services like the Fair Service using external funds. Therefore, in 2008, METRO did not provide transit service to the Santa Cruz County Fair.

The METRO Operating Budget does not contain funds from internal sources to provide service to the Santa Cruz County Fair. The cost of extending Route # 79 to provide fixed route and paratransit service to the 2010 Santa County Fair would be approximately \$4,000.

Currently, the Board of Directors is considering substantial service cuts due to the weak economy and prior loss of state funds. Therefore, staff recommends that the Board of Directors deny the request from the CCCIL for the provision of fixed route and paratransit service to the 2010 Santa Cruz County Fair.

#### **IV. FINANCIAL CONSIDERATIONS**

The provision of fixed route and paratransit service to the 2010 Santa Cruz County Fair would cost approximately \$4,000 in unbudgeted operating funds.

#### **V. ATTACHMENTS**

None

# SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**DATE:** April 23, 2010

**TO:** Board of Directors

**FROM:** Leslie R. White, General Manager

**SUBJECT: CONSIDERATION OF AUTHORIZING THE CHAIR OF THE BOARD TO TRANSMIT A LETTER TO THE SANTA CRUZ COUNTY TRANSPORTATION COMMISSION SUPPORTING THE ACQUISITION OF THE SANTA CRUZ BRANCH RAIL LINE FROM THE UNION PACIFIC COMPANY.**

## I. RECOMMENDED ACTION

**That the Board of Directors authorize the Chair to transmit a letter to the Santa Cruz County Regional Transportation Commission supporting the acquisition of the Santa Cruz Branch Rail line from the Union Pacific Company.**

## II. SUMMARY OF ISSUES

- The Santa Cruz County Regional Transportation Commission (SCCRTC) has been negotiating with the Union Pacific Company for the acquisition of the Santa Cruz Branch Rail line.
- The negotiations have resulted in a mutually acceptable price, as well as terms and conditions.
- On April 14, 2010 the SCCRTC held a Public Hearing to receive comments regarding the acquisition of the Santa Cruz Branch Rail line.
- On May 6, 2010 the SCCRTC will consider formal approval of the Santa Cruz Branch Rail line acquisition.
- The acquisition of the Santa Cruz Branch Rail line preserves a substantial physical resource as well as preserving transit options that may emerge on a long term basis.
- Staff recommends that the Board of Directors authorize the Chair to transmit a letter to the SCCRTC supporting the acquisition of the Santa Cruz Branch Rail line.

## III. DISCUSSION

The SCCRTC has been involved in negotiations for the acquisition of the Santa Cruz Branch Rail line from the Union Pacific Company for many years. The negotiations have resulted in agreement on both the purchase price and the terms and conditions of acquisition. Currently, funding programmed from Proposition 116 and the State Transportation Improvement Program (STIP) is available and adequate to execute the Purchase Agreements.

The Santa Cruz Branch Rail line is a resource to the community opportunities for a variety of uses. The possibility of a trail and bikeway for the rail right of way has received consideration, as well as the continuation of the rail freight service that has been in place for many years. There is also the possibility of recreational rail service, including the establishment of a dinner train. On a long term basis the acquisition of the Santa Cruz Branch Rail line preserves the possibility of passenger rail service. METRO staff does not believe that passenger rail would be affordable or effective on a near term basis. However, on a long term (15-20 years) basis growth in population or changes in land use patterns could change the effectiveness and financial possibilities of the corridor. The combination of both the availability of state funding and the preservation of future transportation options makes the acquisition of the Santa Cruz Branch Rail line a prudent investment.

On May 6, 2010 the SCCRTC will consider executing a Purchase Agreement with the Union Pacific Company.

Staff recommends that the Board of Directors authorize the Chair to transmit a letter to the SCCRTC supporting the acquisition of the Santa Cruz Branch Rail line.

#### **IV. FINANCIAL CONSIDERATIONS**

The acquisition of the Santa Cruz Branch Rail line will not have a short term financial impact on the METRO Capital or Operating Budget. If, in the future, the Transportation Development Act (TDA) funds that the SCCRTC provides to METRO were used for the rail line, the loss of funds would negatively impact the METRO Operating Budget. If, in the future, the State Transit Assistance (STA) funds that are currently passed through to METRO by the SCCRTC were used for the rail line, the loss of funds would have a negative impact on the METRO Capital and Operating Budgets.

On a long term basis the implementation of publicly supported passenger rail on the corridor could have a financial impact on the Capital and Operating Budgets at METRO.

#### **V. ATTACHMENTS**

None