



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)  
BOARD OF DIRECTORS AGENDA  
REGULAR MEETING  
JANUARY 27, 2023 – 9:00 AM**

**DUE TO COVID-19, THE JANUARY 27, 2023 SANTA CRUZ METRO BOARD OF DIRECTORS MEETING WILL BE CONDUCTED AS A TELECONFERENCE ONLY (NO PHYSICAL LOCATION) PURSUANT TO ASSEMBLY BILL 361 (GOVERNMENT CODE SECTION 54953)**

**MEMBERS OF THE PUBLIC MAY NOT ATTEND THIS MEETING IN PERSON**

The public may participate remotely via the Zoom website [at this link](#) and following the instructions or by calling 1-669-900-6833 Meeting ID 823 2842 5369.

Public comment may be submitted via email to [boardinquiries@scmttd.com](mailto:boardinquiries@scmttd.com). Please indicate in your email the agenda item to which your comment applies. Comments submitted before the meeting will be provided to the Directors before or during the meeting. Comments submitted after the meeting is called to order will be included in the Board's correspondence that is posted online at the Board meeting packet link. Oral public comments will also be accepted during the meeting through Zoom. Should Zoom not be operational, please check online at: [www.scmttd.com](http://www.scmttd.com) for any updates or further instructions.

The Board of Directors Meeting Agenda Packet can be found online at [www.SCMTD.com](http://www.SCMTD.com).

The Board may take action on each item on the agenda. The action may consist of the recommended action, a related action or no action. Staff recommendations are subject to action and/or change by the Board of Directors.

**BOARD ROSTER**

Director Kristen Brown	City of Capitola
Director Rebecca Downing	County of Santa Cruz
Director Jimmy Dutra	City of Watsonville
Director Shebreh Kalantari-Johnson	City of Santa Cruz
Director Manu Koenig	County of Santa Cruz
Director Donna Lind	City of Scotts Valley
Director Bruce McPherson	County of Santa Cruz
Director - Vacant	City of Santa Cruz
Director Larry Pageler	County of Santa Cruz
Director - Vacant	City of Watsonville
Director Mike Rotkin	County of Santa Cruz
Ex-Officio Director Dan Henderson	UC Santa Cruz
Ex-Officio Director Alta Northcutt	Cabrillo College

Michael Tree  
Julie Sherman

METRO CEO/General Manager  
METRO General Counsel

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

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

## **SECTION I: OPEN SESSION**

NOTE: THE BOARD CHAIR MAY TAKE ITEMS OUT OF ORDER

**1 CALL TO ORDER**

**2 SWEAR IN NEW DIRECTORS**

**3 ROLL CALL**

**4 ANNOUNCEMENTS**

4.1 Today's meeting is being broadcast by Community Television of Santa Cruz County.

**5 NOMINATE BOARD OFFICERS AND COMMITTEE ASSIGNMENTS**

Larry Pageler, Board Chair

**6 BOARD OF DIRECTORS COMMENTS**

**7 ORAL AND WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS**

This time is set aside for Directors and members of the general public to address any item not on the Agenda which is within the subject matter jurisdiction of the Board. No action or discussion shall be taken on any item presented except that any Director may respond to statements made or questions asked, or may ask questions for clarification. All matters of an administrative nature will be referred to staff. Speakers appearing at a Board meeting shall be limited to three minutes in his or her presentation. When addressing the Board, the individual may, but is not required to, provide his/her name and address in an audible tone for the record.

7.1 Email From Tianna Calderon Dated 1/14/23 With METRO Response

7.2 Email From Grace Vinyard Dated 1/17/23 With METRO Response

7.3 Email From Akela Traxler Dated 1/17/23 With METRO Response

7.4 Email From Jasmin Fung Dated 1/17/23 With METRO Response

**8 LABOR ORGANIZATION COMMUNICATION**

**9 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS**

## **CONSENT AGENDA**

All items appearing on the Consent Agenda are recommended actions which are considered to be routine and will be acted upon as one motion. All items removed will be considered later in the agenda. The Board Chair will allow public input prior to the approval of the Consent Agenda items.

**10.1 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF DECEMBER 2022**

Chuck Farmer, CFO

- 10.2 ACCEPT AND FILE MINUTES OF:**  
**A. OCTOBER 19, 2022 METRO ADVISORY COMMITTEE MEETING**  
**B. DECEMBER 16, 2022 BOARD OF DIRECTORS MEETING**  
**C. JANUARY 13, 2023 FINANCE, BUDGET AND AUDIT STANDING COMMITTEE**  
**D. JANUARY 13, 2023 PERSONNEL/HUMAN RESOURCES STANDING COMMITTEE**  
Michael Tree, CEO/General Manager
- 10.3 ACCEPT AND FILE: THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF DECEMBER 31, 2022**  
Chuck Farmer, CFO
- 10.4 ACCEPT AND FILE: ACCEPTANCE OF AUDITED FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED JUNE 30, 2022**  
Chuck Farmer, CFO
- 10.5 APPROVE: CONSIDERATION OF DECLARING VEHICLES AND/OR EQUIPMENT AS EXCESS FOR PURPOSES OF DISPOSAL OR AUCTION**  
Chuck Farmer, CFO
- 10.6 APPROVE: CONSIDERATION OF A RESOLUTION MAKING CERTAIN FINDINGS AND DIRECTING THAT THE BOARD AND ITS COMMITTEE MEETINGS WILL CONTINUE TO BE HELD VIA TELECONFERENCE**  
Michael Tree, CEO/General Manager
- 10.7 APPROVE: CONSIDERATION OF A RESOLUTION ADOPTING AN AMENDED RECORDS RETENTION SCHEDULE FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**  
Julie Sherman, General Counsel
- 10.8 APPROVE: AUTHORIZATION TO FUND A SENIOR CUSTOMER SERVICE REPRESENTATIVE**  
Dawn Crummié, HR Director
- 10.9 ACCEPT AND FILE: THE SEMI-ANNUAL REPORT ON THE STATUS OF METRO'S DISADVANTAGED BUSINESS ENTERPRISE PROGRAM**  
Chuck Farmer, DBE Liaison Officer, CFO
- 10.10 APPROVE: CONSIDER ADOPTING A RESOLUTION THAT APPROVES THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT ZERO-EMISSION BUS ROLLOUT PLAN AND AUTHORIZES THE CEO/GENERAL MANAGER TO SUBMIT THE ZEB ROLLOUT PLAN TO THE CALIFORNIA AIR RESOURCES BOARD IN ACCORDANCE WITH THE INNOVATIVE CLEAN TRANSIT REGULATION**  
Wondimu Mengistu, Capital Planning & Grants Program Manager

## REGULAR AGENDA

- 11 **PRESENTATION OF EMPLOYEE LONGEVITY AWARD (25 YEARS):  
MICHAEL MILLER**  
Larry Pageler, Board Chair
- 12 **RETIREE RESOLUTION OF APPRECIATION FOR: CATALINO S. VASQUEZ**  
Larry Pageler, Board Chair
- 13 **APPROVE: YOUTH RIDE FREE PILOT PROGRAM**  
John Urgo, Planning & Development Director
- 14 **METRO ADVISORY COMMITTEE (MAC) SEMI-ANNUAL UPDATE FOR 2022**  
James Von Hendy, MAC Chair
- 15 **CEO ORAL REPORT / COVID-19 UPDATE**  
Michael Tree, CEO/General Manager
- 16 **ANNOUNCEMENT OF NEXT MEETING: FRIDAY, FEBRUARY 24, 2023, AT  
9:00 AM VIA TELECONFERENCE**  
Larry Pageler, Board Chair
- 17 **ADJOURNMENT**  
Larry Pageler, Board Chair

### **Accessibility for Individuals with Disabilities**

This document has been created with accessibility in mind. With the exception of certain 3rd party and other attachments, it passes the Adobe Acrobat XI Accessibility Full Check. If you have any questions about the accessibility of this document, please email your inquiry to [accessibility@scmt.com](mailto:accessibility@scmt.com). Upon request, Santa Cruz METRO will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested at least two days before the meeting. Requests should be emailed to [boardinquiries@scmt.com](mailto:boardinquiries@scmt.com) or submitted by phone to the Executive Assistant at 831.426.6080. Requests made by mail (sent to the Executive Assistant, Santa Cruz METRO, 110 Vernon Street, Santa Cruz, CA 95060) must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

### **Public Comment**

If you wish to address the Board, please follow the directions at the top of the agenda. If you have anything that you wish distributed to the Board and included for the official record, please include it in your email. Comments that require a response may be deferred for staff reply.



**DATE:** January 27, 2023  
**TO:** Board of Directors  
**FROM:** Larry Pageler, Chair  
**SUBJECT: NOMINATE BOARD OFFICERS AND COMMITTEE ASSIGNMENTS**

**I. RECOMMENDED ACTION**

**That the Board of Directors Nominate Directors to the following positions:**

- A. Santa Cruz Metropolitan Transit District (METRO) Board Chair and Vice Chair;**
- B. Vacant Director Positions on various METRO Board Standing Committees;**
- C. Five Director Positions on the Santa Cruz Civic Improvement Corporation (SCCIC) Board; and,**
- D. Representatives and Alternates for the Santa Cruz County Regional Transportation Commission (SCCRTC)**

**II. SUMMARY**

- Article 6 of the Santa Cruz Metropolitan Transit District (METRO) Bylaws provides that the Board of Directors shall annually nominate individuals to the positions of Chair and Vice Chair.
- In 2022, the Board of Directors nominated individuals to stand for election to the Standing Committee positions referenced in this staff report.
- Article III, Section 3.03 of the Santa Cruz Civic Improvement Corporation (SCCIC) Bylaws provides that the Board of Directors shall appoint METRO Directors to the SCCIC Board.
- In order to maintain representation on the Santa Cruz County Regional Transportation Commission (SCCRTC), it is necessary that the Board of Directors elect individuals to the three positions and three alternate positions that are designated for METRO Board Members.
- Elections for the positions referenced in this Staff Report are scheduled to be held at the beginning of the February 24, 2023 Board of Directors meeting.

### **III. DISCUSSION/BACKGROUND**

The terms of the officers and appointees of the Board of Directors in the positions of Chair, Vice Chair and SCCRTC appointees expire in February 2023. Four of the SCCIC Directors' terms are set to expire in February 2023 and one vacancy needs to be filled.

SCCIC is a non-profit public benefit corporation organized under the non-profit benefit corporation law in the State of California to provide financial assistance to METRO by acquiring, constructing and financing various public facilities, land and equipment and the leasing of facilities, land and equipment for use, benefit and enjoyment of the public served by METRO.

Article III, Section 3.03 of the SCCIC Bylaws provides that METRO's Board of Directors shall appoint METRO Directors to the SCCIC Board.

Staff recommends that the METRO Board of Directors appoint METRO Directors to serve on the SCCIC Board. At this time, five appointees are needed due to their terms expiring and a vacancy.

The METRO Bylaws provide that the Board of Directors shall identify nominees to be considered for election to the positions herein referenced.

Staff recommends that the Board of Directors:

Provide slates for CY 2023 to:

- 1) Elect Directors to the positions of Chair and Vice Chair
- 2) Reconfirm or nominate Directors to positions on the current Standing Committees:
  - a. Capital Projects Standing Committee
  - b. Finance, Budget and Audit Standing Committee
  - c. Personnel/Human Resources Standing Committee
- 3) Fill five positions on the SCCIC
- 4) Elect three representatives and three alternates to the SCCRTC.

In accordance with the METRO bylaws, nominations remain open until the positions are filled through election. The election for the referenced positions is scheduled to be held on February 24, 2023.

**IV. STRATEGIC PLAN PRIORITIES ALIGNMENT**

The actions taken in this report tie to METRO's Stewardship and Accountability responsibility.

**V. FINANCIAL CONSIDERATIONS/IMPACT**

Funding support for the positions identified in this Staff Report is contained under Admin in the FY23 and FY24 Final Budget adopted June 24, 2022 and in the FY24 and FY25 budget yet to be finalized.

**VI. CHANGES FROM COMMITTEE**

N/A

**VII. ALTERNATIVES CONSIDERED**

None.

**VIII. ATTACHMENTS**

- Attachment A:** Current METRO Board Officers and Appointees
- Attachment B:** Current SCCIC Board Roster
- Attachment C:** Board Nominated Slate(s) Worksheet

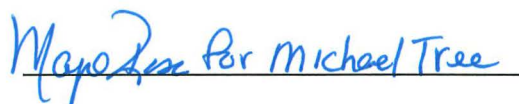
Prepared by: Donna Bauer, Executive Assistant

**IX. APPROVALS**

Approved as to fiscal impact:  
Chuck Farmer, CFO



Michael Tree,  
CEO/General Manager





Attachment A  
**BOARD CHAIR & VICE CHAIR,  
STANDING AND AD HOC  
COMMITTEE APPOINTMENTS**



**2022 Chair, Vice Chair and Standing Committees**

Chair  
LARRY PAGELER

Vice Chair  
JIMMY DUTRA

Capital Projects Standing Committee  
*Committee Established 8/26/16*  
DONNA MEYERS  
BRUCE McPHERSON  
LARRY PAGELER

Finance, Budget and Audit Standing Committee  
(4-5 Board Members, as a ground rule)  
*Committee Established 8/26/16*  
SHEBREH KALANTARI-JOHNSON  
MANU KOENIG  
DONNA LIND  
MIKE ROTKIN

Personnel/Human Resources Standing Committee  
*Committee Established 8/26/16*  
LARRY PAGELER, Current Chair  
JIMMY DUTRA, Current Vice Chair  
DONNA LIND, Immediate Past Chair  
KRISTEN BROWN\*\*\*\*  
REBECCA DOWNING\*

# Attachment A



## 2022 Other Committees

### SCCIC Representatives

MANU KOENIG  
BRUCE McPHERSON  
DONNA MEYERS  
LARRY PAGELER  
ARI PARKER

### SCCRTC Representatives

ARI PARKER  
KRISTEN BROWN\*\*\*\*  
MIKE ROTKIN

### SCCRTC Alternates (in order)

SHEBREH KALANTARI-JOHNSON  
LARRY PAGELER  
DONNA LIND

## 2022 / 2023 Ad Hoc Committees

### CEO Goals and Objectives Ad Hoc Committee

*Committee Established 5/19/17*

DONNA LIND\*\*  
BRUCE McPHERSON\*\*  
MIKE ROTKIN\*\*

### Legislative Ad Hoc Committee

*Committee Established 2/23/18*

ED BOTTORFF  
JOHN LEOPOLD  
CYNTHIA MATHEWS  
BRUCE McPHERSON  
MIKE ROTKIN

### MAC Ad Hoc Committee

*Committee Established 3/24/17*

\*\*\*SHEBREH KALANTARI-JOHNSON  
\*\*\*BRUCE McPHERSON  
\*\*\*LARRY PAGELER  
\*\*\*MIKE ROTKIN

*Ad Hoc Committees and Members are designated by the Board Chair.*

*Ad Hoc Committees are created and disbanded each year as their specific assignments are completed, and then reconstituted as needed.*

2/25/2022 Approved at METRO Board Meeting

\*Appointed by Chair Pageler March 2022

\*\*Remained in Place from 2021 for CEO Recruitment Process

\*\*\*Appointed by Chair Lind September 2021

\*\*\*\*Name Change from Petersen to Brown March 2022

# Attachment B



## SANTA CRUZ CIVIC IMPROVEMENT CORPORATION (SCCIC)

### BOARD OF DIRECTORS 2021 - 2024

	YEAR TERM BEGAN	YEAR TERM ENDS
<b>Bruce McPherson, President</b>	2021	2023
<b>Ari Parker, Vice President*</b>	2022	2023
<b>Manu Koenig, Secretary</b>	2021	2023
<b>Vacant, Treasurer**</b>	2022	2024
<b>Larry Pageler, Director</b>	2021	2023

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Michael Tree, Chief Executive Officer

*Each Director holds office for a term of two (2) years from the date of appointment. The Board of Directors holds an annual meeting for the purpose of organization, selection of Directors and officers, and the transaction of other business. Annual meetings of the Board are held on the fourth Friday of March. The meetings are held in the same venue as the Santa Cruz METRO Board of Directors meeting.*

*\*October 22, 2021: Director Alta Northcutt was appointed by Chair Donna Lind to fill the Vice President seat vacated by the resignation of Director Aurelio Gonzalez in September 2021.*

*February 25, 2022: Director Ari Parker was appointed by Chair Donna Lind to fill the Vice President seat vacated by Director Alta Northcutt who was reappointed as Ex-Officio at Cabrillo College on December 7, 2021.*

*\*\*Director Meyers held this seat through December 2022 when her term expired.*

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# BOARD OFFICERS AND APPOINTMENTS



## Elect Board Chair (2022: Larry Pageler)

Nominee:

Nominated by:

1. Jimmy Dutra

Larry Pageler

2. \_\_\_\_\_

\_\_\_\_\_

3. \_\_\_\_\_

\_\_\_\_\_

4. \_\_\_\_\_

\_\_\_\_\_

*SLATE 1*

*SLATE 2*

*SLATE 3*

*SLATE 4*



# BOARD OFFICERS AND APPOINTMENTS

## Elect Board Vice Chair (2022: Jimmy Dutra)

Nominee:

Nominated by:

*SLATE 1*

1. Shebreh Kalantari-Johnson

Larry Pageler

*SLATE 2*

2. \_\_\_\_\_

\_\_\_\_\_

*SLATE 3*

3. \_\_\_\_\_

\_\_\_\_\_

*SLATE 4*

4. \_\_\_\_\_

\_\_\_\_\_



# BOARD OFFICERS AND APPOINTMENTS

## Reappoint or Nominate 3: Capital Projects Standing Committee

### Members

3 Total Members

2022 Members: Donna Meyers, Bruce McPherson, & Larry Pageler

Nominee:

1. Jimmy Dutra

2. Bruce McPherson

3. Larry Pageler

Nominated by:

Larry Pageler

Larry Pageler

Larry Pageler

*SLATE 1*

Nominee:

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Nominated by:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*SLATE 2*

Nominee:

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Nominated by:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*SLATE 3*

Nominee:

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Nominated by:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*SLATE 4*



# BOARD OFFICERS AND APPOINTMENTS

## Reappoint or Nominate 4 or 5: Finance, Budget and Audit Standing Committee Members

4-5 Total Members

2022 Members: Shebreh Kalantari-Johnson, Manu Koenig, Donna Lind, & Mike Rotkin

Nominee:

1. Shebreh Kalantari-Johnson
2. Manu Koenig
3. Donna Lind
4. Mike Rotkin

Nominated by:

- Larry Pageler  
 Larry Pageler  
 Larry Pageler  
 Larry Pageler

*SLATE 1*

Nominee:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

Nominated by:

- \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

*SLATE 2*

Nominee:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

Nominated by:

- \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

*SLATE 3*

Nominee:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

Nominated by:

- \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

*SLATE 4*





# BOARD OFFICERS AND APPOINTMENTS

## Appoint or Nominate 2: Personnel/Human Resources Standing Committee Members

### Current (2023) Board Chair; Current (2023) Board Vice Chair; Immediate Past (2022)

#### Board Chair, Larry Pageler and 2 Board Members

5 Total Members

Committee Requires Current Board Chair, Current Board Vice Chair and

Immediate Past Board Chair as members PLUS two Directors

2022 Directors: Kristen Brown & Rebecca Downing

*SLATE 1*

Nominee:

Nominated by:

1. Jimmy Dutra, Chair (2023)
2. Shebreh Kalantari-Johnson, Vice Chair (2023)
3. Larry Pageler, Immediate Past Chair (2022)
4. Rebecca Downing
5. Kristen Brown

Larry Pageler

Larry Pageler

Automatic

Larry Pageler

Larry Pageler

*SLATE 2*

Nominee:

Nominated by:

1. Current Board Chair, \_\_\_\_\_(2023)
2. Current Board Vice Chair, \_\_\_\_\_(2023)
3. Larry Pageler, Immediate Past Chair (2022)
4. \_\_\_\_\_
5. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Automatic

\_\_\_\_\_

\_\_\_\_\_

Nominee:

Nominated by:

1. Current Board Chair, \_\_\_\_\_(2023)
2. Current Board Vice Chair, \_\_\_\_\_(2023)
3. Larry Pageler, Immediate Past Chair (2022)
4. \_\_\_\_\_
5. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Automatic

\_\_\_\_\_

\_\_\_\_\_

*SLATE 3*



# BOARD OFFICERS AND APPOINTMENTS

## Nominate 1: SCCIC Representatives

2022: President, Bruce McPherson; Vice President, Ari Parker;  
Secretary, Manu Koenig; Treasurer, Donna Meyers; and Larry Pageler

5 Total Members

Expiring Director: Donna Meyers, Treasurer (term ends Feb. 2024)

Nominee:

1. Bruce McPherson, President
2. Shebreh Kalantari-Johnson, Vice President
3. Manu Koenig, Secretary
4. Larry Pageler, Treasurer
5. Rebecca Downing, Director

Nominated by:  
Larry Pageler  
Term expires 2025

Term expires 2025

Term expires 2025

Term expires 2024

Term expires 2025

*SLATE 1*

Nominee:

1. \_\_\_\_\_, President
2. \_\_\_\_\_, Vice President
3. \_\_\_\_\_, Secretary
4. \_\_\_\_\_, Treasurer
5. \_\_\_\_\_, Director

Nominated by:  
Term expires 2025

Term expires 2025

Term expires 2025

Term expires 2024

Term expires 2025

*SLATE 2*

Nominee:

1. President
2. Vice President
3. Secretary
4. Treasurer
5. Director

Nominated by:  
Term expires 2025

Term expires 2025

Term expires 2025

Term expires 2024

Term expires 2025

*SLATE 3*



# BOARD OFFICERS AND APPOINTMENTS

## Reappoint or Nominate 3: SCCRTC Representatives (2022 Reps: Ari Parker, Kristen Brown & Mike Rotkin)

### 3 Total Representatives

Nominee:

1. Kristen Brown
2. Mike Rotkin
3. Vacant

Nominated by:

- Larry Pageler
- Larry Pageler
- Larry Pageler

*SLATE 1*

Nominee:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Nominated by:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

*SLATE 2*

Nominee:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Nominated by:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

*SLATE 3*

Nominee:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Nominated by:

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

*SLATE 4*



# BOARD OFFICERS AND APPOINTMENTS

## Reappoint or Nominate 3: SCCRTC Alternates (in order)

### 2022 Alternates: Shebreh Kalantari-Johnson, Larry Pageler & Donna Lind

3 Total Representatives

Nominee:

1. Larry Pageler

2. Shebreh Kalantari-Johnson

3. Donna Lind

Nominated by:

Larry Pageler

Larry Pageler

Larry Pageler

*SLATE 1*

Nominee:

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Nominated by:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*SLATE 2*

Nominee:

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Nominated by:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*SLATE 3*

Nominee:

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Nominated by:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*SLATE 4*

# WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

**From:** Cayla Hill <CHill@scmttd.com>  
**Sent:** Thursday, January 19, 2023 8:31 AM  
**To:** 'tecalder@ucsc.edu' <tecalder@ucsc.edu>  
**Cc:** Donna Bauer <DBauer@scmttd.com>; John Urgo <JUrgo@scmttd.com>  
**Subject:** RE: Public comment, overcrowding on UCSC routes

Tianna,

METRO deeply regrets the difficulties that you and other UCSC students are facing with METRO's service. The agency understands that there is a need for more service on the UCSC routes to match increasing demand. However, METRO is unable to add any more UCSC service without taking away service from other service areas where riders also rely on METRO to commute to work, travel to doctor appointments, and buy their groceries.

This fiscal year, METRO is operating roughly 14.5% less service countywide than was operated pre COVID. The reduction in service hours provided to UCSC service is 16.4%. However, the percentage of service allocated to routes serving UCSC is 23.1% of overall service hours, which is only 0.5% less compared to pre-COVID service hours.

METRO is experiencing a severe driver shortage, and while the agency is actively recruiting and trying to attract new drivers, total operator counts only increased by one operator compared to this time last year. METRO has an ongoing recruitment for operators and a new training class several times a year but METRO still continues to have existing drivers retire or resign and the new trainee class sizes have remained relatively low. Due to these issues in attracting and retaining operator talent, METRO will not be able to add any more service this spring. The current scheduled service is the maximum amount of service that can be operated with the current number of Operators. METRO is working diligently to increase our operator counts by aggressively recruiting, offering sign on and employee referral bonuses for operator positions.

Over the next year, METRO will be conducting a Comprehensive Operational Analysis. To understand how to redistribute service across Santa Cruz County to improve service for METRO riders and increase ridership, there will be an analysis of the entire system. The consultant hired for this project will advise METRO on where service should be increased and re-directed. Significant outreach efforts to the entire county will be an essential part of this process in order for METRO to receive feedback from riders and convey any changes in service to the community. The METRO Board of Directors, comprised of elected officials from all over the County, will be responsible for providing input and approving the changes to METRO's service resulting from this analysis.

The next two METRO Board Meetings will be held on Zoom (January 27, and February 24), and METRO invites you and other UCSC students and staff to attend remotely. Please use these meetings as an opportunity to relay your requests directly to the METRO Board of Directors regarding increasing service on UCSC routes. The METRO board will also receive this communication for the upcoming meeting on January 27.

Best regards,

Cayla Hill  
Planning Analyst  
Planning Department, Santa Cruz Metro  
[chill@scmttd.com](mailto:chill@scmttd.com)  
(831) 420-2581

# WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

**From:** Tianna Calderon <[tecalder@ucsc.edu](mailto:tecalder@ucsc.edu)>  
**Sent:** Saturday, January 14, 2023 7:12 PM  
**To:** [boardinquiries@scmtd.com](mailto:boardinquiries@scmtd.com)  
**Subject:** Public comment, overcrowding on UCSC routes

## This Message Is From an External Sender

This message came from outside your organization.

~ Please exercise caution when clicking links or opening attachments. ~

Dear Metro Board of Directors,

I am sending this email to express my frustration with regularly being left behind by full Metro buses on the UCSC routes. The chronic overcrowding on these routes makes it very difficult for students to attend class, commute to work, and buy groceries. I would also like to note its unreliable on weekends when students could be going to the store for groceries or head downtown for activities. Weather also makes large impacts to how students travel. Many students are low-income and do not have any other transportation options; they depend on Metro for essential journeys and Metro has failed them. Metro has disproportionately reduced service to UCSC compared to the rest of the local bus network since 2020, despite the fact that UCSC enrollment has increased each year. Metro has failed to allocate service according to demand and according to the capacity needs of the UCSC community.

Metro needs to increase service on the UCSC routes, starting with improved bus frequency in the busiest areas, such as Mission St. Buses running through campus right after a class period gets out are always extremely crowded, yet Metro does not run any extra service at these times. Metro needs to schedule buses according to the demand at different times of the day and on different days of the week. This is obvious to anyone who rides the bus regularly and should be obvious to the board as well.

Many of the decisions that Metro has made which negatively affect students every day were made in closed-door meetings by Metro staff, without input from the UCSC community. We are feeling underrepresented by the Metro board, and would like meaningful improvements to be made.

Best regards,  
Tianna Calderon

# WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

-----Original Message-----

From: Cayla Hill <CHill@scmttd.com>

Sent: Thursday, January 19, 2023 8:33 AM

To: 'gvinyard@ucsc.edu' <gvinyard@ucsc.edu>

Cc: Donna Bauer <DBauer@scmttd.com>; John Urgo <JUrgo@scmttd.com>

Subject: RE: Public comment, overcrowding on UCSC routes

Grace,

METRO deeply regrets the difficulties that you and other UCSC students are facing with METRO's service. The agency understands that there is a need for more service on the UCSC routes to match increasing demand. However, METRO is unable to add any more UCSC service without taking away service from other service areas where riders also rely on METRO to commute to work, travel to doctor appointments, and buy their groceries.

This fiscal year, METRO is operating roughly 14.5% less service countywide than was operated pre COVID. The reduction in service hours provided to UCSC service is 16.4%. However, the percentage of service allocated to routes serving UCSC is 23.1% of overall service hours, which is only 0.5% less compared to pre-COVID service hours.

METRO is experiencing a severe driver shortage, and while the agency is actively recruiting and trying to attract new drivers, total operator counts only increased by one operator compared to this time last year. METRO has an ongoing recruitment for operators, a new training class several times a year but METRO still continues to have existing drivers retire or resign, and the new trainee class sizes have remained relatively low. Due to these issues in attracting and retaining operator talent, METRO will not be able to add any more service this spring. The current scheduled service is the maximum amount of service that can be operated with the current number of Operators. METRO is working diligently to increase our operator counts by aggressively recruiting, offering sign on and employee referral bonuses for operator positions.

Over the next year, METRO will be conducting a Comprehensive Operational Analysis. To understand how to redistribute service across Santa Cruz County to improve service for METRO riders and increase ridership, there will be an analysis of the entire system. The consultant hired for this project will advise METRO on where service should be increased and re-directed. Significant outreach efforts to the entire county will be an essential part of this process in order for METRO to receive feedback from riders and convey any changes in service to the community. The METRO Board of Directors, comprised of elected officials from all over the County, will be responsible for providing input and approving the changes to METRO's service resulting from this analysis.

The next two METRO Board Meetings will be held on Zoom (January 27, and February 24), and METRO invites you and other UCSC students and staff to attend remotely. Please use these meetings as an opportunity to relay your requests directly to the

# WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

METRO Board of Directors regarding increasing service on UCSC routes. The METRO board will also receive this communication for the upcoming meeting on January 27.

Best regards,

Cayla Hill  
Planning Analyst  
Planning Department, Santa Cruz Metro  
[chill@scmttd.com](mailto:chill@scmttd.com)  
(831) 420-2581

-----Original Message-----

From: Grace Vinyard <[gvinyard@ucsc.edu](mailto:gvinyard@ucsc.edu)>  
Sent: Tuesday, January 17, 2023 2:38 PM  
To: [boardinquiries@scmttd.com](mailto:boardinquiries@scmttd.com)  
Subject: Public comment, overcrowding on UCSC routes

Dear Metro Board of Directors,

I am sending this email to express my frustration with regularly being left behind by full Metro buses on the UCSC routes. The chronic overcrowding on these routes makes it very difficult for students to attend class, commute to work, and buy groceries. Many students are low-income and do not have any other transportation options; they depend on Metro for essential journeys and Metro has failed them. Metro has disproportionately reduced service to UCSC compared to the rest of the local bus network since 2020, despite the fact that UCSC enrollment has increased each year. Metro has failed to allocate service according to demand and according to the capacity needs of the UCSC community.

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Best regards,  
Grace Vinyard

Sent from my iPhone



# WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

Akela,

METRO deeply regrets the difficulties that you and other UCSC students are facing with METRO's service. The agency understands that there is a need for more service on the UCSC routes to match increasing demand. However, METRO is unable to add any more UCSC service without taking away service from other service areas where riders also rely on METRO to commute to work, travel to doctor appointments, and buy their groceries.

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Best regards,

Cayla Hill  
Planning Analyst  
Planning Department, Santa Cruz Metro  
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Best regards,

# WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS

Jasmin,

METRO deeply regrets the difficulties that you and other UCSC students are facing with METRO's service. The agency understands that there is a need for more service on the UCSC routes to match increasing demand. However, METRO is unable to add any more UCSC service without taking away service from other service areas where riders also rely on METRO to commute to work, travel to doctor appointments, and buy their groceries.

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Best regards,

Cayla Hill  
Planning Analyst  
Planning Department, Santa Cruz Metro  
[chill@scmtd.com](mailto:chill@scmtd.com)  
(831) 420-2581

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Best regards,  
Jasmin Fung

--

**Jasmin Fung**

Student, College 10

Second Year

Proposed Sociology Major

University of California Santa Cruz

(323)346-5051



[Jlfung@ucsc.edu](mailto:Jlfung@ucsc.edu)



**DATE:** January 27, 2023  
**TO:** Board of Directors  
**FROM:** Chuck Farmer, CFO  
**SUBJECT: ACCEPT AND FILE PRELIMINARY APPROVED CHECK JOURNAL  
DETAIL FOR THE MONTH OF DECEMBER 2022**

**I. RECOMMENDED ACTION**

**That the Board of Directors accept and file the preliminary approved Check Journal Detail for the month of December 2022**

**II. SUMMARY**

- This staff report provides the Board of Directors (Board) with a preliminary approved Check Journal Detail for the month of December 2022.
- The Finance Department is submitting the check journals for Board acceptance and filing.

**III. DISCUSSION/BACKGROUND**

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

All invoices submitted for the month of December 2022 have been processed, the checks have been issued and signed by the Deputy Finance Director.

**IV. STRATEGIC PLAN PRIORITIES ALIGNMENT**

This report aligns to METRO's Financial Stability, Stewardship & Accountability strategic plan.

**V. FINANCIAL CONSIDERATIONS/IMPACT**

The check journal present the invoices paid in December 2022 for Board review, agency disclosure and transparency.

**VI. CHANGES FROM COMMITTEE**

N/A.

**VII. ALTERNATIVES CONSIDERED**

None.

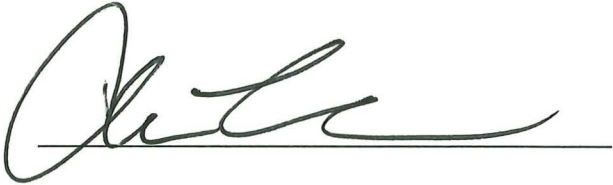
**VIII. ATTACHMENTS**

**Attachment A:** Check Journal Detail for the Month of December 2022

Prepared by: Holly Alcorn, Accounting Specialist

**IX. APPROVALS**

Chuck Farmer, CFO



Michael Tree CEO/General Manager



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DATE: 12/01/22 THRU 12/31/22

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
78039	12/06/22	-83.21	WOODBRIDGE, ELIZABETH		9005448	MEDICAL SUPPLEMENTAL	-83.21	**VOID
81057	12/19/22	-5,695.18	AT&T		117562	9/19-10/18 MAIN ACCT	-5,527.22	**VOID
					117563	9/19-10/18 OPS ELEV	-167.96	
					9007198	MEDICAL SUPPLEMENTAL	-103.66	**VOID
81528	12/22/22	-103.66	VAN DE VEER, JOHN		118196	INVENTORY ORDER	530.52	
81546	12/05/22	530.52	ABC BUS INC		118198	VEH# 1001 TOW	1,280.13	
81547	12/05/22	1,280.13	ACTION TOWING & ROAD SVC CORP		118184	QUARTERLY PM PRC	209.70	
81548	12/05/22	280.00	AIRTEC SERVICE INC.		118197	BELT TENSION TESTER	589.20	
81549	12/05/22	209.70	AMAZON CAPITAL SERVICES, INC.		118125	10/1-10/31 PT-PT2	929.56	
81550	12/05/22	3,384.28	AT&T		118126	10/10-11/09 DIST INT	1,865.52	
					118127	10/13-11/12 PT-PT 1	241.25	
					118188	DOOR RPR SVT	71,768.02	
81551	12/05/22	241.25	AUTOMATIC DOOR SYSTEMS, INC.		118265	MONTHLY FEE NOV 22	45.00	
81552	12/05/22	71,768.02	AVAAP USA LLC		118250	12/22-3/23 ELEV VER	27.49	
81553	12/05/22	45.00	BALCO HOLDINGS, INC.		118139	PARTS FOR SBF	91.03	
81554	12/05/22	296.36	BFS GROUP LLC		118170	REPLACE LOCK PARTS	29.79	
					118174	BRACKETS WTC	14.74	
					118175	DOOR SWEEP WTC	17.53	
					118176	CAULKING WTC	115.78	
					118177	SMOKE ALARMS MMF	1,570.80	
					118206	SOAP DISPENSER	13,271.59	
					118129	11/4 LNG CHARGES	13,299.37	
81555	12/05/22	1,570.80	CALIFORNIA JANITORIAL SUPPLY		118130	11/8 LNG CHARGES	12,016.53	
81556	12/05/22	51,595.26	CLEAN ENERGY		118149	11/11 LNG CHARGES	12,815.77	
					118150	11/15 LNG CHARGES	192.00	
					118231	11/15 SVC CALL SBF	1,403.21	
					118181	INVENTORY ORDER	681.37	
81557	12/05/22	1,403.21	CREATIVE BUS SALES, INC.		118215	11/15-11/17 CALPELIRA	4,436.92	
81558	12/05/22	681.37	CRUMMIE, DAWN		118151	INVENTORY ORDER	253.88	
81559	12/05/22	4,856.68	CUMMINS, INC		118152	VEH# 0122 PARTS	16.81	
					118153	VEH# 2809 PARTS	149.07	
					118154	VEH# 2809 PARTS	150.00	
81560	12/05/22	1,200.00	DOCTORS ON DUTY MEDICAL		118236	DOT/DWV PHYSICAL OPS	150.00	
					118237	DOT/DWV PHYSICAL OPS	150.00	
					118238	DOT/DWV PHYSICAL OPS	150.00	
					118239	DOT/DWV PHYSICAL OPS	150.00	
					118240	DOT/DWV PHYSICAL OPS	150.00	
					118241	DOT/DWV PHYSICAL OPS	150.00	
					118242	DOT/DWV PHYSICAL OPS	150.00	
					118243	DOT/DWV PHYSICAL OPS	150.00	
81561	12/05/22	9,864.58	EAST BAY TIRE CO.		118131	REVENUE TIRES	1,232.64	
					118146	REVENUE TIRES	724.99	
					118147	REVENUE TIRES	1,257.92	
					118155	REVENUE TIRES	717.42	
					118156	REVENUE TIRES	2,515.84	
					118157	REV/NON REV TIRES	72.11	

DATE: 12/01/22 THRU 12/31/22

CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
81562	12/05/22	EMPLOYNET, INC	6,544.85	EMPLOYNET, INC			REVENUE TIRES	650.90	
							REVENUE TIRES	1,434.84	
							REVENUE TIRES	1,257.92	
							TEMP W/E 11/13	897.60	
							TEMP W/E 11/20	1,120.00	
							TEMP W/E 10/23	784.00	
							TEMPS W/E 11/20	2,441.25	
							TEMP W/E 10/16	1,302.00	
81563	12/05/22		186.79	FERGUSON ENTERPRISES INC. #795			TOILET REPAIR SMC	186.79	VOIDED
81563	12/06/22		-186.79	FERGUSON ENTERPRISES INC. #795			TOILET REPAIR SMC	-186.79	**VOID
81564	12/05/22		1,125.00	GALLAGHER BENEFIT SERVICES, INC			CLASS&COMP 3 CLASSES	1,125.00	
81565	12/05/22		5,452.12	GILLIG LLC			VEH# 9827 PARTS	57.27	
							VEH# 4209 PARTS	33.19	
							INVENTORY ORDER	13.99	
							INVENTORY ORDER	485.06	
							INVENTORY ORDER	4,728.95	
							T HANDLE LATCH REL	133.66	
							FLEET OFFICE SAFE	98.51	
							VALVES FACILITIES	25.45	
							NON INVENTORY ORDER	21.85	
							NON INVENTORY ORDER	71.69	
							NON INVENTORY ORDER	41.88	
							NON INVENTORY ORDER	36.71	
							JANITOR CART MMF	274.95	
81567	12/05/22		14,699.63	HARTFORD LIFE AND ACCIDENT INS			NOV 22 LTD	10,958.67	
							NOV 22 LIFE AD&D	3,740.96	
81568	12/05/22		1,114.16	IO, RODNEY H			VEH# 805 REPAIRS	1,114.16	
81569	12/05/22		109.09	JASPER WELLS LLC			INVENTORY ORDER	109.09	
81570	12/05/22		5,295.86	JOHNSON CONTROLS INC			11/22-7/23CANCEL FEE	5,295.86	
81571	12/05/22		644.38	KELLEY'S SERVICE INC.			VEH# 501 PARTS	108.60	
							INVENTORY ORDER	156.45	
							VEH# PC 1706 PARTS	35.65	
							INVENTORY ORDER	180.69	
							VEH# 1720 PARTS	162.99	
							VEH# 1002 TOW	504.00	
81572	12/05/22		504.00	KJRB, INC.			11/15 DIESEL FUEL	22,214.86	
81573	12/05/22		22,214.86	MANSFIELD OIL CO OF GAINSVILLE			1941 EV CHARGE 10/22	9,759.75	
81574	12/05/22		9,759.75	MARK THOMAS & COMPANY, INC			STORMWATER TEST OPS	769.00	
81575	12/05/22		1,538.00	MCCAMPBELL ANALYTICAL, INC.			STORM WATER TEST MMF	769.00	
							INVENTORY ORDER	2,177.68	
81576	12/05/22		2,177.68	MID VALLEY SUPPLY INC.			TOWELS,MOPS,MATS MMF	41.75	
81577	12/05/22		1,418.84	MISSION UNIFORM			LAUNDRY/CUSTODIAL	26.02	
							VMU/VSW UNIFORM SUPP	336.96	
							FUEL STATION TOWELS	156.00	
							VMU/VSW INIFORM SUPP	336.96	
							FUEL STATION TOWELS	156.00	

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81578	12/05/22	900.00 003542		NATALIE NIEMAN		118246	VMU/VSW UNIFORM SUPP	338.15	
81579	12/05/22	98.30 003156		OCEAN HONDA		118264	UNIFORM REPAIR	27.00	
81580	12/05/22	3,177.77 023		PACIFIC TRUCK PARTS, INC.		118234	HOLIDAY PROMOTIONS	900.00	
						118148	VEH# 502 PARTS	98.30	
						118137	INVENTORY ORDER	1,642.95	
						118138	INVENTORY ORDER	164.46	
						118180	VEH# 9827 PARTS	1,370.36	
81581	12/05/22	225.50 481		PIED PIPER EXTERMINATORS, INC.		118165	NOV 22 PEST SMC TAQ	40.00	
						118166	NOV 22 PEST SMC MKT	55.50	
						118167	NOV22 PEST SMC TRANS	65.00	
						118168	NOV 22 PEST VERNON	65.00	
81582	12/05/22	535.17 003443		PROTERRA OPERATING COMPANY, INC		118207	INVENTORY ORDER	236.18	
						118208	INVENTORY ORDER	298.99	
81583	12/05/22	267.66 215		RICOH USA, INC. TX		118221	12/3/21-1/2/23 CS	267.66	
81584	12/05/22	1,365.63 003154		ROMAINE ELECTRIC CORP		118179	INVENTORY ORDER	1,365.63	
81585	12/05/22	696.93 E1082		ROSS, MARGO		118214	11/15-11/17 CTA CONF	696.93	
81586	12/05/22	188.13 135		SANTA CRUZ AUTO PARTS, INC.		118178	INVENTORY ORDER	48.89	
						118199	VEH# PC 1703	167.52	
						118232	CREDIT 14508-456734	-6.43	
						118233	CREDIT 14508-455810	-21.85	
81587	12/05/22	9,272.22 079		SANTA CRUZ MUNICIPAL UTILITIES		118252	10/6-11/4 SMC	57.13	
						118254	10/6-11/4 OPS	364.77	
						118255	10/6-11/4 MMF IRRIG	34.80	
						118256	10/6-11/4 SMC	2,536.31	
						118257	10/6-11/4 SMC	149.74	
						118258	10/6-11/4 VERNON	376.93	
						118259	10/6-11/4 SBF	3,136.88	
						118260	10/6-11/4 BUS STOPS	1,050.60	
						118261	10/6-11/4 MMF	1,565.06	
81588	12/05/22	260.00 001292		SANTA CRUZ RECORDS MNGMT INC		118173	11/9 SHREDDING MULTI	260.00	
81589	12/05/22	3,341.25 001307		SANTA CRUZ STAFFING, LLC		118123	TEMP W/E 11/20	1,788.75	
						118124	TEMP W/E 11/13	1,485.00	
						118202	TEMP W/E 11/27	67.50	
81590	12/05/22	4,400.81 681		SCOTTS BODY SHOP CORP	7	118223	VEH# 7022 BODY RPRS	4,400.81	
81591	12/05/22	235.20 003292		SLINGSHOT CONNECTIONS LLC		118201	TEMP W/E 11/20	235.20	
81592	12/05/22	401.53 003621		SPORTWORKS GLOBAL LLC		118195	INVENTORY ORDER	401.53	
81593	12/05/22	2,219.39 647		SPX CORPORATION		118161	INVENTORY ORDER	2,219.39	
81594	12/05/22	6,725.07 003285		THE AFTERMARKET PARTS CO LLC		118135	INVENTORY ORDER	27.27	
						118136	VEH# 2333 PARTS	151.39	
						118142	INVENTORY ORDER	888.20	
						118143	INVENTORY ORDER	2,735.32	
						118144	INVENTORY ORDER	301.40	
						118222	VEH# 9816 PARTS	2,621.49	
81595	12/05/22	572.68 043		TROWBRIDGE ENTERPRISES		118140	OFFICE SUPPLIES HR	74.99	
						118141	OP TRAINING SUPPL	309.46	
						118247	OFFICE SUPPLIES	70.97	

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81596	12/05/22	160.22 007	UNITED PARCEL SERVICE			118248	OFFICE SUPPLIES	81.94	
						118249	OFFICE SUPPLIES	35.32	
						118211	FREIGHT	126.04	
						118229	FREIGHT	34.18	
81597	12/05/22	1,904.47 E1063	URGO, JOHN			118213	10/9-10/12 APTA CONF	1,904.47	
81598	12/05/22	904.08 002829	VALLEY POWER SYSTEMS, INC.			118185	INVENTORY ORDER	38.11	
						118186	INVENTORY ORDER	1,007.92	
						118187	INVENTORY ORDER	28.75	
						118244	CREDIT INV# K96666-1	-170.70	
81599	12/06/22	23,627.38 003366	KEY GOVERNMENT FINANCE INC			118300	NOV 22 LEASE PAYMENT	23,627.38	
81600	12/12/22	1,132.92 003151	ABC BUS INC			118326	INVENTORY ORDER	479.06	
						118336	INVENTORY ORDER	653.86	
81601	12/12/22	882.00 382	AIRTEC SERVICE INC.			118353	QUARTERLY PM SVC VER	882.00	
81602	12/12/22	1,653.52 003596	AMAZON CAPITAL SERVICES, INC.			118324	APPL/EXTENSION CORDS	34.10	
						118331	INVENTORY ORDER	43.36	
						118337	OFFICE SUPPLIES CS	142.39	
						118375	ETHERNET COUPLERS	8.72	
						118376	SHOP TOOL GEARWENCH	30.68	
						118377	SUPPL HOLIDAY PARADE	793.19	
						118378	MICRO USB CABLES	17.59	
						118379	COFFEE ADMIN	107.75	
						118380	OFFICE SUPPLIES CS	47.39	
						118381	STAMPS OPERATIONS	91.05	
						118382	VEH# 7122/7222 SUPPL	70.99	
						118383	VEH# 4206 PARTS	196.62	
						118384	OFFICE SUPPL FLEET	69.69	
81603	12/12/22	6,655.13 001D	AT&T			118332	10/19-11/18MAIN ACCT	5,473.84	
						118333	10/19-11/18 OPS ELEV	165.80	
						118334	10/19-11/18 OCEAN/LP	848.41	
						118335	10/19-11/18DAVENPORT	167.08	
						118318	SERVICE CALL SVT	308.75	
81604	12/12/22	308.75 247	AUTOMATIC DOOR SYSTEMS, INC.			118343	VEH# 4206 PARTS	2,206.99	
81605	12/12/22	2,206.99 003650	BAE SYSTEMS CONTROLS, INC.			118288	BUS STOP 1826 REPAIR	51.11	
81606	12/12/22	185.39 107A	BFS GROUP LLC			118289	BUS STOP 1799 REPAIR	90.43	
						118290	DRILL BIT SET SMC	32.76	
						118291	TITEBOND SMC	5.40	
						118292	PARTS SMC	5.69	
81607	12/12/22	1,485.51 003393	BRASS KEY LOCKSMITH INC			118305	REPLACE LOCK SVC	1,485.51	
81608	12/12/22	1,220.00 002931	CALACT			118387	2023 MEMBERSHIP	1,220.00	
81609	12/12/22	3,294.98 001159	CATTO'S GRAPHICS, INC.			118368	HOLIDAY SHIRTS	3,294.98	
81610	12/12/22	2,940.24 002627	CDW GOVERNMENT, INC.			118385	ADOBE ANNUAL LICENSE	2,940.24	
81611	12/12/22	228.24 667	CITY OF SCOTT'S VALLEY			118372	9/16-11/15 SVT	228.24	
81612	12/12/22	1,872.41 130	CITY OF WATSONVILLE UTILITIES			118396	11/23 WTC	101.91	
						118397	11/22 WTC	101.82	
						118398	11/22 WTC	431.65	
						118399	11/23 WTC	1,196.84	

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81613	12/12/22	CLEAN ENERGY	36,167.00	CLEAN ENERGY		118400	11/23 WTC	40.19	
						118325	11/18 LNG CHARGES	11,665.52	
						118344	11/22 LNG CHARGES	12,745.06	
						118345	11/29 LNG CHARGES	11,756.42	
81614	12/12/22	COAST PAPER & SUPPLY INC.	1,144.39	COAST PAPER & SUPPLY INC.		118306	INVENTORY ORDER	1,144.39	
81615	12/12/22	COASTAL LANDSCAPING INC.	2,890.00	COASTAL LANDSCAPING INC.		118340	DEC 22 LANDSCAPING	2,890.00	
81616	12/12/22	COMCAST HOLDINGS CORPORATION	3,964.00	COMCAST HOLDINGS CORPORATION		118363	10/31-11/27 TV ADS	3,964.00	
81617	12/12/22	COMMUNITY PRINTERS, INC.	1,937.48	COMMUNITY PRINTERS, INC.		118364	WINTER SVC CAR CARDS	1,407.89	
						118367	CARDS/ENVELOPES	529.59	
81618	12/12/22	COMPLETE COACH WORKS INC	330.97	COMPLETE COACH WORKS INC		118323	VEH# 2333 PARTS	330.97	
81619	12/12/22	CREATIVE BUS SALES, INC.	122.40	CREATIVE BUS SALES, INC.		118354	VEH# PC 1705 PARTS	122.40	
81620	12/12/22	CUMMINS, INC	4,475.84	CUMMINS, INC		118276	VEH# 1611 PARTS	22.78	
						118277	INVENTORY ORDER	4,371.66	
						118282	VEH# 1611 PARTS	177.53	
						118283	CREDIT Y3-44822	-747.56	
						118284	INVENTORY ORDER	621.93	
						118346	INVENTORY ORDER	29.50	
81621	12/12/22	DEPT OF INDUSTRIAL RELATIONS-SIP	33,828.74	DEPT OF INDUSTRIAL RELATIONS-SIP		118308	7/1-6/23 WC ASSESS	33,828.74	
81622	12/12/22	DOCTORS ON DUTY MEDICAL	1,218.50	DOCTORS ON DUTY MEDICAL		118371	PRE EMP/PHYSICALS HR	1,068.50	
						118373	DMV PHYSICAL PRC	150.00	
81623	12/12/22	EAST BAY TIRE CO.	5,415.80	EAST BAY TIRE CO.		118347	REVENUE TIRES	2,515.84	
						118348	REVENUE TIRES	2,899.96	
81624	12/12/22	EMPLOYNET, INC	8,562.32	EMPLOYNET, INC		118266	TEMP W/E 11/20	1,260.00	
						118285	TEMP W/E 11/27	756.00	
						118339	TEMP W/E 11/27	1,463.44	
						118369	TEMP W/E 11/27	896.00	
						118411	TEMP W/E 10/23&10/30	4,186.88	
81625	12/12/22	EXPRESS SERVICES INC.	1,040.00	EXPRESS SERVICES INC.		118279	TEMP W/E 10/30	1,040.00	
81626	12/12/22	FASTENAL COMPANY INC	682.87	FASTENAL COMPANY INC		118293	INV/NON INV ORDER	528.73	
						118310	NON INVENTORY ORDER	154.14	
81627	12/12/22	FEDEX OFFICE	450.03	FEDEX OFFICE		118407	WINTER SVC NOTICES	450.03	
81628	12/12/22	FERGUSON US HOLDINGS, INC.	186.79	FERGUSON US HOLDINGS, INC.		118404	REPAIR SMC	186.79	
81629	12/12/22	GARDA CL WEST, INC.	10,420.86	GARDA CL WEST, INC.		118294	DEC 22 VAULT SVC	9,915.26	
						118406	DEC 22 SERVICES	505.60	
81630	12/12/22	GILLIG LLC	5,473.76	GILLIG LLC		118295	INVENTORY ORDER	4,606.99	
						118301	VEH# 1903 PARTS	866.77	
81631	12/12/22	GLAGOLA, DANIELLE	373.38	GLAGOLA, DANIELLE		118403	HOLIDAY PARADE SUPPL	373.38	
81632	12/12/22	GRAINGER	399.12	GRAINGER		118307	LITE KIT SMC	217.56	
						118312	INVENTORY ORDER	181.56	
81633	12/12/22	HILL, CAYLA	58.96	HILL, CAYLA		118402	CABLE TIES	58.96	
81634	12/12/22	HUNT & SONS, INC.	11,555.85	HUNT & SONS, INC.		118304	INVENTORY ORDER	11,555.85	
81635	12/12/22	IC, RODNEY H	1,019.65	IC, RODNEY H		118297	VEH# 708 REPAIRS	528.35	
						118317	VEH# 603 LABOR	491.30	
81636	12/12/22	KELLEY'S SERVICE INC.	38.11	KELLEY'S SERVICE INC.		118303	VEH# 801 PARTS	38.11	
81637	12/12/22	KJRB, INC.	504.00	KJRB, INC.		118342	VEH# 1210 TOW	504.00	
81638	12/12/22	LAW OFFICES OF MARIE F. SANG	153.00	LAW OFFICES OF MARIE F. SANG		118322	CL# 22000654	153.00	

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81639	12/12/22	26.41 003607	26.41	LIGHTNING PRESS		118361	DOOR SIGN OPS	26.41	
81640	12/12/22	11,105.59 003362	11,105.59	LUMINATOR TECH GROUP GLOBAL,		118313	INVENTORY ORDER	98.29	
						118314	INVENTORY ORDER	47.34	
						118408	MSET SOFTWARE	10,959.96	
81641	12/12/22	15,147.05 003017	15,147.05	MANSFIELD OIL CO OF GAINSVILLE		118349	11/29 DIESEL FUEL	15,147.05	
81642	12/12/22	26,484.61 003391	26,484.61	MARK THOMAS & COMPANY, INC		118370	1901 TOI PC FAC	87.00	
						118409	SOQUEL FEASIBILITY	11,547.64	
						118410	SOQUEL FEASIBILITY	14,849.97	
81643	12/12/22	398.25 003249	398.25	MAXIMUM OIL SERVICE LLC		118298	HAZARD WASTE DISP	398.25	
81644	12/12/22	5,920.10 003361	5,920.10	MILLER MAXFIELD INC		118362	RECRUITMENT/ADV	970.10	
81645	12/12/22	635.68 041	635.68	MISSION UNIFORM		118366	WINTER 22 HEADWAYS	4,950.00	
						118388	TOWELS AND MATS PRC	10.50	
						118389	TOWELS AND MATS PRC	10.50	
						118390	LAUNDRY/CUSTODIAL	26.02	
						118391	TOWELS & MATS PRC	10.50	
						118392	VNU/VSW UNIFORM SUPP	396.14	
						118394	FUEL ST TOWELS	156.00	
						118405	LAUNDRY/CUSTODIAL	26.02	
						118338	10/26-11/25 TVM COMM	66.75	
						118321	CLP FEE	85.00	
						118327	JOB TITLE PLATE	27.31	
						118299	VEH# 714 REPAIRS	2,532.38	
						118356	10/13-11/13 PARACRUZ	1,166.26	
						118357	10/24-11/21 SBF ELEC	2,497.98	
						118358	10/25-11/22 SBF GAS	349.83	
						118359	10/24-11/21 MMF	7,754.04	
						118360	10/24-11/21 VERNON	5,944.88	
						118302	INVENTORY ORDER	1,124.54	
						118316	BUSINESS CARDS CL	75.38	
						118386	12/1-12/31 LEASE OPS	161.13	
						118272	VEH# PC 1715	23.51	
						118273	INVENTORY ORDER	141.06	
						118351	INV/NON INV ORDER	62.55	
						118352	CREDIT 14508-457613	-4.05	
						118274	TEMP W/E 11/27	310.00	
						118275	TEMP W/E 10/16	1,241.74	
						118393	DEC 22 ELEVATOR INSP	725.69	
						118320	CLP FEE	85.00	
						118267	TEMP W/E 11/20	314.21	
						118365	TEMP W/E 11/27	470.40	
						118401	TEMP W/E 11/27	119.07	
						118296	SHOP TOOL	33.52	
						118319	REIMB CLP FEE	85.00	
						118311	INVENTORY ORDER	801.08	
						118315	INVENTORY ORDER	738.91	
						118395	DEC 22 SERVICES	10,000.00	

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81663	12/12/22		614	432.83	TRSSCO TECHNOLOGIES, INC.		118328	INVENTORY ORDER	432.83	
81664	12/12/22		003285	6,462.48	THE AFTERMARKET PARTS CO LLC		118278	INVENTORY ORDER	665.50	
							118280	VEH# 2333 PARTS	14.61	
							118281	INVENTORY ORDER	783.49	
							118286	VEH# 1304 PARTS	2,164.31	
							118287	INVENTORY ORDER	1,383.54	
							118350	VEH# 1201 PARTS	1,451.03	
81665	12/12/22		003189	7,500.00	THE BUS COALITION INC		118341	2023 MEMBERSHIP DUES	7,500.00	
81666	12/12/22		043	676.40	TROWBRIDGE ENTERPRISES		118268	TRAINING SUPPLIES	47.91	
							118329	CALENDAR PRC	32.19	
							118330	COPY PAPER	209.60	
							118355	2023 CALENDARS	418.96	
							118374	CREDIT WALL PLANNER	-32.26	
81667	12/12/22		002829	5,309.29	VALLEY POWER SYSTEMS, INC.		118269	INVENTORY ORDER	417.47	
							118270	INVENTORY ORDER	11.67	
							118271	INVENTORY ORDER	4,880.15	
81668	12/12/22		003643	3,242.22	VITAL SOLUTIONS, LLC		118309	CLEANING PRODUCTS	3,242.22	
81669	12/09/22		M328	83.21	WOODBRIDGE, ELIZABETH		118412	MEDICAL SUPPLEMENTAL	83.21	
81670	12/19/22		001122	1,082.85	4IMPRINT, INC.		118494	PROMOTIONAL ITEMS	1,082.85	
81671	12/19/22		003523	10,829.43	ACCO-WILSON, INC		118516	REPLACE BACKFLOW VER	9,877.00	VOIDED
81671	12/22/22		003523	-10,829.43	ACCO-WILSON, INC		118517	BACKFLOW RPR MMF	952.43	
81672	12/19/22		382	416.00	AIRTEC SERVICE INC.		118518	BACKFLOW RPR MMF	-952.43	**VOID
81673	12/19/22		003596	1,068.28	AMAZON CAPITAL SERVICES, INC.		118414	Q PREV MAINT WTC	416.00	
							118415	OFFICE SUPPLIES	29.32	
							118415	OFFICE SUPPLIES	52.04	
							118416	FABRIC STEAMER	65.54	
							118462	HDMI CABLE CONF ROOM	16.79	
							118463	RFR FUEL ST PRINTER	64.66	
							118495	REORG TRAINING ROOM	839.93	
81674	12/19/22		002861	33.26	AMERICAN MESSAGING SVCS, LLC		118512	DEC 22 PAGERS	33.26	
81675	12/19/22		001D	1,518.76	AT&T		118486	11/10-12/9 DIST INT	929.56	
81676	12/19/22		107A	339.86	BFS GROUP LLC		118504	11/1-11/30 PT TO PT2	589.20	
							118444	WHITE TARP WTC	31.56	
							118445	HEATER SMC	84.55	
							118451	EXIT LIGHT SMC	72.09	
							118452	BRUSHES SMC	16.01	
							118453	DOOR STOP OPS	14.74	
							118454	HEATER WTC	84.55	
							118455	DRAIN, SILICONE WTC	36.36	
81677	12/19/22		616	8,875.00	BROWN ARMSTRONG ACCOUNTANCY		118487	2022 AUDIT	8,875.00	
81678	12/19/22		694	20,000.00	CALIFORNIA TRANSIT ASSOC.		1/23-1/24 MEMBERSHIP	20,000.00		
81679	12/19/22		001324	5,250.00	CAPITALEDDGE ADVOCACY, INC.		DEC 22 LEGISLATE SVC	5,250.00		
81680	12/19/22		003320	22,620.93	CENTER FOR TRANSPORTATION AND		2023 MEMBERSHIP DUES	5,000.00		
81681	12/19/22		001124	38,875.73	CLEAN ENERGY		1937 SC BATTERY ELEC	17,620.93		
							118423	11/25 LNG CHARGES	7,899.06	

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81682	12/19/22		1,258.55	075	COAST PAPER & SUPPLY INC.		118447	SERVICE CALL SBF	5,843.21	
							118448	SERVICE CALL SBF	744.00	
							118449	SERVICE CALL SBF	105.98	
							118475	SCV CALL SBF	208.00	
							118476	SVC CALL SBF	3,744.48	
							118477	SVC CALL SBF	400.00	
							118481	DEC 22 MAINT	19,931.00	
							118419	SANITIZING SUPPL OPS	1,022.58	
							118456	SEAT COVER DISPENSER	176.98	
							118457	SEAT COVER DISPENSER	58.99	
							118515	10/14&10/28 BOD MEET	1,101.75	
							118427	VEH# 2812 PARTS	22.92	
							118470	VEH# 4207 PARTS	355.80	
							118429	ERP TRAINING LUNCH	134.34	
							118433	TEMP W/E 12/4	1,302.00	
							118437	TEMP W/E 12/4	924.00	
							118440	TEMP W/E 11/27	718.08	
							118441	TEMP W/E 11/20	628.32	
							118465	TEMP W/E 12/4	2,021.25	
							118479	TEMP W/E 12/4	897.60	
81687	12/19/22		319.76	001297	FASTENAL COMPANY INC		118466	SAFETY/INV ORDER	319.76	
81688	12/19/22		27.45	039	FEDEX OFFICE		118459	WINTER BID CHANGES	2.45	
81689	12/19/22		11,784.83	002952	FLYERS ENERGY, LLC		118472	LATE FEE	25.00	
							118424	11/16-11/30 REV FUEL	9,711.70	
							118425	11/16-11/30 NON REV	2,073.13	
81690	12/19/22		92,940.00	002123	GIRO, INC.		118491	2023 HASTUS MAINT	92,940.00	
81691	12/19/22		285.00	003316	GLOBAL WATER TECHNOLOGY INC		118496	NOV22 WATER TEST OPS	285.00	
81692	12/19/22		51.76	E162	GOUVEIA, ANNA		118430	RETIREMENT SUPPLIES	51.76	
81693	12/19/22		10,373.00	003428	GOVERNMENTJOBS.COM, INC.		118492	2023 SUBSCRIPTION	10,373.00	
81694	12/19/22		179.03	003412	GRAFFITI SHIELD INC		118501	INVENTORY ORDER	179.03	
81695	12/19/22		90.85	282	GRAINGER		118474	SINK REPAIR WTC	90.85	
81696	12/19/22		890.32	001097	GREENWASTE RECOVERY, INC.		118507	NOV 22 PRC	478.59	
							118508	NOV 22 SVT	411.73	
81697	12/19/22		40,029.32	003109	HANSON BRIDGETT LLP		118523	M# 032117.001002	6,060.80	
							118524	M# 032117.004002	2,838.50	
							118525	M# 032117.004003	2,367.40	
							118526	M# 032117.006040	1,599.62	
							118527	NOV 22 RETAINER	27,163.00	
81698	12/19/22		375.45	003284	KEISH ENVIRONMENTAL PC CORP		118490	NOV 22 OUTFALL MITIG	375.45	
81699	12/19/22		23,627.38	003366	KEY GOVERNMENT FINANCE INC		118431	DEC 22 LEASE PAYMENT	23,627.38	
81700	12/19/22		100.00	003450	LANGUAGE LINE SERVICES INC		118421	NOV 22 TRANSLATE SVC	100.00	
81701	12/19/22		76.07	002927	LINDE GAS & EQUIPMENT, INC.		118509	EXTRATANK RENTAL FEE	56.26	
							118510	TANK RENTAL FEE	19.81	
81702	12/19/22		137.44	003293	MAKAI SOLUTIONS		118503	LIFT CAP STICKERS	137.44	
81703	12/19/22		2,340.38	003273	MGP XI REIT,LLC		118522	JAN 23 RENT CAPITOLA	2,340.38	
04	12/19/22		120.02	041	MISSION UNIFORM		118417	TOWELS/MATS PRC	10.50	



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81705	12/19/22		755.84	MOSES, CURTIS		118488	LAUNDRY/CUSTODIAL	26.02	
81706	12/19/22	E1081 003464	2,957.04	MPRESS DIGITAL, INC		118489	TOWELS,MOPS,MATS MMF	41.75	
						118502	TOWELS,MOPS,MATS MMF	41.75	
						118428	11/30-12/2 CALTIP	755.84	
						118498	POCKET SCHED POSTERS	460.57	
						118499	TRANSIT CTR POSTERS	1,821.96	
						118500	LARGE PRINT HEADWAYS	674.51	
81707	12/19/22	001064	1,748.10	MUNICIPAL MAINTENANCE		118493	BATTERY SVC MMF	1,748.10	
81708	12/19/22	003542	250.00	NATALIE NIEMAN		118478	WINTER CAR CARDS	250.00	
81709	12/19/22	00364	295.00	OPALIEE NIEMAN		118511	BAY 6 DOOR RPR MMF	295.00	
81710	12/19/22	009	16,409.03	PACIFIC GAS & ELECTRIC		118426	10/27-11/28RIVER CHG	2,243.89	
						118482	11/2-12/4SVT/WTC/PRC	3,336.44	
						118483	10/27-11/28 SMC	4,617.83	
						118484	10/27-11/28 OPS	6,210.87	
81711	12/19/22	002947	1,705.00	PEDX COURIER AND CARGO	7	118514	NOV 22 COURIER SVC	1,705.00	
81712	12/19/22	481	829.50	PIED PIPER EXTERMINATORS, INC.		118434	DEC 22 PEST WTC MKT	79.50	
						118435	DEC22 PEST WTC TRANS	65.00	
						118436	DEC 22 PEST OPS	212.50	
						118438	DEC 22 PEST OPS	255.00	
						118439	DEC 22 PEST MMF	217.50	
81713	12/19/22	003024	101.59	RICOH USA, INC CA		118505	12/12-1/11 1ST FL OP	101.59	
81714	12/19/22	536	247.04	RIVERSIDE LIGHTING, INC.		118446	TIMER SMC	247.04	
81715	12/19/22	001379	4,522.42	SAFETY-KLEEN SYSTEMS INC		118473	PARTS WASHER SVC MMF	4,522.42	
81716	12/19/22	002910	1,548.00	SAGE SOFTWARE, INC.		118497	1/4/23-1/31/24 RENEW	1,548.00	
81717	12/19/22	E989	173.77	SANCHEZ, VICKIE		118485	XMAS SUPPL/POSTAGE	173.77	
81718	12/19/22	079	467.72	SANTA CRUZ MUNICIPAL UTILITIES		118506	11/1-11/30 IRRIG SBF	267.65	
						118519	11/1-11/30 IRRIG VER	200.07	
81719	12/19/22	001292	45.00	SANTA CRUZ RECORDS MNGMT INC		118460	11/11 SHRED PRC	45.00	
81720	12/19/22	001307	2,056.25	SANTA CRUZ STAFFING, LLC		118420	TEMP W/E 12/4	1,550.00	
						118432	TEMP W/E 12/4	506.25	
81721	12/19/22	003570	2.95	SCARBOROUGH LBR & BLDG SUPPLY		118442	ERRATOR INSERT SVT	2.95	
81722	12/19/22	003545	687.86	SCHINDLER ELEVATOR CORPORATION		118513	APR 22 MAINT MULTI	687.86	
81723	12/19/22	122	389.57	SCWTD PETTY CASH - OPS		118464	REPLENISH PETTY CASH	389.57	
81724	12/19/22	003285	4,210.94	THE AFTERMARKET PARTS CO LLC		118469	VEH# 1610 PARTS	450.52	
						118471	VEH# 1610 PARTS	3,760.42	
81725	12/19/22	166	3,418.53	THE HOSE SHOP, INC		118450	HOSE MMF	218.22	
						118458	HOSE SBF	12.71	
						118467	NON INVENTORY ORDER	29.75	
						118468	NON INVENTORY ORDER	1,833.56	
						118480	VEH# 1611 REPAIR	1,324.29	
						118461	****-****-****-5971	10,724.45	
81726	12/19/22	057	10,724.45	U.S. BANK		118422	FREIGHT	15.50	
81727	12/19/22	007	15.50	UNITED PARCEL SERVICE		118441	11/2-12/1 TABLET	39.02	
81728	12/19/22	434	39.02	VERIZON WIRELESS	0	118413	11/2-12/1 TABLET	39.02	
81729	12/15/22	003628	462.21	MACAMBRIDGE, MARTHA		118529	MAIL PREP/MAPPING	462.21	
81730	12/15/22	884	2,172.03	UNITED STATES POSTAL SERVICE		118528	DEC POSTCARD POSTAGE	2,172.03	
81731	12/19/22	E1098	1,949.04	TREE, MICHAEL		118530	MEETINGS/SUPPL/PARK	286.14	

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CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
81732	12/19/22	001D	5,695.18	AT&T		118531	11/13-11/17 CTA CONF	1,662.90	
81733	12/26/22	003151	179.88	ABC BUS INC		118532	9/19-10/18 OPS ELEV	167.96	
81734	12/26/22	003062	395.00	ABSOLUTE AUTO GLASS INC		118533	9/19-10/18 MAIN ACCT	5,527.22	
81735	12/26/22	382	3,297.00	AIRTEC SERVICE INC.		118608	INVENTORY ORDER	179.88	
						118611	VEH# 4201	395.00	
						118630	Q PREV MAINT SBF	220.00	
						118631	Q PREV MAINT OPS	3,077.00	
81736	12/26/22	001D	997.02	AT&T		118556	10/24-11/23 BUS WIFI	997.02	
81737	12/26/22	002363	52.18	BATTERIES PLUS #314		118592	BATTERIES FOR TVMS	52.18	
81738	12/26/22	E1083	985.36	BAUER, DONNA		118649	EMPLOYEE INCENTIVES	985.36	
81739	12/26/22	107A	81.36	BFS GROUP LLC		118544	OUTLETS WTC	28.30	
						118545	CABLE TIES VERNON	53.06	
81740	12/26/22	002034	3,656.34	CARLON'S FIRE EXTINGUISHER		118640	FIRE EXT SVC WTC	363.50	
						118641	FIRE EXT SVC WTC	271.18	
						118642	FIRE EXT SVC SVT	141.09	
						118643	FIRE EXT SVC PRC	240.47	
						118644	FIRE EXT SVC SMC	280.00	
						118645	FIRE EXT SVC SBF	160.00	
						118646	FIRE EXT SVC OPS	320.00	
						118647	FIRE EXT SVC MMF	997.13	
						118648	FIRE EXT SVC VER	882.97	
81741	12/26/22	002109	1,300.00	CITY OF SANTA CRUZ/PARKING		118600	JAN 23 PARK PERMITS	1,300.00	
81742	12/26/22	003373	103.65	CITY OF SANTA CRUZ FINANCE RRF		118607	NOV 22 LANDFILL	103.65	
81743	12/26/22	909	3,778.19	CLASSIC GRAPHICS		118567	VEH# PC 1713 REPAIRS	3,778.19	
81744	12/26/22	001124	34,721.97	CLEAN ENERGY		118562	12/2 LNG CHARGES	17,055.64	
						118563	12/6 LNG CHARGES	17,426.33	
						118614	12/7 SERVICE SBF	240.00	
81745	12/26/22	075	57.52	COAST PAPER & SUPPLY INC.		118606	FLOOR CLEANING SUPPL	57.52	
81746	12/26/22	163	1,613.44	COMMUNITY PRINTERS, INC.		118610	4X6 POSTCARDS	1,613.44	
81747	12/26/22	E1022	243.67	CRUMMIE, DAWN		118598	DEPT HOLIDAY LUNCH	243.67	
81748	12/26/22	588	12,163.81	CTSJPA (CAL TIP)		118602	NOV 22 CODE=5100	12,163.81	
81749	12/26/22	003116	6,038.89	CUMMINS, INC		118568	VEH# 4207 PARTS	164.58	
						118569	VEH# 1001 PARTS	498.42	
						118609	VEH# 1210 PARTS	83.05	
						118655	VEH# 1002 REPAIR	2,646.42	
						118656	VEH# 1002 REPAIR	2,646.42	
						118651	DWV PHYSICAL EXAM	150.00	
81750	12/26/22	E443	150.00	CURREA, JULIO		118601	REPL CSR SALES FUND	200.00	
81751	12/26/22	T360	200.00	CUSTOMER SVC BANK/CHANGE FUND		118639	EMP REFERRAL CARDS	235.16	
81752	12/26/22	E986	235.16	DELFIN, MONIK		118558	TEMP W/E 12/11	2,100.00	
81753	12/26/22	003485	5,124.20	EMPLOYNET, INC		118580	TEMP W/E 12/11	1,085.00	
						118588	TEMP W/E 12/11	1,041.60	
						118596	TEMP W/E 12/11	897.60	
81754	12/26/22	432	1,200.00	EXPRESS SERVICES INC.		118612	TEMP W/E 10/23	1,040.00	
						118613	TEMP W/E 10/30	160.00	
81755	12/26/22	002962	698.88	FIS		118638	NOV 22 MERCHANT FEES	698.88	

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CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
81756	12/26/22	11,474.68 002952	11,474.68	FLYERS ENERGY, LLC		118564	12/1-12/15 REV FUEL	9,420.90	
81757	12/26/22	1,966.50 003665	1,966.50	FRANS LANTING, INC.		118565	12/1-12/15NONREVFUEL	2,053.78	
81758	12/26/22	58.12 003279	58.12	FRONTIER COMMUNICATIONS - 3025		118629	BAY OF LIFE BOOKS	1,966.50	
81759	12/26/22	58.12 003418	58.12	FRONTIER COMMUNICATIONS - 6145		118636	11/16-12/15SKYLINEOP	58.12	
81760	12/26/22	4,177.47 117	4,177.47	GILLIG LLC		118550	12/13-1/12 SKY/OCEAN	58.12	
						118551	VEH# 4202 PARTS	728.66	
						118552	VEH# 1713 PARTS	21.67	
						118553	VEH# 1903 PARTS	877.01	
						118590	INVENTORY ORDER	200.39	
						118591	VEH# 1904 PARTS	1,472.73	
						118615	VEH# 1905 PARTS	877.01	
81761	12/26/22	1,728.51 1117	1,728.51	KELLEY'S SERVICE INC.		118616	INVENTORY ORDER	779.21	
						118617	VEH# PC 1704	251.28	
						118618	INVENTORY ORDER	781.31	
						118619	INVENTORY ORDER	251.28	
						118620	INVENTORY ORDER	278.94	
						118621	INVENTORY ORDER	76.57	
						118622	INVENTORY ORDER	37.21	
						118623	INVENTORY ORDER	156.23	
						118624	CREDIT RETURN INV	-73.81	
						118625	CORE CR K-1917883	-629.28	
						118626	CR INV# K-1965089	-6.15	
						118626	CR 1944163/1933079	-174.28	
81762	12/26/22	14,357.50 003480	14,357.50	KIMLEY-HORN AND ASSOCIATES INC		118595	CAL TRANS REL STUDY	14,357.50	
81763	12/26/22	400.00 002990	400.00	KISMET	7	118632	CPR/FIRSTAIDTRAINING	400.00	
81764	12/26/22	2,141.13 001052	2,141.13	MID VALLEY SUPPLY INC.		118628	INVENTORY ORDER	2,141.13	
81765	12/26/22	649.73 041	649.73	MISSION UNIFORM		118572	INVENTORY ORDER	156.00	
						118597	FUEL ST TOWELS	41.75	
						118603	TOWELS,MOPS,MATS MMF	41.75	
						118627	VMU/VSW UNIFORM SUPP	399.73	
						118635	TOWELS,MOPS,MATS MMF	41.75	
						118577	TOWELS AND MATS PRC	10.50	
81766	12/26/22	280.57 004	280.57	NORTH BAY FORD LINC-MERCURY		118578	INVENTORY ORDER	97.32	
						118582	VEH# PC 1703	35.92	
						118583	INVENTORY ORDER	68.76	
						118555	INVENTORY ORDER	78.57	
81767	12/26/22	1,086.09 009	1,086.09	PACIFIC GAS & ELECTRIC		118637	11/14-12/12 PARACRUZ	1,086.09	
81768	12/26/22	59.88 E1115	59.88	PADILLA, MARIA		118540	STAFF MEETING	59.88	
81769	12/26/22	160.50 481	160.50	PIED PIPER EXTERMINATORS, INC.		118541	DEC 22 PEST SMC MKT	55.50	
						118542	DEC 22 PEST SMC TRAN	65.00	
						118581	DEC 22 PEST SMC TAO	40.00	
81770	12/26/22	117,295.00 003443	117,295.00	PROTERA OPERATING COMPANY,INC		118543	VEH# 0120-0420 PARTS	117,295.00	
81771	12/26/22	124.89 536	124.89	RIVERSIDE LIGHTING, INC.		118585	SUPPLIES SMC	124.89	
81772	12/26/22	765.79 135	765.79	SANTA CRUZ AUTO PARTS, INC.		118586	INVENTORY ORDER	107.82	
						118587	CREDIT 14508-456736	-21.85	
						118537	VEH# PC 1715	679.82	
81773	12/26/22	2,599.86 001307	2,599.86	SANTA CRUZ STAFFING, LLC		118537	TEMP W/E 12/11	465.78	

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81774	12/26/22	003545	2,413.80	SCHINDLER ELEVATOR CORPORATION		118539	TEMP W/E 12/11	1,121.58	
81775	12/26/22	002459	457.56	SCOTT'S VALLEY WATER DISTRICT		118579	TEMP W/E 12/11	1,012.50	
81776	12/26/22	003625	41,230.20	SELF INSURED SERVICES COMPANY		118653	SVC CALL OPS ELEV	938.70	
81777	12/26/22	002267	2,500.00	SHAW YODER ANTWIH		118654	SVC CALL OPS ELEV	1,475.10	
81778	12/26/22	003292	846.72	SLINGSHOT CONNECTIONS LLC		118633	11/1-11/30 SVT	333.38	
81779	12/26/22	E988	43.48	SOLORIO-GOMEZ, RINA		118634	11/1-11/30 SVT	124.18	
81780	12/26/22	001075	9,890.74	SOQUEL III ASSOCIATES	7	118593	DEC 22 DENTAL	33,557.70	
81781	12/26/22	003621	1,835.98	SPORTWORKS GLOBAL LLC		118594	DEC 22 VSP	7,672.50	
81782	12/26/22	647	277.72	SPX CORPORATION		118560	DEC 22 LEGISLATE SVC	2,500.00	
81783	12/26/22	001040	142.35	TERRYBERRY CO., LLC		118534	TEMP W/E 12/4	343.98	
81784	12/26/22	003657	8,607.00	TEXTMARKS INC.		118535	TEMP W/E 8/14	66.15	
81785	12/26/22	003285	5,332.41	THE AFTERMARKET PARTS CO LLC		118536	TEMP W/E 8/7	436.59	
81786	12/26/22	166	614.11	THE HOSE SHOP, INC		118599	REIMB MEAL/MILEAGE	43.48	
81787	12/26/22	043	19.00	TROWBRIDGE ENTERPRISES		118589	JAN 23 RENT RESEARCH	9,890.74	
81788	12/26/22	007	28.68	UNITED PARCEL SERVICE		118604	INVENTORY ORDER	1,835.98	
81789	12/26/22	002829	437.85	VALLEY POWER SYSTEMS, INC.		118570	INVENTORY ORDER	277.72	
81790	12/26/22	434	828.60	VERIZON WIRELESS	0	118561	ANNIVERSARY AWARD	142.35	
81791	12/26/22	E1116	150.00	ZAMARRIPA, JOSE		118546	VEH# 2316 PARTS	8,607.00	
81792	12/23/22	003523	952.43	ACCO-WILSON, INC		118547	INVENTORY ORDER	231.98	
81793	12/23/22	003667	9,877.00	ACCO-WILSON, INC. DBA:GEO H.		118548	INVENTORY ORDER	7.68	
81794	12/23/22	001348	4,218.91	ATHENS INSURANCE SERVICE, INC.		118549	INVENTORY ORDER	3,424.88	
81795	12/23/22	002295	49,650.77	FIRST ALARM SECURITY & PATROL		118573	INVENTORY ORDER	44.87	
81796	12/23/22	003061	408.16	QUADIENT FINANCE USA INC		118574	INVENTORY ORDER	531.35	
81797	12/23/22	002917	30,712.45	SANTA CRUZ METRO TRANSIT W/C		118575	INVENTORY ORDER	577.93	
81798	12/23/22	M320	103.65	VAN DE VEER, JOHN		118576	VEH# 1304 PARTS	90.02	
81799	12/27/22	M149	21.00	ADAMS, ELLEN		118571	NON INVENTORY ORDER	614.11	
81800	12/27/22	M381	14.16	AGUIRRE, CIRO		118584	FLEET LEAD CALENDAR	19.00	
81801	12/27/22	M382	134.58	AITKEN, ANGELA		118566	FREIGHT	28.68	
81802	12/27/22	M150	14.98	ALLEN, ROBERT		118605	INVENTORY ORDER	437.85	
81803	12/27/22	M333	21.00	ANDERSON, WILLIAM		118538	11/2-12/1 FAC PHONES	63.41	
						118554	11/2-12/1 PARACRUZ	714.39	
						118557	11/2-12/1 CUST SVC	50.80	
						118650	DWV PHYSICAL EXAM	150.00	
						118658	BACKFLOW RPR MMF	952.43	
						118657	BACKFLOW INSTALL MMF	9,877.00	
						118662	DEC 22 MONTHLY FEE	4,218.91	
						118659	NOV 22 SECURITY	49,650.77	
						118661	NOV 22 POSTAGE 1598	408.16	
						118663	NOV 22 W/C REPLENISH	30,712.45	
						118660	MEDICAL SUPPLEMENTAL	103.65	
						9007298	MEDICAL SUPPLEMENTAL	21.00	
						9007466	MEDICAL SUPPLEMENTAL	14.16	
						9007467	MEDICAL SUPPLEMENTAL	134.58	
						9007299	MEDICAL SUPPLEMENTAL	14.98	
						9007436	MEDICAL SUPPLEMENTAL	21.00	

# Attachment A

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CHECK NUMBER	CHECK DATE	CHECK VENDOR NAME	CHECK VENDOR AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
81804	12/27/22	M151	41.36	ANDRADE, GERALD		9007300	MEDICAL SUPPLEMENTAL	41.36	
81805	12/27/22	M152	20.68	ANN, DORICE		9007301	MEDICAL SUPPLEMENTAL	20.68	
81806	12/27/22	M153	16.81	ARCHIBQUE, ELEANOR		9007302	MEDICAL SUPPLEMENTAL	16.81	
81807	12/27/22	M154	42.00	ARCHIBQUE, JUANITA		9007303	MEDICAL SUPPLEMENTAL	42.00	
81808	12/27/22	M155	42.00	ASPESI, JOHN		9007304	MEDICAL SUPPLEMENTAL	42.00	
81809	12/27/22	M383	21.00	AVILES, PATRICIA		9007468	MEDICAL SUPPLEMENTAL	21.00	
81810	12/27/22	M156	42.00	BAILEY, EDWIN		9007305	MEDICAL SUPPLEMENTAL	42.00	
81811	12/27/22	M335	14.98	BARRY, BARTHOLOMEW		9007437	MEDICAL SUPPLEMENTAL	14.98	
81812	12/27/22	M336	5.21	BARTZ, GLENN		9007438	MEDICAL SUPPLEMENTAL	5.21	
81813	12/27/22	M160	21.00	BASS, BETTY		9007306	MEDICAL SUPPLEMENTAL	21.00	
81814	12/27/22	M161	38.78	BAUER, FRANK		9007307	MEDICAL SUPPLEMENTAL	38.78	
81815	12/27/22	M162	14.98	BLAIR, GARY		9007308	MEDICAL SUPPLEMENTAL	14.98	
81816	12/27/22	M164	21.00	BLAKE, GENEVA		9007309	MEDICAL SUPPLEMENTAL	21.00	
81817	12/27/22	M165	21.00	BLIGHT, KAREN		9007310	MEDICAL SUPPLEMENTAL	21.00	
81818	12/27/22	M167	42.00	BOYD, MICHAEL		9007311	MEDICAL SUPPLEMENTAL	42.00	
81819	12/27/22	M169	14.98	BREGANTE, BATTISTA		9007312	MEDICAL SUPPLEMENTAL	14.98	
81820	12/27/22	M337	21.00	BRONDSATTER, CHERYL		9007439	MEDICAL SUPPLEMENTAL	21.00	
81821	12/27/22	M384	42.00	BRONDSATTER, WALLACE		9007469	MEDICAL SUPPLEMENTAL	42.00	
81822	12/27/22	M170	42.00	BROWN, ERNEST		9007313	MEDICAL SUPPLEMENTAL	42.00	
81823	12/27/22	M171	42.00	BROWN, KENNETH		9007314	MEDICAL SUPPLEMENTAL	42.00	
81824	12/27/22	M172	21.00	BURKET, JANET		9007315	MEDICAL SUPPLEMENTAL	21.00	
81825	12/27/22	M173	17.88	BYTHEWAY, MARY		9007316	MEDICAL SUPPLEMENTAL	17.88	
81826	12/27/22	M339	28.32	CANALES, DONNA		9007440	MEDICAL SUPPLEMENTAL	28.32	
81827	12/27/22	M174	81.21	CAPELLA, KATHLEEN		9007317	MEDICAL SUPPLEMENTAL	81.21	
81828	12/27/22	M175	14.98	CARLSON, MERRYL		9007318	MEDICAL SUPPLEMENTAL	14.98	
81829	12/27/22	M176	21.00	CARR, DALE		9007319	MEDICAL SUPPLEMENTAL	21.00	
81830	12/27/22	M177	14.98	CASANECA, RICHARD		9007320	MEDICAL SUPPLEMENTAL	14.98	
81831	12/27/22	M178	35.77	CAVATATO, PASQUALE		9007321	MEDICAL SUPPLEMENTAL	35.77	
81832	12/27/22	M340	14.98	CENTER, DOUGLAS		9007441	MEDICAL SUPPLEMENTAL	14.98	
81833	12/27/22	M179	14.98	CERVANTES, GLORIA		9007322	MEDICAL SUPPLEMENTAL	14.98	
81834	12/27/22	M386	81.21	CHANDLEY, PAUL		9007470	MEDICAL SUPPLEMENTAL	81.21	
81835	12/27/22	M341	14.98	CHAVARRIA, JOHNNY		9007442	MEDICAL SUPPLEMENTAL	14.98	
81836	12/27/22	M420	24.82	CHAVEZ, JESSE		9007496	MEDICAL SUPPLEMENTAL	24.82	
81837	12/27/22	M343	21.00	CLARKE, PATRICIA		9007443	MEDICAL SUPPLEMENTAL	21.00	
81838	12/27/22	M180	14.98	CLAYTON, MICHAEL		9007323	MEDICAL SUPPLEMENTAL	14.98	
81839	12/27/22	M181	59.49	COLWELL, ARLAN		9007324	MEDICAL SUPPLEMENTAL	59.49	
81840	12/27/22	M182	21.00	CONTRERAS-NAVARRO, FRANCISCO		9007325	MEDICAL SUPPLEMENTAL	21.00	
81841	12/27/22	M183	50.19	COON, RICHARD		9007326	MEDICAL SUPPLEMENTAL	50.19	
81842	12/27/22	M387	42.00	COTTER, ROBERT		9007471	MEDICAL SUPPLEMENTAL	42.00	
81843	12/27/22	M346	21.00	COUSINS, DOROTHY		9007444	MEDICAL SUPPLEMENTAL	21.00	
81844	12/27/22	M185	42.13	COWELL, RICHARD		9007327	MEDICAL SUPPLEMENTAL	42.13	
81845	12/27/22	M186	21.00	CRANBLETT, LAWRENCE		9007328	MEDICAL SUPPLEMENTAL	21.00	
81846	12/27/22	M376	50.19	CRANDELL, DANA		9007465	MEDICAL SUPPLEMENTAL	50.19	
81847	12/27/22	M187	21.00	CRAWFORD, FLOYD		9007329	MEDICAL SUPPLEMENTAL	21.00	
81848	12/27/22	M188	21.00	CRUISE, RICHARD		9007330	MEDICAL SUPPLEMENTAL	21.00	
81849	12/27/22	M190	42.00	CRUTCH, SHELTON		9007331	MEDICAL SUPPLEMENTAL	42.00	

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CHECK NUMBER	CHECK DATE	CHECK VENDOR NAME	CHECK VENDOR AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
81850	12/27/22	14.98 M349	CUMMINGS, CYNTHIA	9007445		MEDICAL SUPPLEMENTAL	14.98		
81851	12/27/22	42.00 M192	CUMMINS, MAJOR	9007332		MEDICAL SUPPLEMENTAL	42.00		
81852	12/27/22	41.36 M195	DAVIDOSKI, PATTI	9007333		MEDICAL SUPPLEMENTAL	41.36		
81853	12/27/22	14.98 M196	DAVILA, ANA	9007334		MEDICAL SUPPLEMENTAL	14.98		
81854	12/27/22	14.98 M373	DEL PO, CAROLYN	9007463		RETIREE SUPPLEMENTAL	14.98		
81855	12/27/22	42.13 M197	DEVIVO, WILLIAM	9007335		MEDICAL SUPPLEMENTAL	42.13		
81856	12/27/22	14.98 M427	DOBBS, LILLIAN	9007503		MEDICAL SUPPLEMENTAL	14.98		
81857	12/27/22	21.00 M389	DORFMAN, IRIS	9007472		MEDICAL SUPPLEMENTAL	21.00		
81858	12/27/22	80.75 M421	DOVE, WILLIAM	9007497		MEDICAL SUPPLEMENTAL	80.75		
81859	12/27/22	14.98 M199	DRAKE, JUDITH	9007336		MEDICAL SUPPLEMENTAL	14.98		
81860	12/27/22	14.98 M200	ELIA, LARRY	9007337		MEDICAL SUPPLEMENTAL	14.98		
81861	12/27/22	42.00 M390	EMERSON, WILLIAM	9007473		MEDICAL SUPPLEMENTAL	42.00		
81862	12/27/22	42.00 M201	ESCARCEGA, MIGUEL	9007338		MEDICAL SUPPLEMENTAL	42.00		
81863	12/27/22	45.69 M202	FALLAU, NICHOLAS	9007339		MEDICAL SUPPLEMENTAL	45.69		
81864	12/27/22	25.20 M435	FELDER, KRISTAAN	9007508		MEDICAL SUPPLEMENTAL	25.20		
81865	12/27/22	21.00 M391	FENN, MARILYN	9007474		MEDICAL SUPPLEMENTAL	21.00		
81866	12/27/22	14.16 M203	FLAGG, PAULA	9007340		MEDICAL SUPPLEMENTAL	14.16		
81867	12/27/22	14.98 M352	FLOREZ, ROSIE	9007446		MEDICAL SUPPLEMENTAL	14.98		
81868	12/27/22	28.32 M394	FRANCIS, RUFUS	9007475		MEDICAL SUPPLEMENTAL	28.32		
81869	12/27/22	13.70 M354	GABRIELE, BERNARD	9007447		MEDICAL SUPPLEMENTAL	13.70		
81870	12/27/22	13.70 M355	GABRIELE, BERNARD	9007448		MEDICAL SUPPLEMENTAL	13.70		
81871	12/27/22	42.00 M395	GALE, TERRY	9007476		MEDICAL SUPPLEMENTAL	42.00		
81872	12/27/22	14.98 M396	GALLOWAY, SCOTT	9007477		MEDICAL SUPPLEMENTAL	14.98		
81873	12/27/22	14.98 M206	GARBEZ, LINDA	9007341		MEDICAL SUPPLEMENTAL	14.98		
81874	12/27/22	14.98 M207	GARBEZ, MANNY	9007342		MEDICAL SUPPLEMENTAL	14.98		
81875	12/27/22	29.74 M208	GARCIA, DANIEL	9007343		MEDICAL SUPPLEMENTAL	29.74		
81876	12/27/22	14.98 M209	GARCIA, HELEN	9007344		MEDICAL SUPPLEMENTAL	14.98		
81877	12/27/22	38.78 M210	GARCIA, SAMUEL	9007345		MEDICAL SUPPLEMENTAL	38.78		
81878	12/27/22	51.76 M041	GOUVEIA, ROBERT	9007296		MEDICAL SUPPLEMENTAL	51.76		
81879	12/27/22	41.36 M213	GRANADOS-BOYCE, MARIA	9007346		MEDICAL SUPPLEMENTAL	41.36		
81880	12/27/22	14.98 M214	GROBMAN, BRUCE	9007347		MEDICAL SUPPLEMENTAL	14.98		
81881	12/27/22	29.97 M215	GROSJEAN, DOUGLAS	9007348		MEDICAL SUPPLEMENTAL	29.97		
81882	12/27/22	14.98 M216	HALL, SHIRLEY	9007349		MEDICAL SUPPLEMENTAL	14.98		
81883	12/27/22	14.98 M217	HAMM, CAROLYN	9007350		MEDICAL SUPPLEMENTAL	14.98		
81884	12/27/22	21.00 M218	HAMMER, ALLYNE	9007351		MEDICAL SUPPLEMENTAL	21.00		
81885	12/27/22	31.06 M422	HERNANDEZ, ALICIA	9007498		MEDICAL SUPPLEMENTAL	31.06		
81886	12/27/22	41.36 M219	HERNANDEZ, JUAN	9007352		MEDICAL SUPPLEMENTAL	41.36		
81887	12/27/22	14.98 M220	HERNANDEZ, MARGARITO	9007353		MEDICAL SUPPLEMENTAL	14.98		
81888	12/27/22	42.13 M221	HERSHEY, ANDREA	9007354		MEDICAL SUPPLEMENTAL	42.13		
81889	12/27/22	21.00 M397	HETH, KATHRYN	9007478		MEDICAL SUPPLEMENTAL	21.00		
81890	12/27/22	21.00 M398	HICKLIN, LUCILLE	9007479		MEDICAL SUPPLEMENTAL	21.00		
81891	12/27/22	21.00 M222	HILL, ANDREW	9007355		MEDICAL SUPPLEMENTAL	21.00		
81892	12/27/22	14.98 M223	HINDIN, LENORE	9007356		MEDICAL SUPPLEMENTAL	14.98		
81893	12/27/22	42.00 M224	HOBBS, JAMES	9007357		MEDICAL SUPPLEMENTAL	42.00		
81894	12/27/22	71.20 M225	HOLCOMB, MICHAEL	9007358		MEDICAL SUPPLEMENTAL	71.20		
81895	12/27/22	101.31 M226	HOLODNICK, JAMES	9007359		MEDICAL SUPPLEMENTAL	101.31		

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81896	12/27/22	M356	21.00	HOWARD, CAROL		9007449	MEDICAL SUPPLEMENTAL	21.00	
81897	12/27/22	M228	42.00	HOWARD, WARD		9007360	MEDICAL SUPPLEMENTAL	42.00	
81898	12/27/22	M229	42.00	HYMAN, JOE		9007361	MEDICAL SUPPLEMENTAL	42.00	
81899	12/27/22	M230	41.36	JACINTO, FRANK		9007362	MEDICAL SUPPLEMENTAL	41.36	
81900	12/27/22	M231	21.00	JAHNKE, EILEEN		9007363	MEDICAL SUPPLEMENTAL	21.00	
81901	12/27/22	M232	29.97	JENSEN, MERAL		9007364	MEDICAL SUPPLEMENTAL	29.97	
81902	12/27/22	M357	14.98	JUSSEL, PETE		9007450	MEDICAL SUPPLEMENTAL	14.98	
81903	12/27/22	M233	42.00	KALE, RICKEY		9007365	MEDICAL SUPPLEMENTAL	42.00	
81904	12/27/22	M434	21.00	KAMEDA, TERRY		9007507	MEDICAL SUPPLEMENTAL	21.00	
81905	12/27/22	M235	14.98	KELLY, ELOISE		9007366	MEDICAL SUPPLEMENTAL	14.98	
81906	12/27/22	M399	51.97	KONNO, DAVID		9007480	MEDICAL SUPPLEMENTAL	51.97	
81907	12/27/22	M236	42.00	KORBA, PATRICIA		9007367	MEDICAL SUPPLEMENTAL	42.00	
81908	12/27/22	M423	8.99	LAM, JAMES		9007499	MEDICAL SUPPLEMENTAL	8.99	
81909	12/27/22	M433	25.20	LANAGAN, CHRIS		9007506	MEDICAL SUPPLEMENTAL	25.20	
81910	12/27/22	M238	21.00	LAWHON, JACK		9007368	MEDICAL SUPPLEMENTAL	21.00	
81911	12/27/22	M239	21.00	LAWSON, LOIS		9007369	MEDICAL SUPPLEMENTAL	21.00	
81912	12/27/22	M428	25.20	LEE, VIRGINIA		9007504	MEDICAL SUPPLEMENTAL	25.20	
81913	12/27/22	M241	21.00	LEFFLER, JEAN		9007370	MEDICAL SUPPLEMENTAL	21.00	
81914	12/27/22	M242	91.36	LEGORRETA, PETE		9007371	MEDICAL SUPPLEMENTAL	91.36	
81915	12/27/22	M243	21.00	LOGIUDICE, FRED		9007372	MEDICAL SUPPLEMENTAL	21.00	
81916	12/27/22	M244	42.00	LONGNECKER, LLOYD		9007373	MEDICAL SUPPLEMENTAL	42.00	
81917	12/27/22	M245	14.98	LUCIER, MARILYN		9007374	MEDICAL SUPPLEMENTAL	14.98	
81918	12/27/22	M246	42.00	LYNCH, GLENN		9007375	MEDICAL SUPPLEMENTAL	42.00	
81919	12/27/22	M400	14.98	MACHADO, MARGARET		9007481	MEDICAL SUPPLEMENTAL	14.98	
81920	12/27/22	M248	20.68	MALPHRUS, BRENDA		9007376	MEDICAL SUPPLEMENTAL	20.68	
81921	12/27/22	M249	29.74	MARCUS, STEVEN		9007377	MEDICAL SUPPLEMENTAL	29.74	
81922	12/27/22	M250	42.00	MARTIN, DAWN		9007378	MEDICAL SUPPLEMENTAL	42.00	
81923	12/27/22	M252	41.36	MARTINEZ, MARK		9007379	MEDICAL SUPPLEMENTAL	41.36	
81924	12/27/22	M254	41.28	MCDONALD, JANIE		9007380	MEDICAL SUPPLEMENTAL	41.28	
81925	12/27/22	M255	14.98	MCDONALD, KEVIN		9007381	MEDICAL SUPPLEMENTAL	14.98	
81926	12/27/22	M358	21.00	MCFADDEN, IRAN		9007451	MEDICAL SUPPLEMENTAL	21.00	
81927	12/27/22	M359	29.97	MCGINNIS, POLLY		9007452	MEDICAL SUPPLEMENTAL	29.97	
81928	12/27/22	M360	21.00	MEJIA, INDELISA		9007453	MEDICAL SUPPLEMENTAL	21.00	
81929	12/27/22	M361	14.98	MELLON, JOHN		9007454	MEDICAL SUPPLEMENTAL	14.98	
81930	12/27/22	M256	14.98	MESECK, MARGARITA		9007382	MEDICAL SUPPLEMENTAL	14.98	
81931	12/27/22	M362	14.98	MILLER, FOREST		9007455	MEDICAL SUPPLEMENTAL	14.98	
81932	12/27/22	M261	21.00	MORGAN, JEANNETTE		9007383	MEDICAL SUPPLEMENTAL	21.00	
81933	12/27/22	M262	41.36	MORR, BONNIE		9007384	MEDICAL SUPPLEMENTAL	41.36	
81934	12/27/22	M264	21.00	MUNGIOLI, LARRY		9007385	MEDICAL SUPPLEMENTAL	21.00	
81935	12/27/22	M265	29.97	MUNGUIA, GUSTAVO		9007386	MEDICAL SUPPLEMENTAL	29.97	
81936	12/27/22	M402	21.00	NABOR, GLEN		9007482	MEDICAL SUPPLEMENTAL	21.00	
81937	12/27/22	M424	8.99	NANCE, RAMONA		9007500	MEDICAL SUPPLEMENTAL	8.99	
81938	12/27/22	M266	21.00	NAUKKARINEN, JUKKA		9007387	MEDICAL SUPPLEMENTAL	21.00	
81939	12/27/22	M267	14.98	NELSON, EDWARD		9007388	MEDICAL SUPPLEMENTAL	14.98	
81940	12/27/22	M268	42.00	NELSON, RICHARD		9007389	MEDICAL SUPPLEMENTAL	42.00	
81941	12/27/22	M269	29.97	NIETO, MANUEL		9007390	MEDICAL SUPPLEMENTAL	29.97	

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81942	12/27/22	M272	57.77	NORTHON, M		9007391	MEDICAL SUPPLEMENTAL	57.77	
81943	12/27/22	M273	42.00	O'DONNELL, SHAWN		9007392	MEDICAL SUPPLEMENTAL	42.00	
81944	12/27/22	M274	21.00	O'HAGIN, JUSTINA		9007393	MEDICAL SUPPLEMENTAL	21.00	
81945	12/27/22	M277	21.00	O'MARA, KATHLEEN		9007395	MEDICAL SUPPLEMENTAL	21.00	
81946	12/27/22	M275	42.00	OJEDA, ROBERTO		9007394	MEDICAL SUPPLEMENTAL	42.00	
81947	12/27/22	M278	21.00	ORTEGA, MANUELA		9007396	MEDICAL SUPPLEMENTAL	21.00	
81948	12/27/22	M280	21.00	PARHAM, WALLACE		9007397	MEDICAL SUPPLEMENTAL	21.00	
81949	12/27/22	M281	42.00	PENDRAGON, LINDA		9007398	MEDICAL SUPPLEMENTAL	42.00	
81950	12/27/22	M282	29.97	PEREZ, ANTONIO		9007399	MEDICAL SUPPLEMENTAL	29.97	
81951	12/27/22	M109	51.76	PEREZ, CHERYL		9007297	MEDICAL SUPPLEMENTAL	51.76	
81952	12/27/22	M284	21.00	PETERS, TERLIE		9007400	MEDICAL SUPPLEMENTAL	21.00	
81953	12/27/22	M285	14.98	PHILLIPS, THOMAS		9007401	MEDICAL SUPPLEMENTAL	14.98	
81954	12/27/22	M404	14.98	PHILLIPS, TYRONE		9007483	MEDICAL SUPPLEMENTAL	14.98	
81955	12/27/22	M286	14.98	PICARELLA, FRANCIS		9007402	MEDICAL SUPPLEMENTAL	14.98	
81956	12/27/22	M288	29.74	PONS, JUAN		9007403	MEDICAL SUPPLEMENTAL	29.74	
81957	12/27/22	M363	14.98	PRECIADO, MARY LOU		9007406	MEDICAL SUPPLEMENTAL	14.98	
81958	12/27/22	M290	42.00	PRICE, HARRY		9007404	MEDICAL SUPPLEMENTAL	42.00	
81959	12/27/22	M291	21.00	PRINCE, DEBRA		9007405	MEDICAL SUPPLEMENTAL	21.00	
81960	12/27/22	M293	42.00	PRUDDEN, RICHARD		9007406	MEDICAL SUPPLEMENTAL	42.00	
81961	12/27/22	M418	36.19	PYE, GINA		9007495	MEDICAL SUPPLEMENTAL	36.19	
81962	12/27/22	M295	14.16	RAMIREZ, MANUEL		9007407	MEDICAL SUPPLEMENTAL	14.16	
81963	12/27/22	M296	77.34	RAMOS, ROSALIO		9007408	MEDICAL SUPPLEMENTAL	77.34	
81964	12/27/22	M364	14.98	READ, TIMON		9007457	MEDICAL SUPPLEMENTAL	14.98	
81965	12/27/22	M297	77.68	REGAN, MICHAEL		9007409	MEDICAL SUPPLEMENTAL	77.68	
81966	12/27/22	M298	21.00	RHODES, BRUCE		9007410	MEDICAL SUPPLEMENTAL	21.00	
81967	12/27/22	M299	20.68	ROCHA, SHERI		9007411	MEDICAL SUPPLEMENTAL	20.68	
81968	12/27/22	M300	21.00	RODGERS, MARILYN		9007412	MEDICAL SUPPLEMENTAL	21.00	
81969	12/27/22	M405	21.00	ROSS, ELISABETH		9007484	MEDICAL SUPPLEMENTAL	21.00	
81970	12/27/22	M406	21.00	ROSS, EMERY		9007485	MEDICAL SUPPLEMENTAL	21.00	
81971	12/27/22	M301	41.36	ROSSI, DENISE		9007413	MEDICAL SUPPLEMENTAL	41.36	
81972	12/27/22	M302	60.01	ROWE, RUBY		9007414	MEDICAL SUPPLEMENTAL	60.01	
81973	12/27/22	M303	21.00	ROY, ARLEN		9007415	MEDICAL SUPPLEMENTAL	21.00	
81974	12/27/22	M305	35.77	RYLANDER, REED		9007416	MEDICAL SUPPLEMENTAL	35.77	
81975	12/27/22	M306	41.36	SALGUEIRO, MICHAEL		9007417	MEDICAL SUPPLEMENTAL	41.36	
81976	12/27/22	M366	21.00	SANDOVAL, ANGEL		9007458	MEDICAL SUPPLEMENTAL	21.00	
81977	12/27/22	M408	29.97	SCHRAEDER, PAUL		9007486	MEDICAL SUPPLEMENTAL	29.97	
81978	12/27/22	M308	21.00	SCILLA, JOSEPH		9007418	MEDICAL SUPPLEMENTAL	21.00	
81979	12/27/22	M309	41.36	SERRATO, JUAN		9007419	MEDICAL SUPPLEMENTAL	41.36	
81980	12/27/22	M367	14.98	SILVA, EDUARDO		9007459	MEDICAL SUPPLEMENTAL	14.98	
81981	12/27/22	M409	110.99	SLATER, ROBYN		9007487	MEDICAL SUPPLEMENTAL	110.99	
81982	12/27/22	M310	14.98	SLOAN, SUZANNE		9007420	MEDICAL SUPPLEMENTAL	14.98	
81983	12/27/22	M311	19.39	SMITH, DONNA		9007421	MEDICAL SUPPLEMENTAL	19.39	
81984	12/27/22	M410	20.68	STARKEY, THOMAS		9007488	MEDICAL SUPPLEMENTAL	20.68	
81985	12/27/22	M411	29.97	STICKEL, THOMAS		9007489	MEDICAL SUPPLEMENTAL	29.97	
81986	12/27/22	M425	8.99	SWAIN, LAWRENCE		9007501	MEDICAL SUPPLEMENTAL	8.99	
81987	12/27/22	M369	29.97	SWART, RANDY		9007460	MEDICAL SUPPLEMENTAL	29.97	



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81988	12/27/22	14.98 M370		TAYLOR, THOMAS	9007461		MEDICAL SUPPLEMENTAL	14.98		
81989	12/27/22	42.00 M313		THOMAS, RUSSELL	9007422		MEDICAL SUPPLEMENTAL	42.00		
81990	12/27/22	77.68 M314		TICHENOR, KENNETH	9007423		MEDICAL SUPPLEMENTAL	77.68		
81991	12/27/22	36.19 M436		TOLENTINO, SALVADOR	9007509		MEDICAL SUPPLEMENTAL	36.19		
81992	12/27/22	14.98 M315		TOLINE, DONALD	9007424		MEDICAL SUPPLEMENTAL	14.98		
81993	12/27/22	21.00 M316		TOVAR, SERENA	9007425		MEDICAL SUPPLEMENTAL	21.00		
81994	12/27/22	20.68 M317		TRENT, VICKI	9007426		MEDICAL SUPPLEMENTAL	20.68		
81995	12/27/22	12.60 M432		TREPAGNIER, NOEL	9007505		MEDICAL SUPPLEMENTAL	12.60		
81996	12/27/22	8.99 M426		TRINIDAD, AURORA	9007502		MEDICAL SUPPLEMENTAL	8.99		
81997	12/27/22	41.36 M319		VALDEZ, JOSE	9007427		MEDICAL SUPPLEMENTAL	41.36		
81998	12/27/22	29.74 M321		VAN DYKE, CURTIS	9007428		MEDICAL SUPPLEMENTAL	29.74		
81999	12/27/22	42.00 M413		VANDERZANDE, ED	9007490		MEDICAL SUPPLEMENTAL	42.00		
82000	12/27/22	21.00 M375		VEST, SHELLY	9007464		MEDICAL SUPPLEMENTAL	21.00		
82001	12/27/22	21.00 M323		VONWAL, YVETTE	9007429		MEDICAL SUPPLEMENTAL	21.00		
82002	12/27/22	14.98 M324		WADSWORTH, RITA	9007430		MEDICAL SUPPLEMENTAL	14.98		
82003	12/27/22	29.97 M325		WALTER, KEVIN	9007431		MEDICAL SUPPLEMENTAL	29.97		
82004	12/27/22	51.76 M414		WARNOCK, APRIL	9007491		MEDICAL SUPPLEMENTAL	51.76		
82005	12/27/22	21.00 M415		WHITE, LESLIE	9007492		MEDICAL SUPPLEMENTAL	21.00		
82006	12/27/22	42.00 M326		WHITNEY, LUCERE	9007432		MEDICAL SUPPLEMENTAL	42.00		
82007	12/27/22	134.58 M416		WILLIS, GREGORY	9007493		MEDICAL SUPPLEMENTAL	134.58		
82008	12/27/22	42.00 M372		WILSON, BONNIE	9007462		MEDICAL SUPPLEMENTAL	42.00		
82009	12/27/22	21.00 M417		WYANT, JUDI	9007494		MEDICAL SUPPLEMENTAL	21.00		
82010	12/27/22	14.98 M330		YAGI, RANDY	9007433		MEDICAL SUPPLEMENTAL	14.98		
82011	12/27/22	21.00 M331		YANCY, TERRY	9007434		MEDICAL SUPPLEMENTAL	21.00		
82012	12/27/22	45.69 M332		ZENKER, JEFFREY	9007435		MEDICAL SUPPLEMENTAL	45.69		
82013	12/29/22	53.93 002941		AA SAFE & SECURITY CO	118731		KEYS PRC	53.93		
82014	12/29/22	2,122.25 192		ALWAYS UNDER PRESSURE	118729		INVENTORY ORDER MMF	1,471.68		
					118730		STEAM RACK RPR MMF	650.57		
82015	12/29/22	1,679.19 003596		AMAZON CAPITAL SERVICES, INC.	118669		REPL MICROWAVE OPS	141.58		
					118678		HOLIDAY DECOR	344.55		
					118700		PORTABLE HEATER	64.41		
					118702		LABEL MAKER	223.96		
					118711		INVENTORY ORDER	236.70		
					118722		FILTER WRENCH	17.03		
					118723		BOOSTER PACK	161.68		
					118724		INVENTORY ORDER	152.72		
					118733		SUPPLY ORDER IT	305.84		
					118752		TABLET CASE	30.72		
					118754		11/19-12/18 OPS ELEV	165.69		
					118755		11/19-12/18MAIN ACCT	5,473.60		
					118756		11/13-12/12PT TO PT1	1,865.52		
					118757		11/19-12/18DAVENPORT	167.08		
					118758		11/19-12/18 OCEAN LP	848.41		
82017	12/29/22	100,690.69 003655		AVAAP USA LLC	118727		1904 PHASE 1 RELEASE	28,922.67		
					118753		1904 MTH FEE DEC 22	71,768.02		
82018	12/29/22	229.08 E1083		BAUER, DONNA	118673		HOLIDAY PARTY SUPPL	229.08		

DATE: 12/01/22 THRU 12/31/22

CHECK NUMBER	CHECK DATE	CHECK VENDOR NAME	CHECK VENDOR	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
82019	12/29/22	BFS GROUP LLC	107A	87.17			118666	SAW BLADES SMC	73.70	
							118667	PARTS FOR PRC	13.47	
82020	12/29/22	CAPDEPON, KATHERINE	003658	666.25			118679	VEH# 805 SMOG	41.75	
							118680	VEH# 1213 SMOG	41.75	
							118681	VEH# PC2404 SMOG	41.75	
							118682	VEH# PC 1128 SMOG	41.75	
							118683	VEH# 504 SMOG	41.75	
							118686	VEH# 401 SMOG	41.75	
							118687	VEH# 717 SMOG	41.75	
							118688	VEH# 802 SMOG	41.75	
							118689	VEH# 602 SMOG	41.75	
							118690	VEH# 908 SMOG	81.75	
							118691	VEH# 501 SMOG	41.75	
							118692	VEH# 101 SMOG	41.75	
							118693	VEH# PC203 SMOG	41.75	
							118694	VEH# 505 SMOG	41.75	
							118751	VEH# 803 SMOG	41.75	
82021	12/29/22	CATTO'S GRAPHICS, INC.	001159	120.18			118721	DECAL STICKERS	120.18	
82022	12/29/22	CLAREMONT EAP	733	665.52			118737	DEC 22 EAP PREMIUM	665.52	
82023	12/29/22	CLEAN ENERGY	001124	36,382.96			118684	12/13 LNG CHARGES	18,968.03	
							118685	12/9 LNG CHARGES	17,414.93	
							118725	2205 APC 12-19-22	27,025.73	
82024	12/29/22	CLEVER DEVICES LTD.	003102	27,025.73			118712	VEH# 1001 PARTS	15.50	
82025	12/29/22	CUMMINS, INC	003116	5,156.99			118713	VEH# 1210 PARTS	33.52	
							118714	VEH# 4206 PARTS	36.12	
							118715	INVENTORY ORDER	596.51	
							118716	VEH# 2333 PARTS	198.26	
							118717	VEH# 1210 PARTS	7.60	
							118718	VEH# 1302 PARTS	4,269.48	
82026	12/29/22	DELFIN, MONIK	E986	237.51			118674	11/15-11/18 CALPELRA	237.51	
82027	12/29/22	GOUVEIA, ANNA	E162	54.30			118675	BID CHANGE BREAKFAST	54.30	
82028	12/29/22	GRAINGER	282	115.66			118670	FLEX SPOUT	70.24	
							118672	INVENTORY ORDER	45.42	
82029	12/29/22	HARTFORD LIFE AND ACCIDENT INS	001745	14,642.53			118676	DEC 22 LTD	11,178.09	
							118677	DEC 22 LIFE AD&D	3,464.44	
82030	12/29/22	LAW OFFICES OF MARIE F. SANG	852	1,037.00		7	118704	CL# 2009210082	493.00	
							118705	CL# 22001522	51.00	
							118706	CL# 21006947	153.00	
							118707	CL#11000452/11001281	34.00	
							118708	CL# 19009481	153.00	
							118709	CL# 21000556	153.00	
82031	12/29/22	MID VALLEY SUPPLY INC.	001052	454.81			118671	INVENTORY ORDER	454.81	
82032	12/29/22	MISSION UNIFORM	041	26.02			118732	LAUNDRY/CUSTODIAL	26.02	
82033	12/29/22	NATALIE NIEMAN	003542	100.00			118710	UPDATE PHOTO/DATE	100.00	
82034	12/29/22	PATRIDGE TIRES AND SERVICE,LLC	003666	1,800.00			118695	VEH# 2212 ALIGNMENT	450.00	
							118696	VEH# 2601 ALIGNMENT	450.00	

DATE: 12/01/22 THRU 12/31/22

CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
82035	12/29/22	1,925.00	003502	RICHARD IRISH		118697	VEH# 2218 ALIGNMENT	450.00	
82036	12/29/22	66.76	003024	RICOH USA, INC CA		118698	VEH# 2602 ALIGNMENT	450.00	
82037	12/29/22	373.80	001986	ROBERT H. WAGER COMPANY, INC.		118728	1906 GEO/DEMO NOV 22	1,925.00	
82038	12/29/22	9,351.99	079	SANTA CRUZ MUNICIPAL UTILITIES		118734	12/14-1/13 PARACRUZ	66.76	
						118719	ELECTRONIC EQUIP RPR	373.80	
						118739	11/5-12/6 SBF	2,985.59	
						118740	11/5-12/6 MMF	1,581.87	
						118741	11/5-12/6 BUSSTOPS	1,050.60	
						118742	11/5-12/6 VERNON	527.32	
						118743	11/5-12/6 PAC ISLAND	133.03	
						118744	11/5-12/6 MMF IRRIG	120.92	
						118745	11/5-12/6 OPS	414.90	
						118746	11/5-12/6 BETTYS	57.13	
						118747	11/5-12/6 SMC	2,480.63	
82039	12/29/22	2,698.66	001307	SANTA CRUZ STAFFING, LLC		118699	TEMP W/E 12/18	1,147.50	
82040	12/29/22	1,443.73	003545	SCHINDLER ELEVATOR CORPORATION		118703	TEMP W/E 12/18	1,551.16	
82041	12/29/22	880.00	003292	SLINGSHOT CONNECTIONS LLC		118738	ELEV SVC CALL OPS	1,443.73	
82042	12/29/22	120.00	T361	STERNLIGHT, SAMUEL MARC		118749	TESTING 9/15-11/3	460.00	
82043	12/29/22	145.45	001040	TERRYBERRY CO., LLC		118750	TESTING 12/13-12/16	420.00	
82044	12/29/22	35.27	043	TROWBRIDGE ENTERPRISES		118748	PARACRUZ CUST REFUND	120.00	
82045	12/29/22	92.18	007	UNITED PARCEL SERVICE		118701	ANNIVERSARY AWARD	145.45	
82046	12/29/22	3,736.60	434	VERIZON WIRELESS	0	118665	ENVELOPES	29.06	
82047	12/29/22	64.00	003290	WORKFORCEQA LLC		118668	OFFICE SUPPLIES	6.21	
TOTAL		1,549,454.08		ACCOUNTS PAYABLE		118720	FREIGHT	54.30	
						118736	FREIGHT	37.88	
						118664	11/13-12/12 BUS WIFI	3,736.60	
						118735	DOT/RANDOM TESTING	64.00	
						TOTAL CHECKS	507	1,549,454.08	

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# MINUTES\*

MAC MEETING OF OCTOBER 19, 2022



The METRO Advisory Committee (MAC) met on Wednesday, October 19, 2022. The meeting was held via teleconference. \*Minutes are "summary" minutes, not verbatim minutes.

1. **CALLED TO ORDER** at 6:01 PM.

2. **ROLL CALL** - The following MAC Members were **present** via teleconference, representing a quorum:

**James Von Hendy, Chair**  
**Joseph Martinez, Vice Chair**  
**James Cruse**  
**Jessica de Wit AR 6:02 PM**

**Veronica Elsea**  
**Michael Pisano**  
**Becky Taylor**

3. **COMMUNICATIONS TO THE METRO ADVISORY COMMITTEE**

Hearing none, Chair Von Hendy moved to the next agenda item.

4. **RECEIVE AND FILE MINUTES FROM THE METRO ADVISORY COMMITTEE MEETING OF AUGUST 17, 2022**

**MOTION: ACCEPT AND FILE THE MINUTES FROM THE METRO ADVISORY COMMITTEE MEETING OF AUGUST 17, 2022 AS PRESENTED**

**MOTION: PISANO**

**SECOND: CRUSE**

**MOTION PASSED WITH 6 AYES: Von Hendy, Martinez, Cruse, de Wit, Pisano, and Taylor. Elsea was absent.**

5. **COMMUNICATIONS FROM METRO ADVISORY COMMITTEE (MAC)**

Hearing none, Chair Von Hendy moved to the next agenda item.

6. **UPDATE ON INFORMATION TECHNOLOGY SYSTEMS (ITS)**

Isaac Holly, IT and ITS Director, provided a status update on the ITS project with Clever Devices. The FAT (Factory Acceptance Testing) phase was completed. Installation can now begin on a mini fleet of 12 buses to test the system. After the mini fleet, it will be moved to the rest of the fleet.

Mr. Pisano and Chair Von Hendy congratulated Director Holly on his accomplishments on moving the project forward.

Director Holly reported that APC's (Automated Passenger Counters) will be going to the Board of Directors, this includes crowd information. Mr. Pisano asked if it will include bike rack information. Director Holly replied that it will not at this time. Mr. Cruse asked if handicapped information would also be included. Brandon Freeman, Bus Operator, replied that it is not included because it is not currently funded. Mr. Cruse asked when will the software be available. Director Holly replied that we are experiencing some supply chain issues, but hope to have it soon.

7. **COVID-19 UPDATE**

Margo Ross, COO, reported that there have only been two positive COVID-19 cases in the last sixty days at METRO. We are currently out of the outbreak status at all of our facilities. We had a vaccination clinic to provide METRO staff with the flu shot and booster for COVID-19. Curtis Moses, Safety, Security & Risk Management Director, added that we are complying with the more relaxed regulations.

## **8. RECAP OF THE SANTA CRUZ COUNTY FAIR**

Margo Ross, COO, reported that METRO attended the Santa Cruz County Fair. We had two tents, one with a newly wrapped Gillig bus and the other with a ParaCruz van. METRO staff was on site throughout the week to answer questions, provide tours of the bus, and assist with prizes. Route 79F was created and ParaCruz service was extended to serve the fairgrounds the week of the fair. Free fares were offered on all trips to the fair on route 79F and ParaCruz.

## **9. SERVICE PLANNING UPDATE**

### **a. Quarterly Ridership Report**

John Urgo, Planning and Development Director, said the quarterly ridership report will be going to the Board of Directors in November. Overall, ridership increased. We ended FY22 with ridership at 55% pre-COVID levels and we are now closer to 70% pre-COVID levels.

### **b. Bus Stops**

#### **b.i. Update on Braille Bus Stop Signage**

Director Urgo reported that there have been and will continue to be conversations with Veronica Elsea and others on this item.

### **c. Other Projects**

#### **c.i. Pacific Station Lobby Access**

Director Urgo reported there has been no change on the Pacific Station Lobby Access.

#### **c.ii. Schedule Change Requests for Highway 17**

Director Urgo said there are no changes for the Winter schedule, but we will look at that again for the Spring schedule. We will have a better picture of ridership after mid-November.

#### **c.iii. Cavallaro Transit Center TVM Issues**

Director Urgo said that there have been some functionality issues of the TVM's. Currently, none accept chip cards. We have been in contact with our vendor and our TVM's will not be upgraded to accept chip cards. The connectivity issues with some TVM's and credit card payments are due to problems with the internet connection and service. IT and Operations are looking into it and are in communication with the service provider to improve connectivity.

Mr. Pisano asked about the ridership for the two weeks that METRO offered free fares and how it was funded and where it was advertised. Director Urgo replied that ridership was successful, funded through general revenue, not grant funded, and advertised on various channels. Discussion continued on TVM's and the long-term vision for fares.

## **10. ESTABLISH AND APPROVE THE METRO ADVISORY COMMITTEE 2023 MEETING SCHEDULE**

**MOTION: APPROVE THE 2023 MAC MEETING DATES OF FEBRUARY 15, APRIL 19, AUGUST 16, AND OCTOBER 18.**

**MOTION: TAYLOR**

**SECOND: PISANO**

**MOTION PASSED WITH 6 AYES: Von Hendy, Martinez, Cruse, de WIT, Pisano, and Taylor. Elsea was absent.**

**11. ELECT THE METRO ADVISORY COMMITTEE CHAIR AND VICE CHAIR FOR 2023 TERM**

**MOTION: ELECT CHAIR DE WIT FOR A ONE-YEAR TERM (JANUARY 1 – DECEMBER 31, 2023)**

**MOTION: PISANO**

**SECOND: MARTINEZ**

**MOTION PASSED WITH 6 AYES: Von Hendy, Martinez, Cruse, de Wit, Pisano, and Taylor. Elsea was absent.**

**MOTION: ELECT VICE CHAIR MARTINEZ FOR A ONE-YEAR TERM (JANUARY 1 – DECEMBER 31, 2023)**

**MOTION: PISANO**

**SECOND: DE WIT**

**MOTION PASSED WITH 6 AYES: Von Hendy, Martinez, Cruse, de Wit, Pisano, and Taylor. Elsea was absent.**

**12. COMMUNICATIONS TO THE METRO CEO**

None.

**13. COMMUNICATIONS TO THE METRO BOARD OF DIRECTORS**

None.

**14. ITEMS FOR NEXT MEETING AGENDA**

- Update on ITS
- COVID-19 Update
- Service Planning Updates
- Update on Braille Bus Stop Signage
- Pacific Station Lobby Access

Michael Tree, CEO/General Manager, joined the meeting at this time. The MAC members welcomed CEO/General Manager Tree and introduced themselves. Chair Von Hendy asked CEO Tree what direction he would like to take METRO. CEO/General Manager Tree provided a brief overview of his goals are for METRO.

**15. DISTRIBUTION OF VOUCHERS**

Elizabeth Rocha, Administrative Specialist, will mail out the vouchers on Thursday, October 20, 2022 to all members in attendance at this meeting.

**16. ADJOURNMENT**

The next MAC meeting is scheduled for Wednesday, February 15, 2023 at 6:00 PM. Meeting adjourned at 6:57 PM.

Respectfully submitted,

Elizabeth Rocha  
Administrative Specialist

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**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)  
BOARD OF DIRECTORS MEETING MINUTES\*  
DECEMBER 16, 2022 – 9:00 AM  
MEETING HELD VIA TELECONFERENCE**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) convened on Friday, December 16, 2022 via teleconference.

The Board Meeting Agenda Packet can be found online at [www.SCMTD.com](http://www.SCMTD.com). \*Minutes are “summary” minutes, not verbatim minutes. Audio recordings of Board meeting open sessions are available to the public upon request.

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- 1 **CALLED TO ORDER** at 9:01 AM by Board Chair Pageler.
- 2 **ROLL CALL:** The following Directors were **present** via teleconference, representing a quorum:

<b>Director Kristen Brown</b>	<b>City of Capitola</b>
<b>Director Rebecca Downing</b>	<b>County of Santa Cruz</b>
<b>Direct Jimmy Dutra</b>	<b>City of Watsonville</b>
<b>Director Shebreh Kalantari-Johnson</b>	<b>City of Santa Cruz</b>
Director Manu Koenig	County of Santa Cruz
<b>Director Donna Lind</b>	<b>City of Scotts Valley</b>
<b>Director Bruce McPherson</b>	<b>County of Santa Cruz</b>
Director Donna Meyers	City of Santa Cruz
<b>Director Larry Pageler</b>	<b>County of Santa Cruz</b>
Director Ari Parker	City of Watsonville
<b>Director Mike Rotkin</b>	<b>County of Santa Cruz</b>
<b>Ex-Officio Director Dan Henderson</b>	<b>UC Santa Cruz</b>
<b>Ex-Officio Director Alta Northcutt</b>	<b>Cabrillo College</b>
Michael Tree	CEO/General Manager
Julie Sherman	General Counsel

- 3 **ANNOUNCEMENTS**  
Today’s meeting is being broadcast by Community Television of Santa Cruz County.
- 4 **BOARD OF DIRECTORS COMMENTS**  
Director McPherson congratulated and thanked CEO Tree and Donna Bauer, Executive Assistant, for having a great holiday party for METRO employees. It was very well done and much appreciated by members of our team and everyone that attended.

Director Rotkin expressed appreciation on his reappointment by the County Board of Supervisors to the METRO Board. He acknowledged several members of the labor movement opposed this reappointment and he plans to make a serious effort to reestablish the good relationship that he has had with the unions for over 30 years while serving on the transit board. He believes it is important to recognize the contributions of our employees and their representatives in the union and is willing to meet with both groups to reestablish the confidence that they used to have in his performance.

Hearing nothing further, Chair Pageler moved to the next agenda item.

**5 ORAL AND WRITTEN COMMUNICATIONS TO THE BOARD OF DIRECTORS**

Chair Pageler mentioned the additional written communication received by Tiffany Rodriguez on December 15, 2022 (attached).

Carey Pico spoke to his presentation in the agenda packet.

Brian Peoples, Trail Now, thanked Mr. Pico for sharing his presentation and then spoke to his slide in the agenda packet.

David Van Brink spoke of a recent trip taken from Yosemite National Park to his home in Santa Cruz by using five buses and a train to complete the trip. He thanked METRO for its on-time service and providing public transit to the Santa Cruz area.

Brett Garrett spoke of the Rail Corridor Automated Taxi (RailCAT) and suggested that it may work in Santa Cruz County.

Tiffany Rodriguez, San Jose State University (SJSU) employee, spoke to her letter submitted to the Board regarding the changes to the Highway 17 Express ending at Diridon Station in San Jose, CA and the reduction of stops at the Cavallaro Transit Center in Scotts Valley.

Teri Graziani, SJSU employee, spoke to her concerns detailed in her letters regarding the Highway 17 Express. Director Rotkin thanked her for her comments and said they would be taken under consideration.

Joe Martinez, Aptos resident, requested METRO to consider the comments made by Mr. Peoples and Mr. Pico and use that information to make transit decisions.

Gregg, Aptos/Seacliff resident, made the case for a demonstration trail from State Park Drive to downtown Aptos. Director Rotkin suggested Gregg contact the Santa Cruz County Regional Transportation Commission (SCCRTC) because that organization controls the rail corridor and would make decisions regarding that area. METRO is not involved in those decisions.

Ryan Sarnataro, Aptos resident, supports a transit system that includes more than motorized vehicles (e.g., a bicycle infrastructure). He expressed environmental concerns over industrializing the rail corridor.

Buzz Anderson commented that any planning for a train and trail offset from the tracks invariably takes money and resources away from METRO and other communities. He emphasized that METRO is the future of mass transit in Santa Cruz County.

Shannon Miller, SJSU employee, thanked Ms. Rodriguez for her letter. It articulates many of the community concerns we have, both about discontinuing the bus from SJSU to Diridon Station and cutting service at Scotts Valley.

Maura Leonor, expressed her disappointment that Daniel Dodge was not chosen by the County Board of Supervisors to represent South County on METRO's Board of Directors. She also requested the Board to bring back the two Watsonville routes temporarily discontinued.

Barry Scott, Friends of the Rail and Trail, expressed support for all types of public transit and METRO's new leadership under CEO Tree.

David Tran, City of San Jose - Department of Transportation, echoed the comments made regarding the upcoming changes in the winter service, specifically around the Hwy. 17 Express. He strongly urged the Board and Transit District to reconsider the change.

Lani Faulkner, Equity Trust, said her organization would like to appreciate the work that the METRO Board, staff and CEO Tree are doing. Equity Transit supports a strong bussing program and a future with passenger rail that will support so many in the Santa Cruz community.

Chair Pageler asked METRO's Planning Director, John Urgo, to provide additional information regarding the winter service schedule. Mr. Urgo acknowledged that METRO does understand the impact these changes will have on its customers. We looked at adding the 5:30 PM trip back to Scotts Valley in this bid. Unfortunately, the Bus Operator is working an 11-hour shift, five days a week, and by contract, we cannot extend beyond 11 hours. The next service change will be March 16, 2023 and we are planning to add the 5:30 PM trip back to Scotts Valley. On the Watsonville and the 91X service, we also hope that will be a temporary change and mentioned that METRO has actually added service to Watsonville with the Circulator. He urged the public to bear with METRO as it continues to hire Bus Operators.

Hearing nothing further, Chair Pageler moved to the next agenda item.

**6 LABOR ORGANIZATION COMMUNICATIONS**

James Sandoval, SMART Chairperson, Local 0023, acknowledged the holiday party was a great event. He also congratulated Director Rotkin on his reappointment and was glad to hear Director Rotkin is willing to work together with the union because he will do the same. As stated by Mr. Urgo, our Bus Operators are understaffed. The quick solution to bringing most of the service back is hiring more Bus Operators. We are recruiting right now; it is a great job and I highly recommend it to anybody. Please get the word out there to apply online.

Director Rotkin thanked Mr. Sandoval for his comment.

**7 WRITTEN COMMUNICATIONS FROM THE METRO ADVISORY COMMITTEE**

Having none, Chair Pageler moved to the next agenda item.

**8 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS**

Having none, Chair Pageler moved to the next agenda item.

## CONSENT AGENDA

- 9.1 ACCEPT AND FILE: PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF NOVEMBER 2022  
Chuck Farmer, CFO
- 9.2 ACCEPT AND FILE MINUTES OF:  
A. NOVEMBER 18, 2022 BOARD OF DIRECTORS MEETING  
Michael Tree, CEO/General Manager
- 9.3 ACCEPT AND FILE: THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF NOVEMBER 30, 2022  
Chuck Farmer, CFO
- 9.4 APPROVE: CONSIDERATION OF A RESOLUTION MAKING CERTAIN FINDINGS AND DIRECTING THAT THE BOARD AND ITS COMMITTEE MEETINGS WILL CONTINUE TO BE HELD VIA TELECONFERENCE  
Michael Tree, CEO/General Manager
- 9.5 APPROVE: CONSIDERATION OF DECLARING VEHICLES AND/OR EQUIPMENT AS EXCESS FOR PURPOSES OF DISPOSAL OR AUCTION  
Chuck Farmer, CFO
- 9.6 APPROVE: RECOMMENDED ACTION ON TORT CLAIMS  
Curtis Moses, Safety, Security & Risk Management Director
- 9.7 APPROVE: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A 1ST CONTRACT AMENDMENT TO CONTRACT 23-05 WITH GILLIG, LLC TO INCREASE THE CONTRACT TOTAL PRICE BY \$270,344 FOR PURCHASE AND DELIVERY OF FIVE BATTERY ELECTRIC BUSES  
Margo Ross, COO
- 9.8 APPROVE: CONSIDERATION OF APPROVAL OF THE HOUSING AUTHORITY OF THE COUNTY OF SANTA CRUZ ECOPASS PILOT PROGRAM  
John Urgo, Planning & Development Director

Director McPherson commented that it is great to see the pursuit of battery electric buses in Item 9.7. We are on the right track and these efforts are appreciated.

There was no public comment.

**ACTION: MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED**

**MOTION: DIRECTOR LIND**

**SECOND: DIRECTOR DUTRA**

**MOTION PASSED WITH 8 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Lind, McPherson, Pageler and Rotkin). Directors Koenig, Meyers and Parker were absent.**

## REGULAR AGENDA

- 10 PRESENTATION OF EMPLOYEE LONGEVITY AWARDS (10 YEARS): CRYSTAL AYRES, PABLO BERRELLEZA, LORENA CALDERON, TRAVIS HAVENS, ALLISON HERNANDEZ-ADAIR, JOAN JEFFRIES, GERMAN LOPEZ, MICHELLE MARTINEZ, OSCAR MENDEZ, JAMES SANDOVAL, MICHAEL THORN, AND ROBERT VALDIVIA**

Chair Pageler read the bios available and congratulated all on their years of service.

- 11 RETIREE RESOLUTIONS OF APPRECIATION FOR: RHONDA CARTER AND EILEEN WAGLEY**

Chair Pageler read the bio available and congratulated both on their retirement.

**ACTION: MOTION TO APPROVE THE RETIREE RESOLUTIONS AS PRESENTED**

**MOTION: DIRECTOR ROTKIN**

**SECOND: DIRECTOR DOWNING**

**MOTION PASSED WITH 8 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Lind, McPherson, Pageler and Rotkin). Directors Koenig, Meyers and Parker were absent.**

- 12 APPROVE: CONSIDERATION OF AWARD OF CONTRACT TO JARRETT WALKER & ASSOCIATES, LLC FOR THE BUS NETWORK REIMAGINING PLAN NOT TO EXCEED \$411,570**

John Urgo, METRO Planning and Development Director, spoke to his presentation (attached) for the Bus Network Reimagining Plan. He outlined four key project outcomes:

- 1) A comprehensive evaluation and analysis of METRO's current fixed route system
- 2) Engagement with the public in a network planning exercise through two or more alternative scenarios that illustrate difficult trade-offs in transit planning
- 3) Review draft and final network scenarios matching possible financial projections—one with current resources and two with additional resources
- 4) A robust process of interaction with the stakeholders--city councils, METRO Board and the public to provide input to the plan throughout the process

The other piece that is driving this is METRO's 5-Year Strategic Plan goals presented by CEO Tree at the October workshop—increase ridership, purchase only zero-emission vehicles to convert fleet by 2037, and develop affordable housing at METRO Transit Centers.

Jarrett Walker and Associates, LLC was determined to be the highest ranked firm whose proposal fulfills the requirements of the RFP with costs that are fair and reasonable. Staff is recommending the Board award a contract to Jarrett Walker and Associates, LLC for the Bus Network Reimagining Plan as presented and authorize the CEO/General Manager to execute this contract.

Director Downing thanked Mr. Urgo for his presentation. She added that while she understands the ridership coverage challenges that are especially acute during our Bus Operator shortage, she's looking forward to seeing this project engage communities.

Director Kalantari-Johnson thanked Mr. Urgo for his presentation and mentioned that the County and City of Santa Cruz will be revising their housing element, which is very relevant to the goals METRO has set. She hopes that we can integrate what has happened with these housing elements with this reimagining plan.

Director Rotkin commented that Jarrett Walker and Associates, LLC is the preeminent transit planning firm and thanked Mr. Urgo for his presentation. He added the importance of working closely with the various cities within Santa Cruz County on upcoming housing opportunities and making affordable housing compatible with existing neighborhoods. He also added that METRO is planning to build housing units on its properties as well.

Director Dutra said this is a good idea to include many voices throughout the County in this discussion. He appreciates the support that our Chair and Board has given South County in addressing their needs.

Lani Faulkner, Equity Transit, supports Jarrett Walker's consultation services being awarded.

**ACTION: MOTION TO AWARD A CONTRACT TO JARRETT WALKER & ASSOCIATES, LLC FOR THE BUS NETWORK REIMAGINING PLAN NOT TO EXCEED \$398,106**

**MOTION: DIRECTOR KALANTARI-JOHNSON SECOND: DIRECTOR DUTRA**

**MOTION PASSED WITH 8 AYES (Directors Brown, Downing, Dutra, Kalantari-Johnson, Lind, McPherson, Pageler and Rotkin). Directors Koenig, Meyers and Parker were absent.**

### **13 CEO ORAL REPORT / COVID-19 UPDATE**

Dawn Crummié, Human Resources Director, provided the CEO oral report on the following items:

Celtis Ventures, Inc. – Recently onboarded, this marketing firm will assist with marketing support, brand development, creation of a photo/video library, social media and the implementation of a new website.

One-Ride-At-A-Time Campaign – METRO's Marketing Department has been making great progress on this campaign. The campaign is a partnership with GO Santa Cruz County, a customer loyalty program that incentivizes riders to use this system by making a donation to one of the two local environmental, non-profits— The Monterey Bay National Marine Sanctuary or Bay of Life Fund. METRO plans to unveil the first two bus wraps featuring land and sea photos from National Geographic photographer Frans Lanting at his gallery opening on January 21, 2023 at the Santa Cruz Museum of Art and History.

Grants – METRO is currently working on the TIRCP grant, a \$40 million grant at State level for hydrogen stations, buses and improvements to the Watsonville Transit Center.

Articulated Buses – METRO is in the process of acquiring 10 articulated buses from San Diego Metropolitan Transit System that are 10 years younger than our oldest buses in the fleet. This will help bridge the gap for when we order hydrogen buses and when we actually receive them.

Ms. Crummié thanked Mr. Sandoval for his shout out on recruitment of Bus Operators. We currently have six new hires in our training class. They will complete training in late January 2023. We are also running another recruitment through January 7, 2023. Ads are running on radio stations KSCO AM 1080, FM 104.1 and 95.7 and include testimonials from our current Bus Operators.

We are also hiring Mechanics. We currently have two Mechanics starting January 11, 2023 and we are looking for four more.

Director Rotkin asked Dawn to elaborate on the benefits of working at METRO as a Bus Operator. Ms. Crummié gave a brief description of the compensation package and benefits available to the new Bus Operators. We are currently hiring at Step 2, which is \$24.58/hour, a \$4,000 hiring bonus, a \$2,000 referral bonus to current employees for referring a Bus Operator or Mechanic recruit. METRO pays 95% of the medical plan premium chosen by the employee. METRO pays 100% of the dental and vision premiums. We also provide life insurance, the CalPERS pension, and longevity awards.

Lastly, METRO had a holiday party last weekend and it had a great turn out even with the rain. Approximately 115 people attended. A special thank you to Director McPherson for attending and greeting employees and a huge thank you to Donna Bauer for putting the whole thing together. The decorations were beautiful and the hor'dourves were great. Donna dedicated many hours in putting this all together and she did a wonderful job.

**14 ANNOUNCEMENT OF NEXT MEETING**

Chair Pageler announced the next regular board meeting will be held on Friday, January 27, 2023 at 9:00 AM via teleconference.

**15 ADJOURNMENT**

Chair Pageler adjourned the meeting at 10:26 AM.

Respectfully submitted,

Donna Bauer  
Executive Assistant

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TRANSPORTATION SOLUTIONS  
One Washington Square, SU 1800  
San José, CA 95192-0129  
408.924.7433 | ts.sjsu.edu

December 15, 2022

To: Santa Cruz METRO Board of Directors:

On behalf of Associated Students (AS) Transportation Solutions at San José State University (SJSU), the City of San José, and its Highway 17 Express riders, we are writing to voice serious concerns regarding the schedule changes taking effect on 12/22. Specifically, we want to address the changes to end service at Diridon and the reduction of stops at the Scotts Valley Park & Ride. However, first, we want to thank Santa Cruz METRO's Board of Directors for listening to riders' concerns and adding a 5:30 pm run to the schedule, and we hope the Board will consider these additional requests.

With the impacts on ridership due to the pandemic, creating a customer-focused experience is critical to restoring ridership and trust and in transit. Riders rely on the Highway 17 Express to provide an easy, safe, affordable, and sustainable commute to work and school. The changes are detrimental to our plans to encourage and incentivize students and staff to explore alternatives to their single-passenger vehicles.

**Continue Service to East Santa Clara St.-** Ending Service at Diridon Station and requiring a VTA transfer further complicates the commute for those who already travel long distances. Many riders travel from as far as Monterey County, and studies show that complicated commutes and excessive transfers significantly decrease an individual's willingness to take transit. Our riders have expressed concerns about missing transfers, VTA service reliability, extended commute times, and safety concerns when traveling at night, all of which have them reconsidering their transportation options. They have shared that the commute at that point is not worth the time, and driving becomes the mode of choice. We also have several people who have no other way of commuting than public transportation, which adds another layer of stress and challenges to their daily lives.

**Add stops in Scotts Valley-** The Scotts Valley Park & Ride is essential to easing the commute of riders and is used by individuals who live not only in Monterey County, but also in the city of Santa Cruz, Scotts Valley, and the San Lorenzo Valley because of limited parking and options for first and last-mile connections. Commuters prefer the Scotts, Valley Park and Ride lot to the Pasatiempo Park & Ride because it has ample parking, provides a safe environment, and amenities for commuters that Pasatiempo does not offer.

AS Transportation Solutions has been a long-time supporter of Santa Cruz METRO, and SJSU subsidizes the 31-Day pass and 15-Ride pass to enable riders to enjoy a modest discount, which helps boost ridership and take cars off the road. The City of San José does not offer similar fare subsidies at this time. There is no doubt that these changes are not wanted by riders and will make promoting this service as a viable commute option increasingly difficult and lead to more automobiles, congestion, and danger on the road.

The City of San José has set ambitious goals for reducing greenhouse gas emissions caused by commuters driving alone. The Highway 17 Express provides a crucial service to City staff, downtown employers, and SJSU students and staff that supports those goals. Having a service that extends to City

**10.2B.8**


## Attachment

Hall and the University, and doesn't require a transfer is key to the success of this service. We don't see the transfer as redundant service. We know that when there is a lack of seamlessness in a transit trip, it negatively affects passenger experience and consequently reduce ridership.

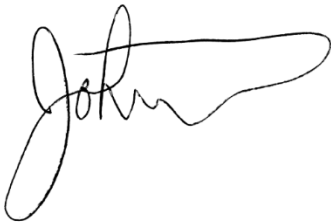
We have been informed these changes result from multiple challenges Santa Cruz METRO is facing, including a lack of access to safe and sanitary restrooms for operators, challenges with rest stop parking, and bus operator shortages. We are open to discussing ways we can collaborate on potential solutions for restroom access and rest stops , or any other barriers that METRO is encountering to maintain the quality and ridership potential for this critical service.

We hope you will take our concerns into consideration as you make your final decision.

Regards,

DocuSigned by:  
  
7F8CD68FB3C1495...

Tiffany Rodriguez, Manager  
Associated Students, SJSU  
Transportation Solutions  
Student Union, East Wing Room 1800  
San José, CA 95192-0129



John Ristow  
Director, Department of Transportation  
City of San José  
200 E. Santa Clara St. 8<sup>th</sup> Floor  
San José, Ca 95113

SJSU supporters of this letter include:

Eric Cross, Parking Services Manager  
Debbie Andreas, Senior Sustainability Lead, Office of Sustainability  
David Chai, Chair, Sustainability Board  
Harish Chander, Chair, Staff Council

# Santa Cruz METRO 2022 Bus Network Reimagining Plan

Attachment



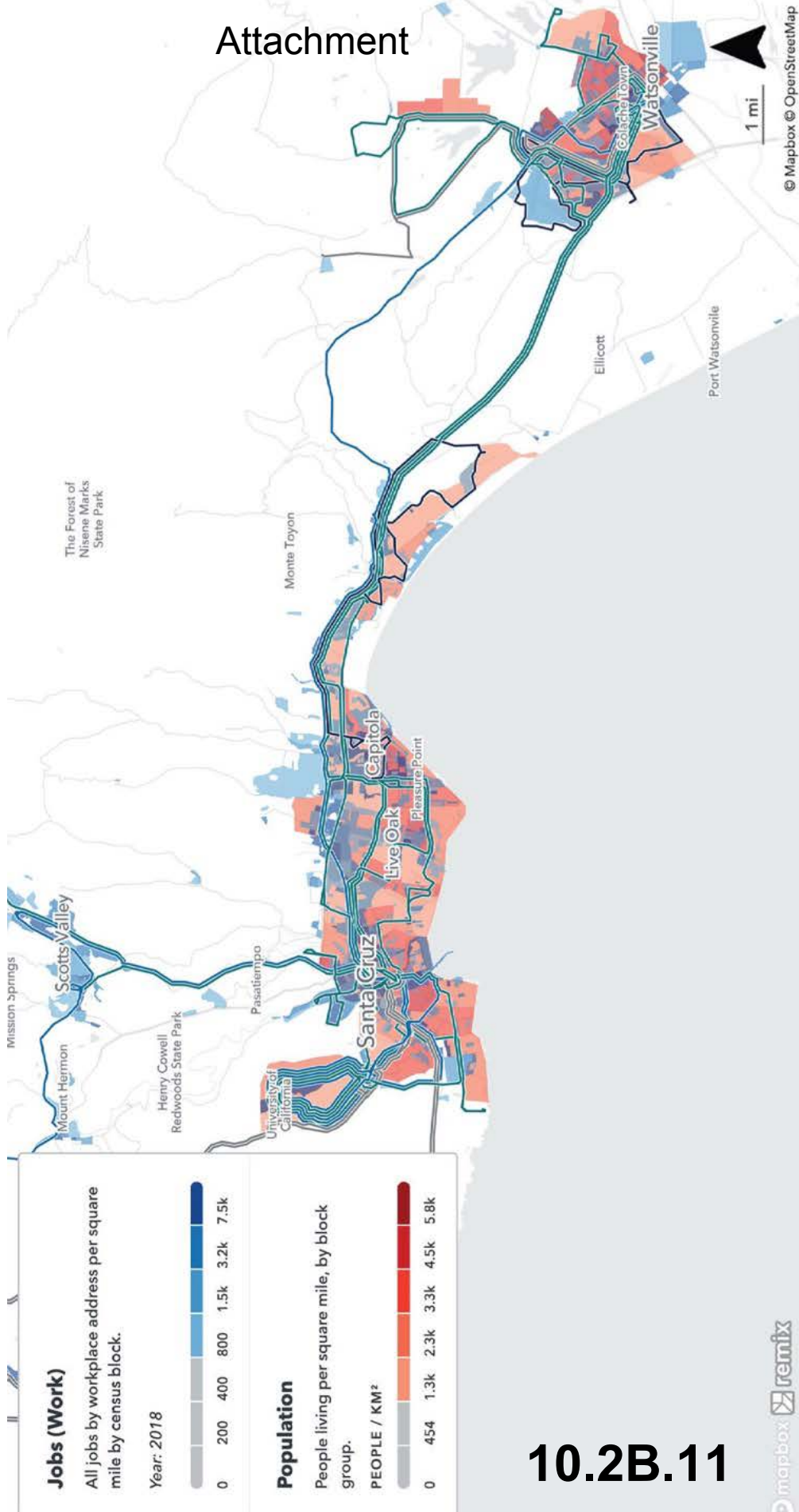
SCMTD Board of Directors  
December 16, 2022

10.2B.10

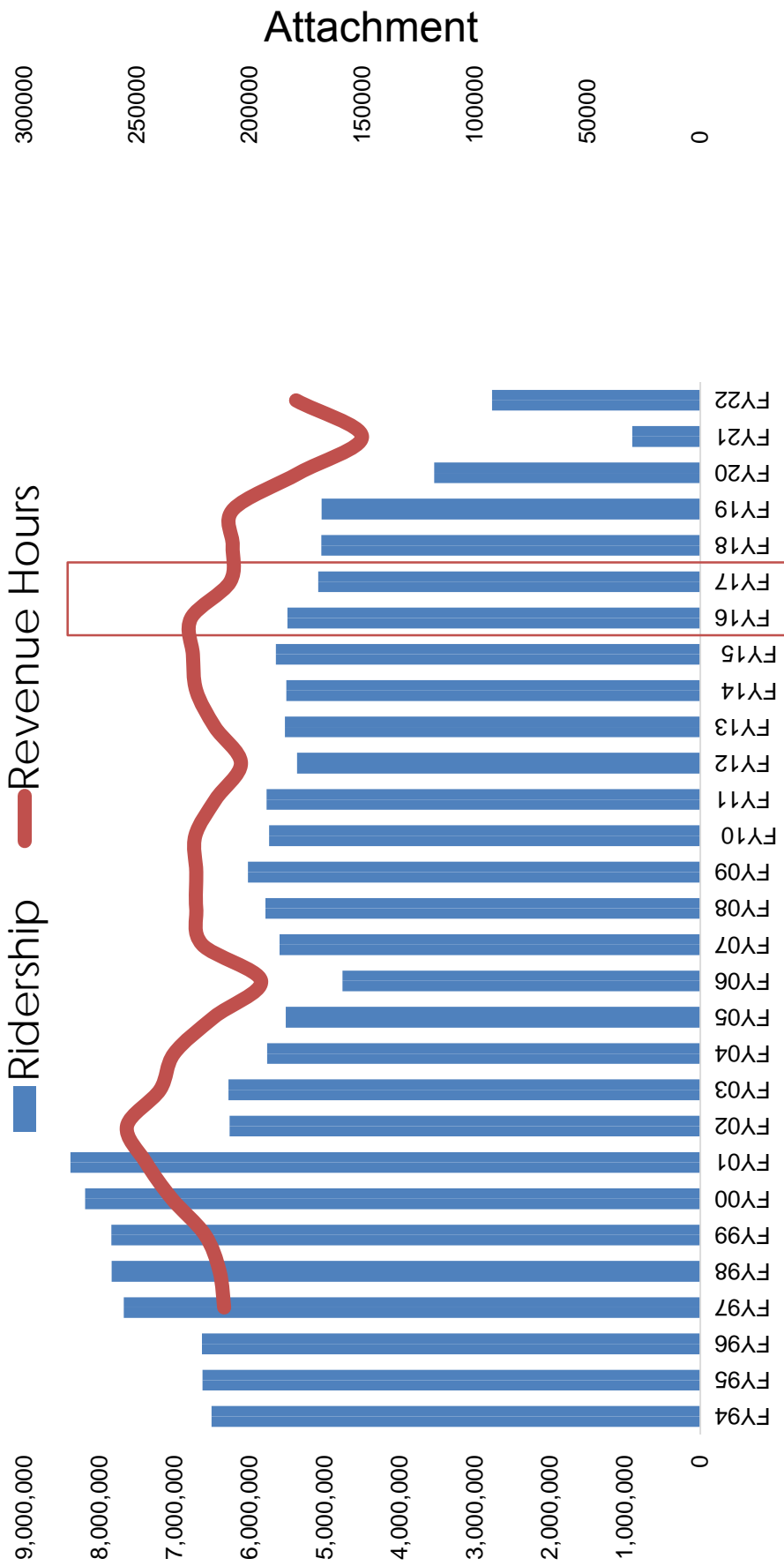


[scmtd.com](http://scmtd.com)

# 1) An evaluation of METRO's current fixed route bus network

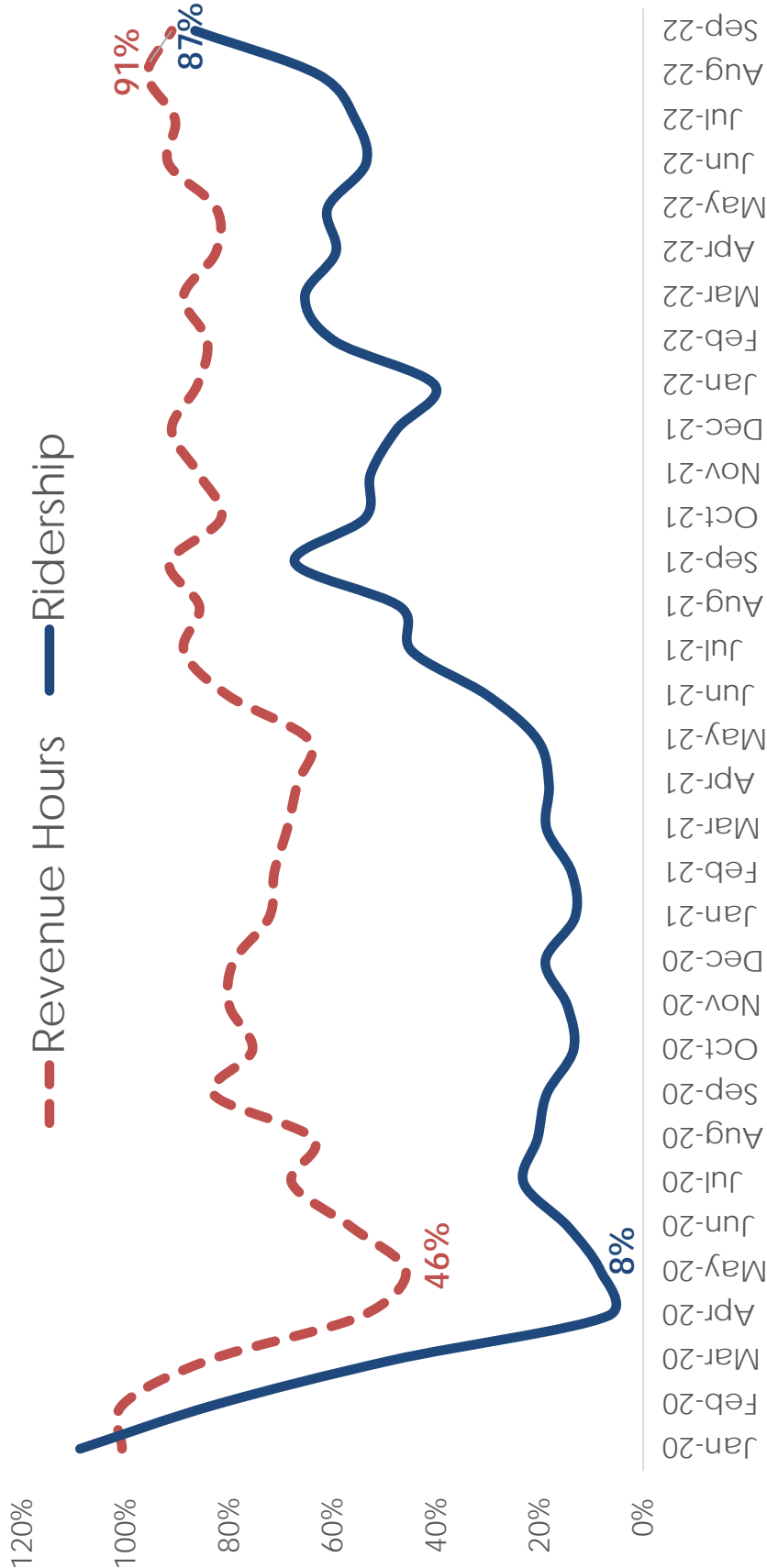


10.2B.11



2016  
COA

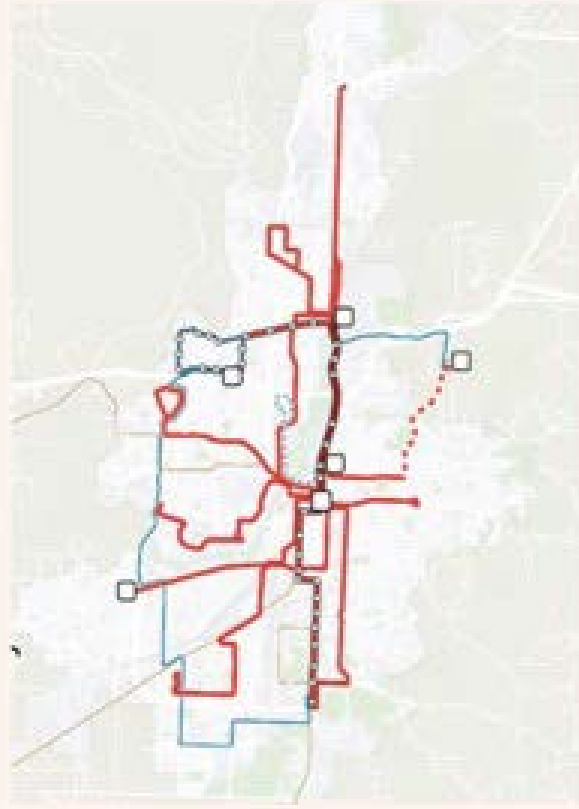
# Attachment



## 2) Complete two alternative scenarios

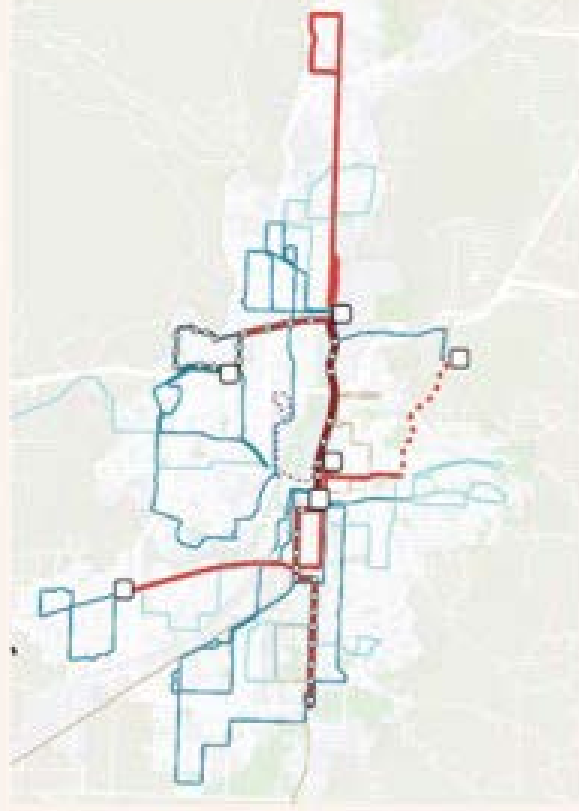
Attachment

### Ridership



High frequency service on main streets. Connections enable faster travel across the metro area. Some areas lose service.

### Coverage



Service in as many places as possible. Based on existing network, but more areas covered and lower frequencies in some areas.

# There is a strong preference for frequent service over broad availability.

Santa Cruz METRO is a public agency spending everyone's tax dollars. It has only a limited number of buses and limited money to operate them. That means they have to make hard choices about how much service they can provide and where in Santa Cruz County they can provide it. With that in mind, which of the following options would you prefer?

Provide fast and frequent service, that comes every 15 minutes and takes the most direct routes, even if that means transit is only available in the areas where the most people live and work

OR

Provide service to as many places as possible, even if that means the bus only comes every hour or 2 and most trips take a very long time

Attachment

All Residents

69%

26%

Once a Month or More

68%

30%

A Few Times Per Year

63%

34%

Never

70%

24%

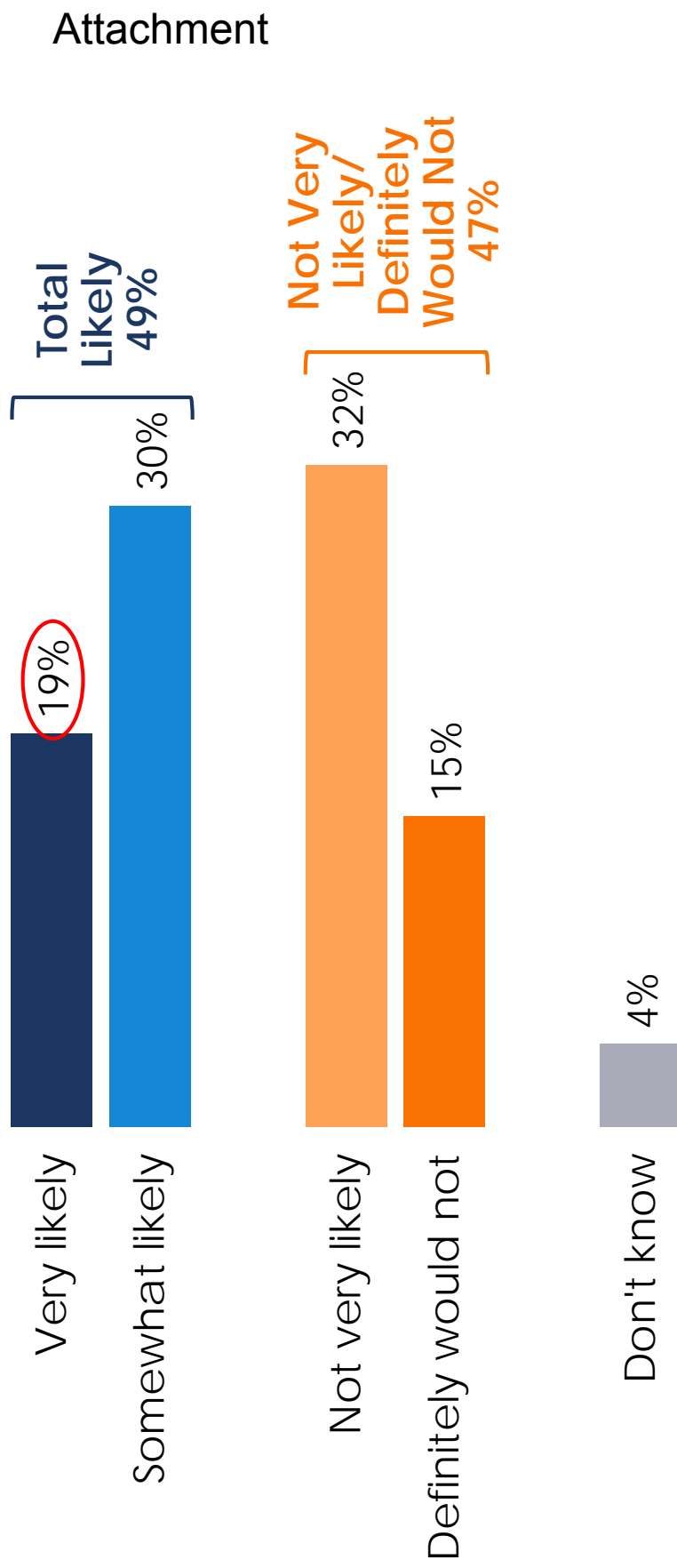
10.2B.15



**Nearly half of non-riders/infrequent riders reported they would be likely to ride METRO regularly if buses came more often and dropped off in more convenient locations.**

If in the future, Santa Cruz METRO provides bus service within walking distance of your home that runs every 15 minutes, and could drop you off within a block or 2 of where you need to go, thinking realistically, how likely would you be to use that service once a month or more?

**(Asked of Respondents Who Currently Ride METRO Less than Once Per Month, n=910)**



# 3) Cost-neutral and future growth scenarios



Low



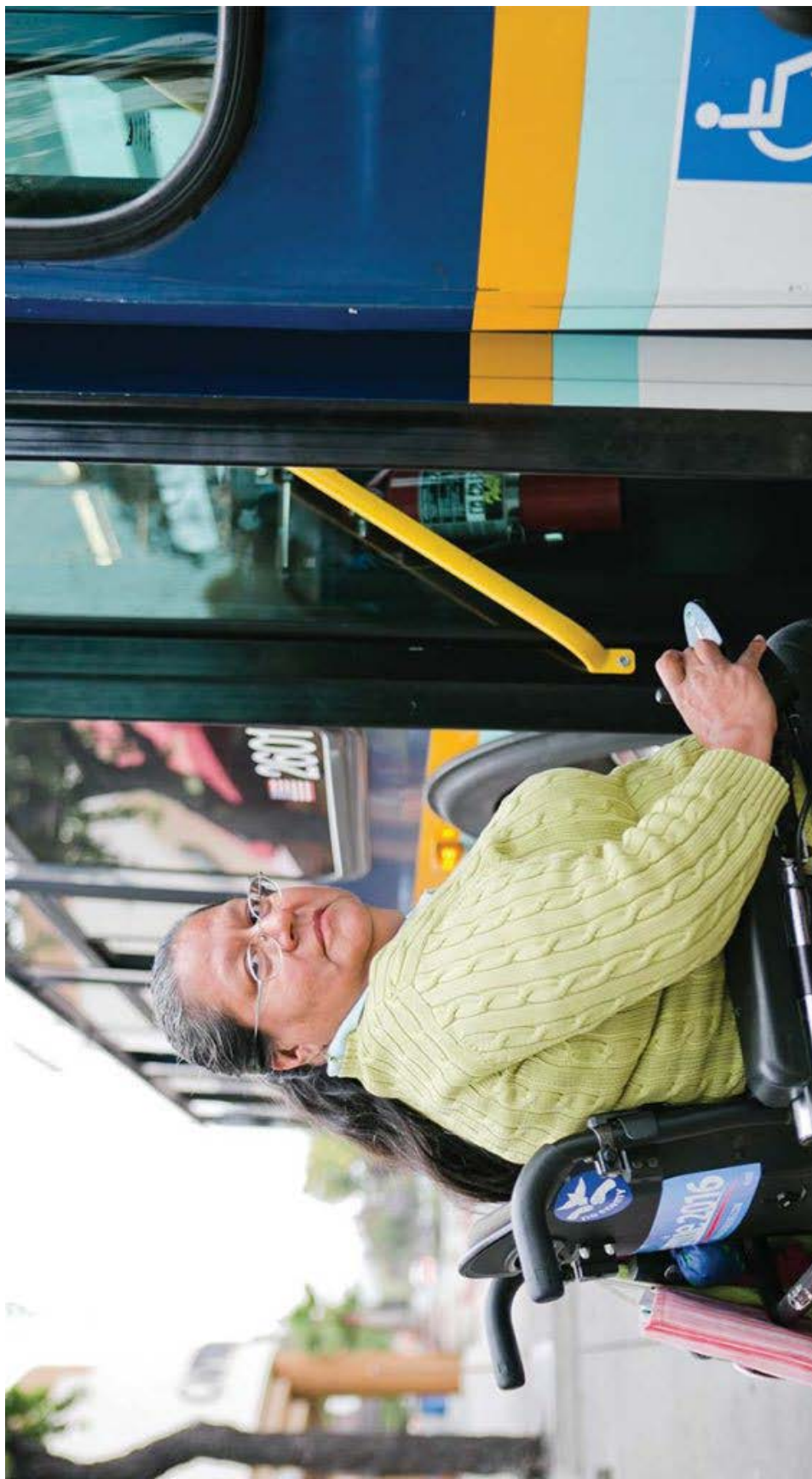
Medium



High

Attachment

## 4) Robust community engagement



Attachment

10.2B.18

# 5-Year Strategic Plan Goals

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**Ridership:** 100% ridership increase within the next 5 years

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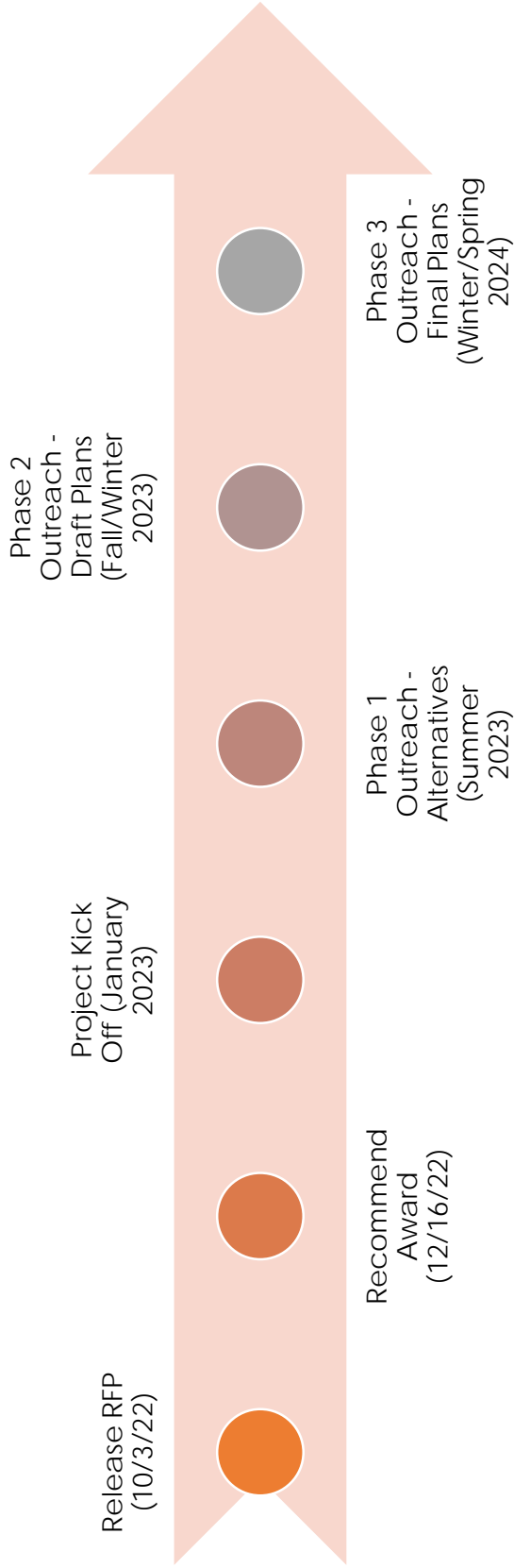
**Zero-Emission Vehicles:** Purchase only zero emission buses moving forward, converting entire 96 bus METRO fleet by 2037

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**Affordable Housing:** Develop 175 housing units at METRO Transit Centers within the next decade

# Schedule

Attachment



**10.2B.20**



# Questions?



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)  
FINANCE, BUDGET, AND AUDIT STANDING COMMITTEE MEETING MINUTES\*  
JANUARY 13, 2023 – 8:00 AM**

**MEETING HELD VIA TELECONFERENCE**

A regular meeting of the Finance, Budget, and Audit Standing Committee of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, January 13, 2023, via teleconference.

The Committee Meeting Agenda Packet can be found online at [www.SCMTD.com](http://www.SCMTD.com). \*Minutes are “summary” minutes, not verbatim minutes. Audio recordings of Board meeting open sessions are available to the public upon request.

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**1 CALLED TO ORDER** by Director Rotkin at 8:04 AM.

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

<b>Director Shebreh Kalantari-Johnson</b>	<b>City of Santa Cruz</b>
<b>Director Manu Koenig</b>	<b>County of Santa Cruz</b>
<b>Director Donna Lind</b>	<b>City of Scotts Valley</b>
<b>Director Mike Rotkin</b>	<b>County of Santa Cruz</b>

Michael Tree	METRO CEO/General Manager
Julie Sherman	METRO General Counsel

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

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

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

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

**5 YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF DECEMBER 31, 2022**

Chuck Farmer, CFO, spoke to the presentation and reviewed the six-month year-to-date actual versus operating surplus/deficit budget. He explained that these numbers are driven by the Bus Operator shortage and slightly offset by overtime. He continued with operating revenues and expenses and provided a forecast for the balance of FY23. He gave a brief recap of active capital projects.

There was no public comment.

**6 ORAL SUMMARY OF AUDITED FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR’S REPORT FOR THE YEAR ENDED JUNE 30, 2022**

**A. FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR’S REPORT - JUNE 30, 2022**

**B. BROWN ARMSTRONG LETTER – REQUIRED COMMUNICATION TO THE BOARD**

**C. MEASURE D PROGRAM FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED JUNE 30, 2022**

Chuck Farmer, CFO, introduced Lorraine Bayer, Accountant III. She spoke to the auditor's reports presented in the agenda packet and relayed that METRO received a clean, unmodified opinion. There were no reportable findings, no management letter or compliance issues. She reviewed the changes of the Governmental Accounting Standards Board (GASB) lease standards and METRO's pension obligation bonds and explained how they are depicted in the report.

Director Rotkin congratulated the financial staff on a doing a great job and providing a clean audit. Director Lind commented that she often uses METRO as an example because of the great job being done.

There was no public comment.

**7 ADJOURNMENT**

Director Rotkin adjourned the meeting at 8:20 AM.

Respectfully submitted,

Donna Bauer  
Executive Assistant

DRAFT





**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)  
PERSONNEL/HR STANDING COMMITTEE MEETING MINUTES\*  
JANUARY 13, 2023 – 1:00 PM  
MEETING HELD VIA TELECONFERENCE**

A regular meeting of the Personnel/HR Standing Committee of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, January 13, 2023, via teleconference.

The Committee Meeting Agenda Packet can be found online at [www.SCMTD.com](http://www.SCMTD.com). \*Minutes are “summary” minutes, not verbatim minutes. Audio recordings of Board meeting open sessions are available to the public upon request.

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**1 CALLED TO ORDER** by Director Pageler at 1:01 PM.

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

**Director Larry Pageler, 2022 Board Chair**

Director Jimmy Dutra, 2022 Board Vice Chair

**Director Donna Lind, Immediate Past Board Chair**

Director Kristen Brown

**Director Rebecca Downing**

**County of Santa Cruz**

City of Watsonville

**City of Scotts Valley**

City of Capitola

**County of Santa Cruz.**

Michael Tree

Julie Sherman

METRO CEO/General Manager

METRO District Counsel

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

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

**4 ORAL AND WRITTEN COMMUNICATIONS TO THE PERSONNEL/HUMAN RESOURCES STANDING COMMITTEE**

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

**5 REVIEW REQUEST TO AUTHORIZE FUNDING FOR A SENIOR CUSTOMER SERVICE REPRESENTATIVE**

Dawn Crummié, HR Director, spoke to this item and requested funding for a Senior Customer Service Representative to address the needs of METRO’s Customer Service Department. As call volumes and duties have increased, funding this position will allow for support seven days a week and the ability to provide training on operational procedures. Discussion followed on the length of time that METRO has been short-staffed in this capacity.

There was no public comment.

**MOTION: REQUEST THE FULL BOARD TO AUTHORIZE AND FUND A SENIOR CUSTOMER SERVICE REPRESENTATIVE**

**MOTION: DIRECTOR LIND**

**SECOND: DIRECTOR DOWNING**

**MOTION PASSED WITH 3 AYES (Directors Pageler, Lind and Downing). Directors Dutra and Brown were absent.**

**6 ADJOURNMENT**

Director Pageler adjourned the meeting at 1:08 PM.

Respectfully submitted,

Donna Bauer  
Executive Assistant

DRAFT



**DATE:** January 27, 2023  
**TO:** Board of Directors  
**FROM:** Chuck Farmer, Chief Financial Officer  
**SUBJECT: ACCEPT AND FILE THE YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF DECEMBER 31, 2022**

**I. RECOMMENDED ACTION**

**That the Board of Directors accept and file the Year to Date Monthly Financial Report as of December 31, 2022**

**II. SUMMARY OF ISSUES**

An analysis of Santa Cruz Metropolitan Transit District's (METRO) financial status is prepared monthly in order to inform the Board of Directors (Board) regarding METRO's actual revenues and expenses in relation to the adopted operating and capital budgets for the fiscal year.

This staff report is the web-accessible companion document to the attached PowerPoint presentation titled "Year to Date Monthly Financial Report as of December 31, 2022."

Staff recommends that the Board accept and file the attached report.

**III. DISCUSSION/BACKGROUND**

Below are the written explanations of the various charts and graphs in the attached Year to Date Monthly Financial Report as of December 31, 2022. The fiscal year has elapsed 50%.

Slide 1

(Cover) Year to Date Monthly Financial Report as of December 31, 2022

Slide 2

December 2022 Key Financial Highlights

- Service
  - Fixed Route (inc Hwy 17) Cost per Revenue Service Hour is \$287 vs Budget of \$449
    - 3 canceled trips – 2 due to no Bus Operators
  - ParaCruz Cost per Trip is \$65 vs Budget of \$90
  - Non-Student/Hwy 17 Passengers is 144,766 vs Budget of 101,443

- Financials
  - Operating Surplus/(Deficit) is favorable \$0.7M driven by lower wages of \$0.3M, fringe of \$0.4M, and non-personnel of \$0.1M; partially offset by higher OT of \$0.2M
  - Non-Operating Revenues of \$6.0M are \$1.3M unfavorable vs budget of \$7.3M driven primarily by lower COVID ARPA drawdown in December
- Capital
  - Capital spend of \$153K is behind budget of \$320K primarily due to delayed billing on Demo/Parking lot rehab
- Personnel
  - 282 Active Personnel vs 329 Funded Personnel (*Reflects adopted, funded personnel as of June 2022*)
  - 50 Vacancies at end of December, 27 related to Paratransit and Bus Operators
  - Recruitment completed for Van Operator (1), Transit Supervisor (1), Mechanics (7), Administrative Specialist (1)
  - Class of 10 Operators in progress

### Slide 3

(Cover) December 2022, YTD Pre-Close Financials

### Slide 4

December YTD FY23 Operating Surplus/(Deficit) Actual vs. Budget

- Actuals are \$2.5M favorable to budget – excludes UAL/Bond Payment and COVID related costs
  - Passenger Fares – favorable by \$340K, Ridership is still below pre-pandemic levels, but is slowly recovering
  - Labor, Regular – favorable by \$1,160K, due to funded/vacant positions
  - Labor, OT – unfavorable by \$939K, increased overtime for Bus Operators
  - Fringe Benefits – favorable by \$1,595K due to retirement and medical insurance savings from funded/vacant positions
  - Non-Personnel – favorable by \$306K, primarily due to timing of spending

Slide 5

December 31, 2022 YTD Operating Revenue and Expenses

- Operating Revenue, net favorable by \$340K
  - Passenger Fares - favorable by \$244K
  - Special Transit Fares – favorable by \$96K
- Operating Expense, net favorable by \$2,123K– Favorable wages and fringe driven by shortage of bus drivers and other vacant positions; partially offset by increased OT
  - Labor Regular – favorable by \$1,160K
  - Labor OT – unfavorable by \$939K
  - Fringe Benefits – favorable by \$1,595K, excludes UAL related costs
  - Non-Personnel – favorable by \$306K, excludes all COVID and Bond payment related costs
- Operating Surplus of \$2,462K
  - Farebox Recovery – 18.1% vs 15.4% budget
- Non-Operating Revenue/(Expense), net favorable by \$804K - Revenues favorable due to higher Sales Tax revenues, TDA/STA Grants, and Interest Income; partially offset by lower ARPA COVID drawdowns as a result of lower reimbursable costs
  - Sales Tax/including Measure D – favorable by \$1,257K
  - Federal/State Grants – favorable by \$1,554K
  - COVID Relief Grants – unfavorable by \$2,335K
  - COVID Related costs – favorable by \$95K
  - Pension UAL/Bond Payment costs – no variance
  - All Other Revenues – favorable by \$251K
- Operating Surplus before Transfers of \$3,266K
- Bus Replacement Fund – higher by \$249K due to increased Measure D sales tax revenues
  - Bus Replacement Fund – Minimum \$3M annual commitment from Measure D sales tax and STA-SGR; FY23 budgeted transfer is \$3.1M
- Operating Surplus after Transfers – favorable by \$3,017K

Slide 6

(Cover) Year End June 2023, Forecast Financials

Slide 7

Full Year FY23 Surplus/(Deficit) Estimate vs. Budget, net favorable by \$4.5M

- Passenger Fares – favorable by \$555K, Ridership is still below pre-pandemic levels, but is showing strong recovery
- Labor, Regular – favorable by \$3,541K, due to funded/vacant positions
- Labor, OT – unfavorable by \$2,214K, increased overtime for Bus Operators
- Fringe Benefits – favorable by \$2,720K due to retirement and medical insurance savings from funded/vacant positions
- Non-Personnel – unfavorable by \$84K, primarily due to new CNG Fuel contract that is ~\$1M higher than budgeted; efforts will be made to reduce spending in other areas to help offset this increased cost

Slide 8

Full Year FY23 Operating Revenue and Expenses Estimate

- Operating Revenue, net favorable by \$555K
  - Passenger Fares - favorable by \$657K
  - Special Transit Fares – unfavorable by \$101K
- Operating Expense, net favorable by \$3,963K– Favorable wages and fringe driven by shortage of bus drivers and other vacant positions; partially offset by increased OT
  - Labor Regular – favorable by \$3,541K
  - Labor OT – unfavorable by \$2,214K
  - Fringe Benefits – favorable by \$2,720K, excludes UAL related costs
  - Non-Personnel – unfavorable by \$84K, excludes all COVID and Bond payment related costs
- Operating Surplus of \$4,518K
  - Farebox Recovery – 17.5% vs 15.2% budget
- Non-Operating Revenue/(Expense), net unfavorable by \$364K - Revenues favorable due to higher Sales Tax revenues, TDA/STA Grants, and Interest Income; partially offset by lower ARPA COVID drawdowns
  - Sales Tax/including Measure D – favorable by \$1,154K
  - Federal/State Grants – favorable by \$1,554K
  - COVID Relief Grants – unfavorable by \$3,549K
  - COVID Related costs – favorable by \$155K
  - Pension UAL/Bond Payment costs – no variance
  - All Other Revenues – favorable by \$322K

- Operating Surplus before Transfers of \$4,154K
- Bus Replacement Fund – higher by \$501K due to increased Measure D sales tax revenues
  - Bus Replacement Fund – Minimum \$3M annual commitment from Measure D sales tax and STA-SGR; FY23 budgeted transfer is \$3.1M
- All Other Transfers: \$2M UAL, \$4.5M Operations Sustainability Reserve
- Operating Surplus after Transfers – favorable by \$3.7M, which will be transferred to the COVID Reserves

Slide 9

(Cover) Capital Spending & Project Completion

Slide 10

December 31, 2022 Capital Budget Spend

Total Capital Projects spending month to date is \$153K against budget of \$320K

- Construction Related Projects – no spending, no budget
- IT Projects – spending of \$101K against budget of \$72K
- Facilities Repair & Improvements – spending of \$2K against budget of \$147K
- Revenue Vehicle Replacement – spending of \$50K against budget of \$73K
- Revenue Vehicle Electrification Projects – no spending, no budget
- Non-Revenue Vehicle Replacement – no spending, no budget
- Fleet & Maintenance Equipment – no spending, no budget
- Miscellaneous – no spending against budget of \$28K

Total Capital Projects spending year to date is \$1,306K against budget of \$1,600K, which is 14.8% of \$8,844K approved annual budget from December 2022

- Construction Related Projects – spending of \$10K against budget of \$9K, which is 1.0% of \$1,050K annual budget
- IT Projects – spending of \$603K against budget of \$574K, which is 36.5% of \$1,650K annual budget
- Facilities Repair & Improvements – spending of \$44K against budget of \$318K, which is 4.4% of \$992K annual budget
- Revenue Vehicle Replacement – spending of \$483K against budget of \$531K, which is 18.1% of \$2,666K annual budget
- Revenue Vehicle Electrification Projects – spending of \$34K, against budget of \$6K, which is 2.7% of \$1,251K annual budget

- Non-Revenue Vehicle Replacement – spending of \$63K against budget of \$63K, which is 13.5% of \$468K annual budget
- Fleet & Maintenance Equipment – no spending, no budget, with annual budget of \$75K
- Miscellaneous – spending of \$69K against budget of \$99K, which is 10.0% of \$692K annual budget

Overall YTD spending is at 82%, or \$1.3M, of budget of \$1.6M; primarily lower due to delayed billing from work done on Demo of two structures, repair sinkhole project

Active Projects include:

- ERP System
- AVL/ITS, Automatic Passenger Counters
- ZEB Chargers/Infrastructure

#### Slide 11

(Cover) Questions?

#### Slide 12

(Cover) Appendix

#### Slide 13

December 31, 2022 Monthly Operating Revenue and Expenses

- Operating Revenue, net unfavorable by \$39K
  - Passenger Fares - favorable by \$54K
  - Special Transit Fares – unfavorable by \$93K
- Operating Expense, net favorable by \$730K – Favorable fringe driven by shortage of bus drivers and other vacant positions
  - Labor Regular – favorable by \$340K
  - Labor OT – unfavorable by \$198K
  - Fringe Benefits – favorable by \$447K, excludes UAL related costs
  - Non-Personnel – favorable by \$142K, excludes all COVID and Bond payment related costs
- Operating Surplus of \$691K
  - Farebox Recovery – 14.8% vs 13.3% budget
- Non-Operating Revenue/(Expense), net unfavorable by \$1,286K – COVID Relief grant unfavorable by \$1,757K due to lower drawdowns as a result of



lower reimbursable costs; partially offset by higher Federal/State grants of \$362K

- Sales Tax/including Measure D – favorable by \$74K
- Federal/State Grants – favorable by \$362K
- COVID Relief Grants – unfavorable by \$1,757K
- COVID Related costs – favorable by \$19K
- Pension UAL/Bond Payment costs – no variance
- All Other Revenues – favorable by \$16K
- Operating Deficit before Transfers of \$594K
- Bus Replacement Fund – higher by \$1K due to increased Measure D sales tax revenues
  - Bus Replacement Fund – Minimum \$3M annual commitment from Measure D sales tax and STA-SGR; FY23 budgeted transfer is \$3.1M
- Operating Deficit of \$595K

#### **IV. STRATEGIC PLAN PRIORITIES ALIGNMENT**

This report pertains to METRO's Financial Stability, Stewardship & Accountability.

#### **V. FINANCIAL CONSIDERATIONS/IMPACT**

Favorable budget variances in Operating Revenues and Expenses contribute to favorable budget variance in Operating Balance, Year to Date as of December 31, 2022.

#### **VI. CHANGES FROM COMMITTEE**

Update slide 2 for missing Key Financial Highlights

#### **VII. ALTERNATIVES CONSIDERED**

There are no alternatives to consider, as this is an accept and file Year to Date Monthly Financial Report.

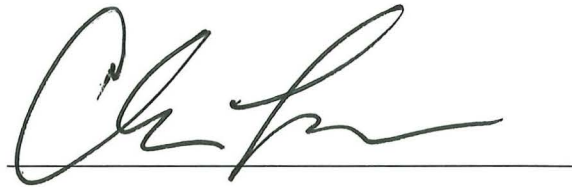
#### **VIII. ATTACHMENTS**

**Attachment A:** Year to Date Monthly Financial Report as of December 31, 2022 Presentation

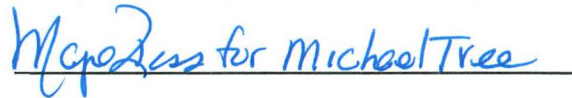
Prepared by: Cathy Downes, Sr. Financial Analyst

**IX. APPROVALS**

Chuck Farmer, Chief Financial Officer

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Michael S. Tree, CEO/General Manager

A handwritten signature in blue ink that reads 'M S Tree for Michael Tree', written over a horizontal line.



# **Year to Date Monthly Financial Report as of December 31, 2022**

Board of Directors

*January 27, 2023*

Chuck Farmer, Chief Financial Officer

# December 2022 Key Financial Highlights

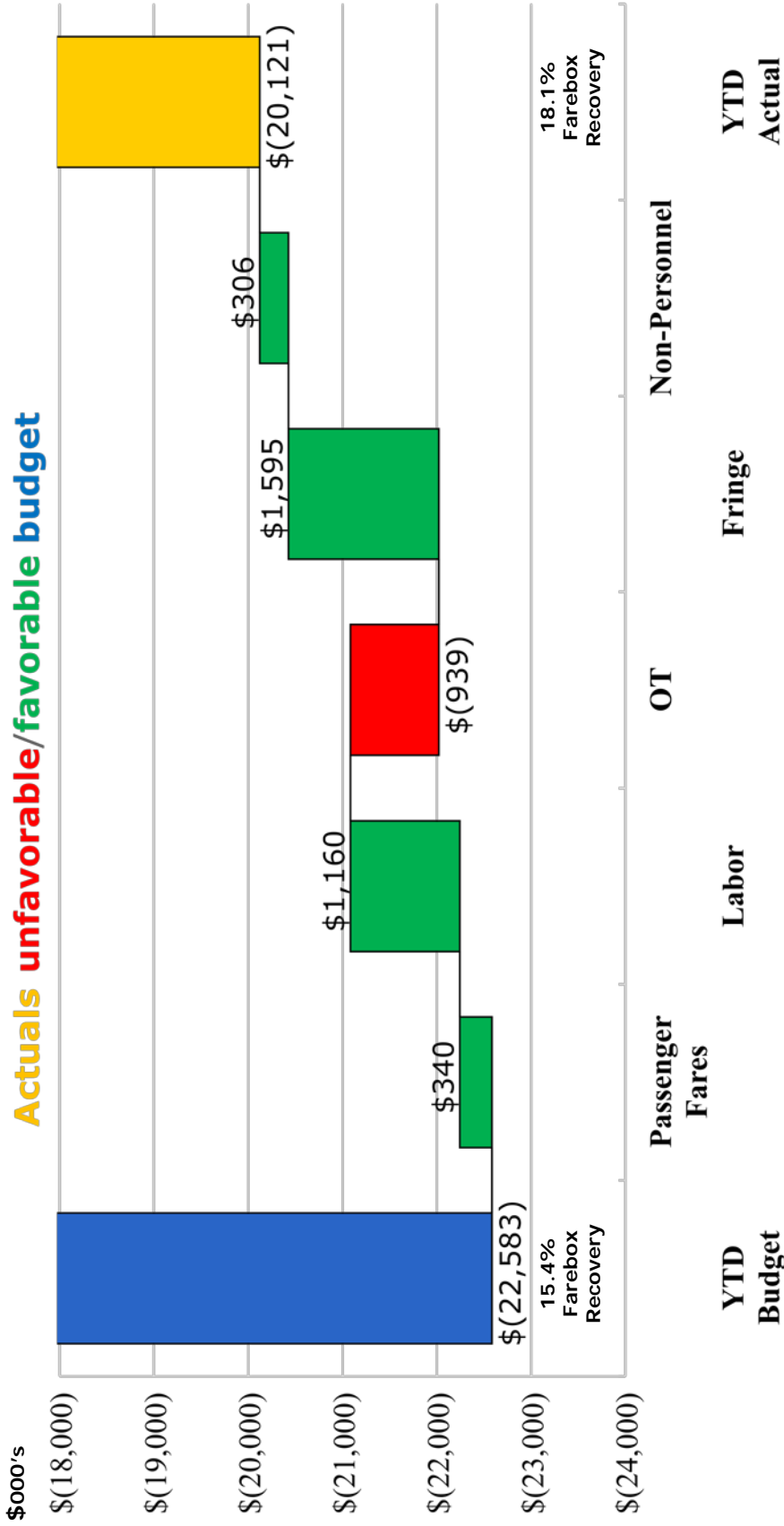
<p>Service</p>	<ul style="list-style-type: none"> <li>Fixed Route (including Hwy 17) Cost per Revenue Service Hour is \$287 vs Budget of \$449             <ul style="list-style-type: none"> <li>3 canceled trips – 2 due to no Bus Operator</li> </ul> </li> <li>ParaCruz Cost per Trip is \$65 vs Budget of \$90</li> <li>Non-Student/Hwy 17 Passengers is 144,766 vs Budget of 101,443</li> </ul>
<p>Financials</p>	<ul style="list-style-type: none"> <li>Total Operating Surplus/(Deficit) is favorable \$0.7M driven by lower wages of \$0.3M, fringe of \$0.4M, and Non-Personnel of \$0.1M; partially offset by higher OT of \$0.2M</li> <li>Non-Operating Revenues/Expense of \$6.0M are \$1.3M unfavorable vs budget of \$7.3M driven primarily by lower COVID ARPA drawdown in December.</li> </ul>
<p>Capital</p>	<ul style="list-style-type: none"> <li>Capital spending of \$153K is under budget of \$320K primarily due delayed billing on Demo/Parking lot rehab</li> </ul>
<p>Personnel</p>	<ul style="list-style-type: none"> <li>282 Active Personnel vs 329* Funded Personnel</li> <li>50 Vacancies at end of December, 27 related to Paratransit and Bus Operators</li> <li>Recruitment completed for Van Operator (1), Transit Supervisor (1), Mechanics (7), Administrative Specialist (1)</li> <li>Class of 10 Operators in progress</li> </ul>

# **December 2022, YTD Pre-Close Financials**

# December YTD FY23 Operating Surplus/(Deficit)

## Actual\* vs. Budget

Overall \$2.5M favorable



10.3A.4

\* Pre-close financials, subject to adjustments post close; may not foot due to rounding

# December 31, 2022

## YTD Operating Revenue and Expenses

\$ 000's	Actual*	Budget	Fav / (Unfav)
<b>Operating Revenue</b>			
Passenger Fares	\$ 1,482	\$ 1,237	\$ 244
Special Transit Fares	2,972	2,876	96
<b>Total Operating Revenue</b>	<b>\$ 4,454</b>	<b>\$ 4,114</b>	<b>\$ 340</b>
<b>Operating Expense</b>			
Labor - Regular	\$ 8,486	\$ 9,645	\$ 1,160
Labor - OT	1,713	774	(939)
Fringe	8,915	10,510	1,595
Non-Personnel (excludes COVID costs)	5,460	5,767	306
<b>Total OpEx</b>	<b>\$ 24,574</b>	<b>\$ 26,696</b>	<b>\$ 2,123</b>
<b>Operating Surplus/(Deficit)</b>	<b>(\$ 20,120)</b>	<b>(\$ 22,583)</b>	<b>\$ 2,462</b>
<i>Farebox Recovery</i>	<i>18.1%</i>	<i>15.4%</i>	<i>2.7%</i>
<b>Non-Operating Revenue/(Expense)</b>			
Sales Tax/including Measure D	\$ 16,790	\$ 15,533	\$ 1,257
Federal/State Grants	8,402	6,847	1,554
COVID Relief Grants	5,384	7,738	(2,355)
COVID Related Costs	(69)	(164)	95
Pension UAL/Bond Interest Payment	(1,307)	(1,307)	0
All Other	592	340	251
<b>Total Non-Operating Revenue/(Expense)</b>	<b>\$ 29,791</b>	<b>\$ 28,987</b>	<b>\$ 804</b>
<b>Operating Surplus/(Deficit) before Transfers</b>	<b>\$ 9,671</b>	<b>\$ 6,404</b>	<b>\$ 3,266</b>
<b>Transfers and Other</b>			
Transfers to Bus Replacement Fund	(\$ 1,437)	(\$ 1,188)	(\$ 249)
<b>Operating Surplus/(Deficit) after Transfers</b>	<b>\$ 8,234</b>	<b>\$ 5,217</b>	<b>\$ 3,017</b>

- \$2.5M Operating Surplus driven by lower labor & fringe due to shortage of bus drivers; partially offset by increased OT

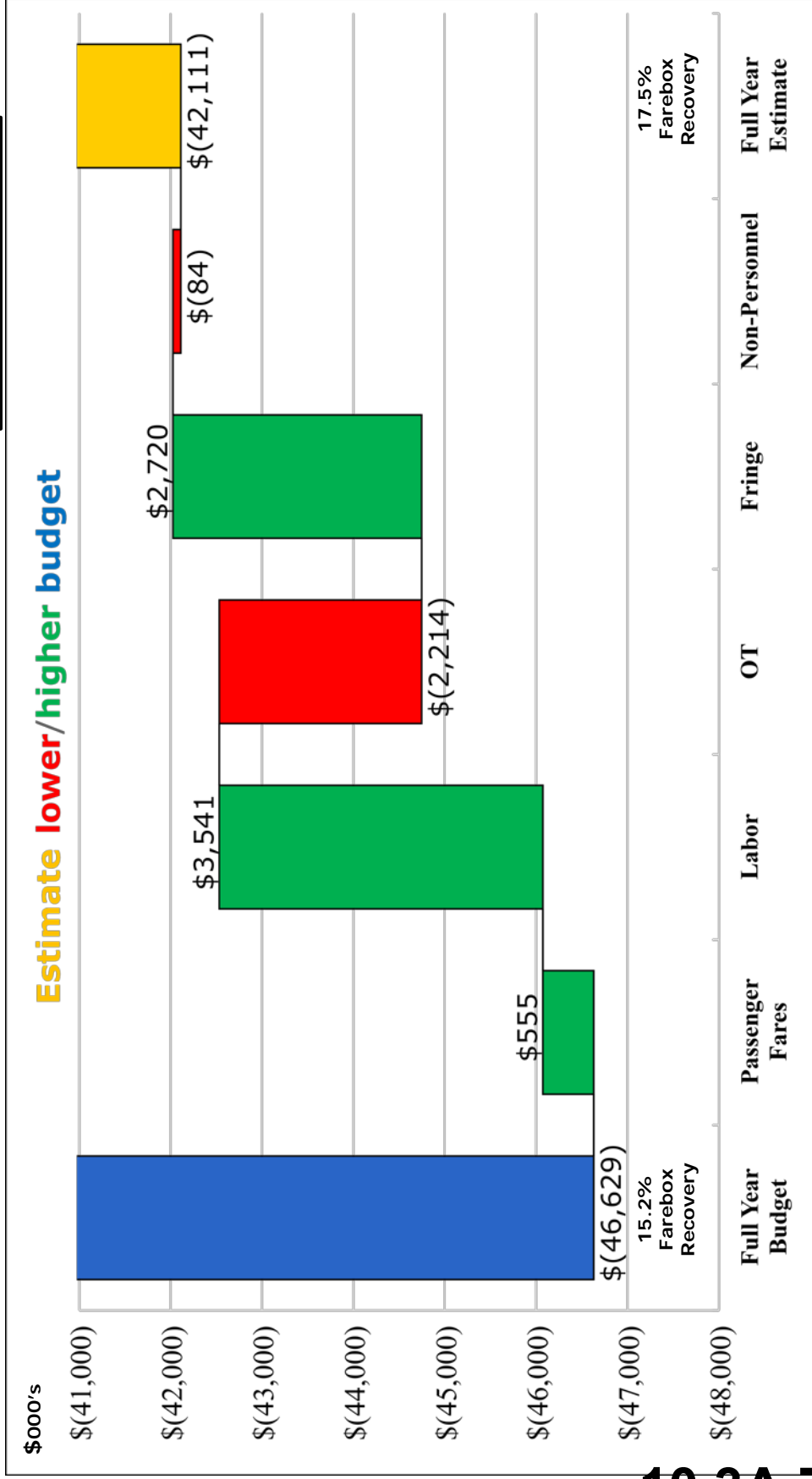
- Revenues favorable due to higher Sales Tax revenues, TDA/STA Grants, and Interest Income; partially offset by lower ARPA COVID drawdowns as a result of lower reimbursable costs

# **Year End June 2023, Forecast Financials**



# Full Year FY23 Operating Revenue Surplus/(Deficit)

Overall \$4.5M higher



10.3A.7

# June 30, 2023

## Full Year Operating Revenue and Expenses\*

\$ 000's	Forecast*	Budget	Fav / (Unfav)
<b>Operating Revenue</b>			
Passenger Fares	\$ 3,094	\$ 2,437	\$ 657
Special Transit Fares	5,851	5,953	( 101)
<b>Total Operating Revenue</b>	<b>\$ 8,945</b>	<b>\$ 8,390</b>	<b>\$ 555</b>
<b>Operating Expense</b>			
Labor - Regular	\$ 16,873	\$ 20,415	\$ 3,541
Labor - OT	3,538	1,325	(2,214)
Fringe	18,452	21,172	2,720
Non-Personnel (excludes COVID costs)	12,193	12,108	(84)
<b>Total OpEx</b>	<b>\$ 51,056</b>	<b>\$ 55,019</b>	<b>\$ 3,963</b>
<b>Operating Surplus/(Deficit)</b>	<b>(\$ 42,111)</b>	<b>(\$ 46,629)</b>	<b>\$ 4,518</b>
	17.5%	15.2%	2.3%
	<i>Farebox Recovery</i>		
<b>Non-Operating Revenue/(Expense)</b>			
Sales Tax/including Measure D	\$ 31,929	\$ 30,775	\$ 1,154
Federal/State Grants	16,050	14,496	1,554
COVID Relief Grants	11,927	15,477	(3,549)
COVID Related Costs	(142)	(298)	155
Pension UAL/Bond Interest Payment	(5,643)	(5,643)	0
All Other	997	676	322
<b>Total Non-Operating Revenue/(Expense)</b>	<b>\$ 55,118</b>	<b>\$ 55,483</b>	<b>(\$ 364)</b>
<b>Operating Surplus/(Deficit) before Transfers</b>	<b>\$ 13,007</b>	<b>\$ 8,853</b>	<b>\$ 4,154</b>
<b>Transfers and Other</b>			
Transfers to Bus Replacement Fund	(\$ 2,854)	(\$ 2,353)	(\$ 501)
Transfers to Capital, UAL/OPEB Funds, and Reserves Replenishment	(6,500)	(6,500)	-
<b>Operating Surplus/(Deficit) after Transfers</b>	<b>\$ 3,653</b>	<b>-</b>	<b>\$ 3,653</b>

- Revenues favorable due to higher Sales Tax revenues, TDA/STA Grants, and Interest Income; partially offset by lower ARPA COVID drawdowns
- Expenses unfavorable due to higher OT costs as a result of unfilled Bus Operator vacancies and increased spending for CNG fuel as a result of new contract; partially offset by lower labor/fringe costs as a result of vacant positions and extended unpaid leaves of absence
- Bus Replacement Fund favorable due to net Measure D sales tax revenues of \$0.5M (less average of five Bus Operators' compensation)
- All Other Transfers: \$2M UAL, \$4.5M Operations Sustainability Reserve, \$3.7M COVID Recovery

# Capital Spending

10.3A.9

# December 31, 2022 Capital Budget Spend

Project Category:	Month to Date		Year to Date		Full Year	
	Actuals*	Budget	Actuals*	Budget	Budget**	% Spend
Construction Related Projects	\$ -	\$ -	\$ 10	\$ 9	\$ 1,050	1.0%
IT Projects	101	72	603	574	1,650	36.5%
Facilities Repair & Improvements	2	147	44	318	992	4.4%
Revenue Vehicle Replacement	50	73	483	531	2,666	18.1%
Revenue Vehicle Electrification Projects	-	-	34	6	1,251	2.7%
Non-Revenue Vehicle Replacement	-	-	63	63	468	13.5%
Fleet & Maintenance Equipment	-	-	-	-	75	0.0%
Misc.	-	28	69	99	692	10.0%
<b>Total \$</b>	<b>153</b>	<b>\$ 320</b>	<b>\$ 1,306</b>	<b>\$ 1,600</b>	<b>\$ 8,844</b>	<b>14.8%</b>

- Overall YTD spending is at 82%, or \$1.3M, of budget of \$1.6M; primarily lower due to delayed billing from work done on Demo of two structures, repair sinkhole project
- Active Projects include:
  - ERP Financial System
  - AVL/ITS, Automatic Passenger Counter
  - ZEB Chargers/Infrastructure

\* Pre-close financials, subject to adjustments post close

\*\* Revised budget approved in December, 2022

**Questions?**

# Appendix

# December 31, 2022 Monthly Operating Revenue and Expenses

\$ 000's	Actual*	Budget	Fav / (Unfav)
<b>Operating Revenue</b>			
Passenger Fares	\$ 247	\$ 192	\$ 54
Special Transit Fares	355	448	( 93)
<b>Total Operating Revenue</b>	<b>\$ 601</b>	<b>\$ 640</b>	<b>(\$ 39)</b>
<b>Operating Expense</b>			
Labor - Regular	\$ 1,396	\$ 1,736	\$ 340
Labor - OT	302	104	(198)
Fringe	1,511	1,958	447
Non-Personnel ( <i>excludes COVID costs</i> )	866	1,008	142
<b>Total OpEx</b>	<b>\$ 4,076</b>	<b>\$ 4,806</b>	<b>\$ 730</b>
<b>Operating Surplus/(Deficit)</b>	<b>(\$ 3,474)</b>	<b>(\$ 4,166)</b>	<b>\$ 691</b>
	<i>14.8%</i>	<i>13.3%</i>	<i>1.4%</i>
	<i>Farebox Recovery</i>		
<b>Non-Operating Revenue/(Expense)</b>			
Sales Tax/including Measure D	\$ 2,531	\$ 2,456	\$ 74
Federal/State Grants	1,481	1,119	362
COVID Relief Grants	2,112	3,869	(1,757)
COVID Related Costs	(12)	(31)	19
Pension UAL/Bond Interest Payment	(217)	(217)	-
All Other	77	61	16
<b>Total Non-Operating Revenue/(Expense)</b>	<b>\$ 5,972</b>	<b>\$ 7,257</b>	<b>(\$ 1,286)</b>
<b>Operating Surplus/(Deficit) before Transfers</b>	<b>\$ 2,497</b>	<b>\$ 3,092</b>	<b>(\$ 594)</b>
<b>Transfers and Other</b>			
Transfers to Bus Replacement Fund	(\$ 189)	(\$ 188)	(\$ 1)
<b>Operating Surplus/(Deficit) after Transfers</b>	<b>\$ 2,308</b>	<b>\$ 2,904</b>	<b>(\$ 595)</b>

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**DATE:** January 27, 2023  
**TO:** Board of Directors  
**FROM:** Chuck Farmer, Chief Financial Officer  
**SUBJECT:** **ACCEPTANCE OF AUDITED FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED JUNE 30, 2022**

**I. RECOMMENDED ACTION**

**That the Board of Directors formally accept the audited financial statements and reports prepared by the firm of Brown Armstrong, Certified Public Accountants, for the year ended June 30, 2022.**

**II. SUMMARY**

- The **Financial Statements with Independent Auditor's Report** (Attachment A) prepared by the firm Brown Armstrong, Certified Public Accountants present Santa Cruz METRO's financial position as of June 30, 2022. The auditors have found that Santa Cruz METRO's financial statements present fairly, in all material respects, the financial position of Santa Cruz METRO as of June 30, 2022.
- In the **Independent Auditor's Report on Compliance Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with the Statutes, Rules, and Regulations of the California Transportation Development Act and the Allocation Instructions and Resolutions of the Transportation Commission** (page 59-60), the auditors found nothing that came to their attention that indicated Santa Cruz METRO failed to comply with the Statutes, Rules, and Regulations of the California Transportation Development Act, and the allocation instructions and resolutions of the Santa Cruz County Regional Transportation Commission (SCCRTC) during the course of their audit. Additionally, the auditors tested Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) program receipts and expenses for the year audited.
- In the **Schedule of Findings and Questioned Costs** (pages 61-62), the auditors identified no findings associated with their testing of major federal program expenditures in connection with their audit performed under *Government Auditing Standards* (GAS) and in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).
- **The Required Communication to the Board of Directors in Accordance with Professional Standards** letter (Attachment B) provides information

related to the auditor's responsibilities under generally accepted auditing standards as well as observations arising from the audit.

### III. DISCUSSION/BACKGROUND

#### **Attachment A – Santa Cruz METRO's Financial Statements with Independent Auditor's Report**

The **Independent Auditor's Report** (pages 1-3) attests that the audit was conducted in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The auditors have found that Santa Cruz METRO's financial statements present fairly, in all material aspects, the financial position of Santa Cruz METRO as of June 30, 2022.

While the basic financial statements and notes (pages 17-45) provide information about Santa Cruz METRO's financial position in detail, the **Management's Discussion and Analysis** (pages 4-16) presents narrative highlights of the financial statements, an overview of the agency's financial activities, and information that enhances overall financial disclosure. This report was prepared by Santa Cruz METRO management and staff.

The **Statement of Net Position** (pages 17-18) present current and noncurrent assets and liabilities on a full accrual basis. Net position (deficit) represents the difference between total assets plus deferred outflows of resources and total liabilities plus deferred inflows of resources.

The **Statement of Revenues, Expenses and Changes in Fund Net Position** (page 19) present Santa Cruz METRO's revenues, expenses and the net impact these activities had on its net position for the year.

The **Statement of Cash Flows** (pages 20-21) demonstrate how changes in balance sheet accounts and income affect cash and cash equivalents.

The **Notes to Basic Financial Statements** (pages 22-45) are an integral component of the financial statement report, as they provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes describe the nature of Santa Cruz METRO's operations and significant accounting policies, as well as clarify financial information unique to Santa Cruz METRO.

The **Required Supplementary Information (RSI)** section of the report highlights information that is considered essential for placing the financial statements and

note information in an appropriate context, in accordance with generally accepted accounting principles:

- The Schedule of Changes in the Net Pension Liability and Related Ratios (pages 46-47) and the Schedule of Contributions - Pension (page 48) for Santa Cruz METRO's defined benefit pension plan present multiyear trend information that show whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. In March 2022, Santa Cruz METRO issued sales tax revenue bonds in order to refinance its pension obligations to CalPERS, with the intent of realizing significant interest cost savings in the future.
- The Schedule of Changes in the Net Other Postemployment Benefits (OPEB) Liability and Related Ratios (page 49) and the Schedule of Contributions - OPEB (page 50) are required under current standards for accounting and financial reporting for OPEB plans (GASB 75), implemented in FY18. At this time, Santa Cruz METRO has not prefunded the liability for retiree medical or other postemployment benefits.

The Statement of Operating Expenses (page 51) is presented as **Supplementary Information**, showing the total operating costs that were reported in the financials in further detail, broken out by natural expense classification.

### **Attachment B - Required Communication to the Board of Directors in Accordance with Professional Standards**

The **Required Communication to the Board of Directors in Accordance with Professional Standards** is a letter from the auditors that serves to communicate to those charged with governance the scope of audit procedures performed, significant findings or misstatements, and other information, such as significant accounting estimates, audit adjustments, any difficulties or disagreements with management, and other matters that are not communicated in the audited financial statements.

### **Attachment C – Santa Cruz METRO's Measure D Fund Financial Statements with Independent Auditor's Report**

As a recipient agency of Measure D funds, Santa Cruz METRO is required to submit separate independently audited financial statements of Measure D funds received and used annually to the SCCRTC, for review by the Measure D Taxpayer Oversight Committee. The FY22 Measure D audited financial statements were timely submitted to the SCCRTC along with Santa Cruz METRO's district-wide audited financial reports.

#### **IV. STRATEGIC PLAN PRIORITIES ALIGNMENT**

This pertains to METRO's Financial Stability, Stewardship & Accountability.

#### **V. FINANCIAL CONSIDERATIONS/IMPACT**

There is no fiscal impact from the Board's formal acceptance of the financial statements and audit reports. However, in order to continue to receive Transportation Development Act (TDA) payments from the SCCRTC, the final audit must be submitted to the SCCRTC within 180 days of the end of the fiscal year. Santa Cruz METRO has met this TDA compliance requirement and the SCCRTC has accepted the FY22 audited financial statements.

In addition, Santa Cruz METRO is required to submit annual audit reporting packages to numerous governmental agencies within specified deadlines in order to meet grant compliance requirements and continue to receive Federal, State and Local grant awards and funding. Santa Cruz METRO has timely submitted the FY22 audited financial statements to all required grantor agencies.

#### **VI. CHANGES FROM COMMITTEE**

None. The Finance, Audit and Budget Standing Committee recommended acceptance and approval of the FY22 audited financial statements and independent auditor's reports, as presented, at their January 13, 2023 meeting.

#### **VII. ALTERNATIVES CONSIDERED**

N/A

#### **VIII. ATTACHMENTS**

**Attachment A:** Santa Cruz METRO Financial Statements with Independent Auditor's Report for the year ended June 30, 2022

**Attachment B:** Required Communication to the Board of Directors in Accordance with Professional Standards (letter from Brown Armstrong, CPAs)

**Attachment C:** Santa Cruz METRO Measure D Fund Financial Statements with Independent Auditor's Report for the year ended June 30, 2022

**IX. APPROVALS:**

Chuck Farmer, Chief Financial Officer



Michael Tree, CEO/General Manager



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# Attachment A

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

**FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITOR'S REPORT**

**JUNE 30, 2022**

# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT JUNE 30, 2022

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# Attachment A

## FINANCIAL SECTION

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Santa Cruz Metropolitan Transit District  
Santa Cruz, California

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Santa Cruz METRO's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Santa Cruz METRO, as of June 30, 2022, and the respective changes in financial position, and cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Santa Cruz METRO and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Change in Accounting Principle**

As described in Note 15 to the financial statements, in 2022, Santa Cruz METRO adopted new accounting guidance, Governmental Accounting Standards Board No. 87, *Leases*. Our opinion is not modified with respect to this matter.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

# Attachment A

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Santa Cruz METRO's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Santa Cruz METRO's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Santa Cruz METRO's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Changes in the Net Pension Liability and Related Ratios, and Schedule of Contributions – Pension, as well as the Schedule of Changes in the Net Other Postemployment Benefits (OPEB) Liability and Schedule of Contributions – OPEB, as presented in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

# Attachment A

## Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Santa Cruz METRO's basic financial statements. The accompanying statements of operating expenses and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2022, on our consideration of Santa Cruz METRO's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Santa Cruz METRO's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Santa Cruz METRO's internal control over financial reporting and compliance.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive style.

Bakersfield, California  
December 9, 2022

# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2022

### Introduction

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of Santa Cruz Metropolitan Transit District (Santa Cruz METRO or the District) provides a narrative and analytical overview of the financial activities of Santa Cruz METRO with selected comparative information for the fiscal year ended June 30, 2022. Following the MD&A are the basic financial statements of Santa Cruz METRO together with the notes thereto, which are essential for a full understanding of the data contained in the financial statements.

### Activities and Highlights

Santa Cruz METRO is an independent special-purpose district formed in 1969 by the legislature of the State of California for the purpose of providing fixed route bus service to the general public in Santa Cruz County. Santa Cruz METRO assumed direct operation of federally mandated Americans with Disabilities Act (ADA) complementary paratransit (Paracruz) services in November 2004. Prior to 2004, the paratransit service was delivered under contract. Santa Cruz METRO also operates the Highway 17 (Commuter) Express bus service to Santa Clara County in cooperation with the Santa Clara Valley Transportation Authority (VTA), Amtrak, San Joaquin Joint Powers Authority (SJJPA), and the Capitol Corridor Joint Powers Authority (CCJPA). Overseeing the employees who work in the public interest, the Chief Executive Officer (CEO)/General Manager coordinates the operation of Santa Cruz METRO according to the policy and direction of the governing Board of Directors (Board), composed of eleven directors and two ex-officio directors as described in Note 1.A.

### The Financial Statements

Santa Cruz METRO's basic financial statements are prepared using proprietary fund (enterprise fund) accounting that uses the same basis of accounting as private-sector business enterprises. Santa Cruz METRO reports its financial results using one enterprise fund under the accrual basis of accounting, which records revenue when earned and expenses when incurred.

The Statement of Net Position presents complete information on Santa Cruz METRO's assets and deferred outflows of resources, as well as liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the agency is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Position reports the operating revenues and expenses, non-operating revenues and expenses, and capital contributions. Federal capital grant expenses are listed in the Schedule of Expenditures of Federal Awards and are included in the current year increase in capital assets.

The Statement of Cash Flows reports the sources and uses of cash for the fiscal year resulting from *operating activities*, *non-capital financing activities* (operating grants and sales tax receipts), *capital and related financing activities* (capital acquisitions and disposals), and *investing activities* (interest and rental receipts). The net result of these activities, added to the cash balances at the beginning of the year, reconciles to the cash balances (current plus restricted) at the end of the current fiscal year on the Statement of Net Position.

The Notes to Basic Financial Statements are an integral component of the report, as they provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes describe the nature of Santa Cruz METRO's operations and significant accounting policies as well as clarify financial information unique to Santa Cruz METRO.

# Attachment A

Following the basic financial statements and footnotes is the Required Supplementary Information, which provides a schedule of changes in the net pension liability, schedule of contributions to Santa Cruz METRO's defined benefit pension plan, schedule of changes in the net other postemployment benefits (OPEB) liability, and schedule of contributions to the OPEB plan.

The Statement of Operating Expenses, located in the Supplementary Information section of the financial statements, reports expenses in greater detail.

## Financial Highlights

- Liabilities and deferred inflows of resources of Santa Cruz METRO exceeded its assets and deferred outflows of resources at the close of the fiscal year ended June 30, 2022, resulting in a Total Net Position (Deficit) of \$(20.1 million), a favorable reduction of \$23.3 million from the prior year Net Position (Deficit) of \$(43.4 million) at June 30, 2021.
- Of this amount, \$87.1 million consisted of Net Investment in Capital Assets, which reflects investment in capital assets used for operational and administrative functions (e.g., facilities, vehicles, and equipment), net of accumulated depreciation and related debt. Accordingly, these assets are not available for future spending.
- The remaining balance of Total Net Position (Deficit) represents Unrestricted Net Position (Deficit) of \$(107.2 million). The Unrestricted Net Position (Deficit) is the result, in large part, of Santa Cruz METRO's pension obligations (Net Pension Liability) associated with the District's defined benefit pension plan, that reached \$44.1 million by June 30, 2022, retiree medical benefits obligations (OPEB) in fiscal year 2022 totaling \$121.9 million at year-end, as well as pension obligation bonds debt incurred in fiscal year 2022 of \$51.75 million. The Net Pension Liability and OPEB liabilities are required to be accounted for under Governmental Accounting Standards Board (GASB) Statement No. 68, and GASB Statement No. 75 respectively, and represent future long-term retiree pension and benefits obligations, however they do not significantly affect the District's ability to meet immediate (short-term) operational cash flow needs. Therefore, although the projected long-term pension and OPEB obligation costs have generated a deficit fund net position balance on the financial statements, Santa Cruz METRO is able to utilize current, available funds to pay for ongoing obligations for pension and retiree medical expenses as they come due.
- Total passenger fares revenue increased by \$1.2 million, a 104.2% increase, to \$2.4 million and Special Transit fares increased by \$2.1 million, a 57.0% increase, to \$5.8 million. These operating revenues increased significantly due to increased ridership and steadily increasing demand across all categories as more riders returned to recreational activities, work and school in-person, and reflect a growing recovery of customer trust in public transportation. The ridership increase was largely driven by increased service on University of California Santa Cruz (UCSC) routes as students returned to campus, as well as the restoration of local service. METRO was also unable to fully return to pre-pandemic levels of service hours however, due to an ongoing operator shortage, which is affecting most transit agencies across the county.
- Operating expenses (excluding depreciation) of \$50.6 million for the year ended June 30, 2022 reflect a decrease of 9.8% over the prior year, compared to a 6.6% decrease for the year ended June 30, 2021, over the previous year. Although a steep increase in operator overtime costs was incurred (as a result of increased service hours in tandem with challenges experienced in recruiting and retaining bus operators to keep up with service demand), a net decrease in operating expenses resulted in the current year due to the actuarially-determined expense account adjustments for pension and other postemployment benefits, as required under GASB 68 and 75. In the prior year, the decrease in operating expenses was mainly attributable to the significant reduction in straight and overtime wages, due to an increased number of vacant positions along with extended unpaid leaves of absence during the pandemic.

# Attachment A

- Capital assets (after the application of accumulated depreciation and amortization) of \$87.7 million reflect a net increase of \$1.5 million over the previous year. Depreciable asset additions were \$7.8 million, offset by asset retirements of \$4.3 million. An increase in accumulated depreciation and amortization of \$5.4 million (from the current year depreciation and amortization expense adjustment) was offset by a \$3.4 million write-off of accumulated depreciation associated with retired assets. Current year capital asset additions were attributed primarily to the purchase of ten new CNG buses along with several maintenance facilities upgrades and improvement projects. See the Financial Activities – Capital section of the Management’s Discussion and Analysis for more information about capital projects and Note 4 to the financials for a schedule of changes in capital asset balances. Capital procurements are funded by a combination of federal, state, and local grants, Measure D sales tax proceeds, and Operating and Capital Reserves.

## **Financial Activities - Operations**

The following discussion provides an overview of the financial activities related to operations (operating revenue and expense) for the fiscal year ended June 30, 2022. Financial Activities related to capital (e.g., buses, equipment, and facilities improvements) are discussed later in this report.

### Operating Revenue and Expense:

Santa Cruz METRO utilizes five primary sources of revenue to operate its public transit services: passenger fares, sales and use taxes, local transportation funds (TDA), federal funds, and other non-transportation related revenues (including advertising income, investment income, and rental income). Operating expenses are classified into the following basic categories: labor and fringe benefits, services, mobile and other materials and supplies, utilities, insurance costs (casualty and liability), taxes, miscellaneous expense, interest, leases and rental expenses. These categories are consistent with the Uniform System of Accounts (USOA) and National Transit Database (NTD) reporting.

As with many transit and public agencies across the region and throughout the state, Santa Cruz METRO faced financial challenges in the decade pre-pandemic, due to significant increases in operating and capital costs with lagging increases in operating or capital contributions. Operating expenses nearly doubled in the last ten years, primarily in the categories of labor and fringe benefits due to substantial increases in the retirement and medical insurance costs. Furthermore, the recurring costs for health benefits, retirement, services, materials and supplies, insurance, and utilities have significantly exceeded the annual Consumer Price Index (CPI) for the region since 2012. Faced with constantly increasing costs, Santa Cruz METRO is constantly analyzing the economic and political landscape and redesigning its operations in order to align expenses with the available revenue stream in the current and future fiscal years. Significant fluctuations in the five primary operating revenue sources year-over-year are frequent and in direct correlation to the economy. Periods of economic downturns translate into sharp declines in sales and use tax revenues, and local and state transportation funds (TDA-LTF and TDA-STA) and vice versa.

Santa Cruz METRO receives a ½-cent sales tax levied on all taxable sales in Santa Cruz County, collected and administered by the California Department of Tax and Fee Administration (CDTFA). Additionally, in November 2016, the majority of Santa Cruz County approved Measure D, a ½-cent sales tax measure designed to fund a comprehensive and inclusive package of transportation improvements. Santa Cruz METRO receives 16% of net Measure D sales tax proceeds, in accordance with the set percentages detailed in the Measure D Expenditure Plan for direct allocations. Total sales tax receipts account for approximately 48% of Santa Cruz METRO’s operating revenue sources as per the fiscal year 2022 Budget, adopted in June 2021. Actual sales tax revenues significantly exceeded budget projections, which resulted in favorable budget, as well as year-over-year variances, 22% and 12%, respectively.

# Attachment A

Two other major sources of funding for public transportation, the Local Transportation Fund (LTF) and the State Transit Assistance Fund (STA), provided by the California Transportation Development Act (TDA), also contributed to the favorable budget variance for the year ended June 30, 2022. The combined share of TDA-LTF and TDA-STA Operating Assistance is 20% of Santa Cruz METRO's non-operating revenues & expenses. The funds are allocated to areas of each county based on population, taxable sales, and transit performance and mirrored the increase in taxable sales, fuel prices and consumption in 2021 and 2022. The year-over-year increase in TDA-LTF and TDA-STA were 21% and 29.5%, respectively.

System performance during the fiscal year was marked by slow and steady ridership and service recovery. Santa Cruz METRO restored service to pre-pandemic levels on most routes and ridership ended the year at 55% of pre-pandemic levels (fiscal year 2019). The increase was largely driven by increased service on UCSC routes as students returned to campus, as well as the full restoration of local service. Passenger and Special Transit Fares reflected the growth in ridership and service hours and increased by 104% and 57% year-over-year, respectively.

As effects of the pandemic were receding and service levels slowly restored, targeted advertising efforts and outreach contributed to the doubling of advertising income during the year that ended June 30, 2022. Year-over-year advertising revenues increased 100%. On the other hand, long-term vacancies at the two main Transit Centers, Pacific and Watsonville Stations, resulted in lower rental income – 16.2% decline year-over-year.

Santa Cruz METRO continued charging operating expenses to the supplemental FTA 5307 grants – Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) and American Rescue Plan Act (ARPA) - at 100% Federal share, with no local match requirements. FTA funds were used to support eligible operating expenses and maintain transit services during the pandemic. Total FTA operating assistance accounted for approximately 30% of total revenue, or \$20.6 million, largely due to reimbursements of FTA-qualifying operating expenses related to the CRRSAA and ARPA. Furthermore, the supplemental COVID-19 FTA funding would allow Santa Cruz METRO to continue reinvesting other fungible revenues into its operating budgets in years to come in order to sustain services to the greatest extent possible during the economic recovery, or until these funds are exhausted.

Operating expenses decreased by 8.7% year-over-year, with personnel expenses, comprising 70% of total operating expenses, decreasing by 16.7%. The decrease was primarily due to year-end Other Postemployment Benefits adjusting entries for GASB 68 and 75. As service hours increased and challenges of recruiting and retaining Bus Operators and other essential positions continued, overtime costs nearly tripled during the year. Paid absences decreased by 6% year-over-year, but remained relatively high, compared to pre-pandemic years, primarily due to the California Supplemental Sick Leave (SPSL), which provided public employees with paid time for qualifying reasons related to COVID-19.

Non-personnel operating expenses: materials and supplies and other expenses, increased by 33.9% and 23.1% year-over-year, respectively and in direct correlation with service levels. Additionally, high inflation and supply chain issues heavily contributed to the year-over-year increases in the costs of fuels and lubricants, tires and vehicle parts to name a few.

## **Ridership:**

At the end of fiscal year 2022, Santa Cruz METRO's fixed-route bus system consisted of 23 routes, and provided 2,775,283 rides with a fleet of 98 CNG, diesel, and electric buses. Ridership increased by 1,868,143 fixed-route rides (205.9%) from the previous year.

System performance in fiscal year 2022 was characterized by a near return to pre-COVID (compared to FY19) levels of service and a slow but steady recovery of ridership. After falling by half in the pandemic's early months, METRO provided 87% of pre-pandemic service in fiscal year 2022 as compared to fiscal year 2019. This increase was largely driven by increased service on UCSC routes as students returned to campus, as well as the full restoration of local service. Efforts to return to pre-pandemic levels of service were hindered however, by an ongoing operator shortage, which is affecting most transit agencies across the country. Santa Cruz METRO is working hard to address the operator shortage to meet the growing demand for service in the upcoming fiscal year.



# Attachment A

Fiscal year 2022 ridership increased threefold compared to fiscal year 2021 to just over 2.7 million annual boardings, and finished the fiscal year at 55% of fiscal year 2019 levels. Throughout the pandemic, non-student ridership decreased the least and recovered the fastest: fiscal year 2022 showed a steady increase in non-student ridership from 57% of pre-pandemic levels at the beginning of the year to 68% by year's end. This is likely due to greater numbers of employers calling employees back to physical workplace settings and the large scale return of in-person activities (e.g. shopping, doctor's appointments, etc). Highway 17 commuter ridership increased from 37% of pre-pandemic levels at the beginning of the year to 46% by year's end. This was largely driven by the return of UCSC and SJSU to in-person learning, as well as increases in weekend ridership. Cabrillo College ridership increased steadily throughout the year from 6% of pre-pandemic levels in July 2021 to 27% by June 2022. Finally, rather than increasing throughout the year, UCSC ridership returned to its pre-pandemic form of peaks and valleys coinciding with high ridership months in fall and spring when classes are in session. The peaks averaged 65% of pre-pandemic activity while the valleys hovered below 40%, likely due to less on-campus residential activity.

Paracruz, Santa Cruz METRO's paratransit service, provided 62,006 paratransit rides to mobility-impaired patrons on 32 specially equipped minibuses and minivans during fiscal year 2022. This represents a 37.54% increase in Paracruz ridership from the prior year (23,280 additional paratransit rides), resulting primarily from the COVID-19 pandemic Shelter in Place orders ending in Santa Cruz METRO's paratransit service area.

## Financial Analysis

Following are the condensed comparative financial statements, which highlight key financial data. Certain significant year-to-year variances are discussed following the statements.

### Statements of Net Position:

#### Condensed Statements of Net Position

	2022	2021	2022 to 2021	
			Increase/(Decrease) Amount	%
<b>Assets</b>				
Current Assets	\$ 81,120,074	\$ 62,759,155	\$ 18,360,919	29.3%
Capital Assets - Net	87,719,045	86,248,588	1,470,457	1.7%
Restricted Assets	15,732,891	12,716,365	3,016,526	23.7%
<b>Total Assets</b>	<b>\$ 184,572,010</b>	<b>\$ 161,724,108</b>	<b>\$ 22,847,902</b>	<b>14.1%</b>
<b>Deferred Outflows of Resources</b>				
Pension and OPEB Contributions	\$ 69,495,555	\$ 19,835,043	\$ 49,660,512	250.4%
<b>Total Deferred Outflows of Resources</b>	<b>\$ 69,495,555</b>	<b>\$ 19,835,043</b>	<b>\$ 49,660,512</b>	<b>250.4%</b>
<b>Liabilities</b>				
Current Liabilities	\$ 13,973,036	\$ 8,576,339	\$ 5,396,697	62.9%
Non-Current Liabilities	13,469,489	14,083,904	(614,415)	-4.4%
Other Long-Term Liabilities	217,080,225	198,799,403	18,280,822	9.2%
<b>Total Liabilities</b>	<b>\$ 244,522,750</b>	<b>\$ 221,459,646</b>	<b>\$ 23,063,104</b>	<b>10.4%</b>
<b>Deferred Inflows of Resources</b>				
Leases	\$ 431,003	\$ -	\$ 431,003	100.0%
Pension and OPEB Deferrals	29,213,327	3,493,401	25,719,926	736.2%
<b>Total Deferred Inflows of Resources</b>	<b>\$ 29,644,330</b>	<b>\$ 3,493,401</b>	<b>\$ 26,150,929</b>	<b>748.6%</b>
<b>Net Position</b>				
Net Investment in Capital Assets	\$ 87,122,102	\$ 85,588,763	\$ 1,533,339	1.8%
Unrestricted Net Position (Deficit)	(107,221,617)	(128,982,659)	21,761,042	16.9%
<b>Total Net Position (Deficit)</b>	<b>\$ (20,099,515)</b>	<b>\$ (43,393,896)</b>	<b>\$ 23,294,381</b>	<b>-53.7%</b>

# Attachment A

## 2022 vs 2021 Analysis

Key changes include:

- *Current assets* increased by \$18.4 million, or 29.3%, to \$81.1 million. Change was driven by the significant increase in operating cash on hand by fiscal year 2022 year-end, a result of Coronavirus relief grants, (\$7.3 million of Federal CRRSAA and \$5.9 million of Federal ARPA operating assistance recognized in fiscal year 2022), as well as increases in sales tax, TDA-LTF and TDA-STA revenues.
- *Capital assets – net* increased by \$1.5 million, or 1.7%, to \$87.7 million. Although significant capital purchases were made in fiscal year 2022, including ten CNG buses for \$6.5 million, net capital assets reflected only a moderate increase, due to the dampening offset effect of increased accumulated depreciation balances, which decreases the carrying value of existing capital assets. Santa Cruz METRO tracks the usage (depreciation) of capital assets to inform forecasting and capital planning, as part of METRO's continuing strategy to maintain a state of good repair and working-order, manage deferred maintenance backlog, and replace, upgrade and improve aging facilities, infrastructure and fleet.
- *Restricted assets* consists of restricted cash held in segregated accounts in the Santa Cruz County Pooled Investment Fund. Total balances increased slightly from last year, by \$3.0 million, or 23.7%, resulting in a \$15.7 million balance by year end. PTMISEA restricted funds of \$3.9 million were spent down on the purchase of six CNG buses, while the accumulation of restricted unspent Measure D sales tax allocations and State Transit Assistance – State of Good Repair (STA-SGR) funds during the year tempered the decrease in total restricted assets. Unspent restricted funds are currently committed as cost-sharing on awarded capital grants. The District deposited \$3.4 million with a bond trustee for the pension obligation bond.
- *Deferred outflows of resources* totaling \$69.5 million include \$10.5 million in OPEB retiree medical, dental and vision insurance premium payments, \$7.6 million in pension contributions and actuarial adjustments that were recorded in the current fiscal year, and a \$51.4 million employer pension contribution made by the application of proceeds derived from the fiscal year 2022 issuance of pension obligation bonds. See Note 14 for further information.
- *Current liabilities* increased by \$5.4 million, or 62.9%, to \$14.0 million in total, in large part due to the current year issuance of pension obligation bonds (\$2.8 million short-term portion of the debt), and the year-end accrual of the cost of four CNG buses for \$2.6 million.
- *Non-current liabilities* decreased by \$614 thousand, or 4.4%, to \$13.5 million: Capital grant funds and subsidies received are restricted and reported as liabilities (unearned revenue); Revenue recognition is deferred until grant funds are spent on the specific project or purpose for which they were awarded. Measure D sales tax allocations and STA-SGR grant funds received during the current year (unspent and restricted for capital costs) increased unearned revenue balances. However significant capital project outlays in fiscal year 2022 using California Proposition 1B Transportation Bonds Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) grant funding resulted in a net decrease in total unearned revenue (liabilities) at year-end.
- *Other long-term liabilities* increased by \$18.3 million, or 9.2%, to \$217.1 million, primarily as a result of incurring debt related to the issuance of pension obligation bonds in fiscal year 2022.
- *Deferred inflows of resources* that netted to \$29.6 million in pension investment earnings, OPEB deferrals and leases were recognized in the current year through the application of GASB Statements No. 68, No. 75 and No. 87 respectively.

# Attachment A

## Statements of Revenues, Expenses, and Changes in Fund Net Position:

	2022	2021	2022 to 2021	
			Increase/(Decrease)	
			Amount	%
Operating Revenues	\$ 8,247,748	\$ 4,898,901	\$ 3,348,847	68.4%
Operating Expenses	56,067,764	61,432,972	(5,365,208)	-8.7%
Net Operating Loss	(47,820,016)	(56,534,071)	8,714,055	-15.4%
Non-Operating Revenues	63,785,154	54,149,739	9,635,415	17.8%
Capital Grant Contributions	7,329,243	5,485,327	1,843,916	33.6%
Increase (Decrease) in Net Position	\$ 23,294,381	\$ 3,100,995	\$ 20,193,386	651.2%

### 2022 vs 2021 Analysis

*Operating Revenues* (Passenger Fares) of \$8.2 million reflects an increase variance of \$3.3 million, or 68.4% increase, over prior year revenues, primarily due to the steady ridership and system recovery as the pandemic slowly receded.

*Operating Expenses* of \$56.1 million reflects a year-over-year decrease of \$5.4 million, or 8.7%, due to several factors: Other Postemployment Benefits adjusting entries for GASB 68 and 75, increase in the number of vacant funded positions, extended unpaid leaves of absence, offset by increases in overtime, as well as retiree-related expenses.

*Non-Operating Revenues* increased overall by \$9.6 million, or 17.8%, over last year revenues primarily due to year-over-year increases in the following revenue categories: Sales and Use Tax, Transportation Development Act – Local and State Transit Assistance, as well as supplemental FTA 5307 Operating Assistance Grants (CRRSAA and ARPA).

*Capital Grant Contributions* represents the total amount of capital grant and Measure D sales tax funds that were used to subsidize the purchase of facilities improvements and capital equipment, including revenue vehicles, during fiscal year 2022. The receipt and application of capital funds can fluctuate year over year based on a variety of factors including project eligibility conditions, formula-based funding criteria, government procurement processes, the economy, etc. Capital contributions increased by \$1.8 million, or 33.6%, from last year.

### **Budgetary Highlights**

The annual Operating and Capital budgets are used as management tools to monitor Revenues and Expenses, evaluate operating performance, and track the progress of Capital projects at any given time period. The District's Board approves these items prior to implementation. The fiscal year 2022 budget total of \$83,803,797 included \$56,614,701 for Revenue and Expenses and \$27,189,096 for Capital Projects (Capital Portfolio). The District finished fiscal year 2022 with operating expenses of \$54,328,832, net of depreciation, workers' compensation IBNR, and retirement-related actuarial adjustments; Capital expenses of \$7,799,735 included \$470,491 Capital Reserve spending and \$7,329,244 of pass-through grant

### **Financial Activities - Capital**

#### Capital Program:

In fiscal year 2022, Santa Cruz METRO spent \$7.8 million on the purchase of capital assets and on new and ongoing capital projects. A total of \$7.3 million of these capital additions were paid for with capital contributions funded by a variety of sources, including the FTA, PTMISEA, STA, STA - State of Good Repair (STA-SGR), and Measure D local sales tax allocations. A total of \$0.5 million of these capital purchases were made using Capital Reserve Funds.

# Attachment A

Noteworthy capital project activity in fiscal year 2022 includes:

- New Santa Cruz METRO-owned Paracruz facility –Ongoing efforts continue to construct a new facility for Paracruz operations at the site of the Soquel Park and Ride lot in mid-Santa Cruz County. Metro successfully submitted an application for and received the local Planning Permit to build the ParaCruz Facility at this site in fiscal year 2022. Metro successfully submitted an application for Federal funding in fiscal year 2022, however the project was not awarded. Metro is revisiting the design and scope for the property, to potentially include affordable housing, which may allow the project to be eligible for other grant funding sources/prospects as well as financing opportunities. This project is in alignment with the METRO’s “10-Year Strategic Business Plan” adopted by the Board in January 2019.
- Purchase of Ten (10) CNG Buses - METRO continues to replace aging vehicles in its fixed route fleet. METRO’s Transit Asset Management Plan (TAM) establishes the useful life of a bus as 14 years; several buses in METRO’s fleet exceed this age and need to be replaced as soon as possible. In fiscal year 2022, 10 CNG buses were purchased utilizing a combination of capital grants and Bus Replacement Funds:
  - Three Compressed Natural Gas (CNG) Bus Rapid Transit (BRT) Plus low floor buses (35-foot) and three CNG BRT Plus low floor buses (40-foot) were purchased with PTMISEA funds to replace vehicles which had reached their useful life in METRO’s fleet, for a total of six CNG BRT Plus Low Floor buses. The vehicles replaced include four 1998 diesel buses and two 2003 CNG buses.
  - Two 35-foot CNG buses purchased utilizing the Bus Replacement Fund: One funded from fiscal years 2018 and 2019 State of Good Repair (SGR) funds that were originally programmed to have been spent on a pandemic-delayed project and were due to expire, and another from the last of the remaining deferred PTMISEA funds, with the difference covered by fiscal year 2020 SGR funds. These two new bus purchases replace (and allow METRO to dispose of) two 20-year old diesels (with an average of 790,259 road miles) out of the fleet.
  - Two 35 foot CNG buses purchased utilizing FY19 FTA 5339 Caltrans Discretionary Funds and Measure D sales tax allocations. These two new bus purchases replace (and allow METRO to dispose of) two 20-year old diesels (with an average of 790,259 road miles) out of the fleet.
- Gate Control at JKS Bus Entry - METRO is in the process of enhancing security at all locations. This project focused on the JKS and Bus Wash/Fueling station to have the lot closed at all times, and open as needed for vehicle movement. Previously the lot was open and accessible to the public, for both vehicles and pedestrians, which created a safety hazard to people who are not employees of METRO, as they are not trained on the proper use of the lot. Additionally, it left METRO employees and property open to vandalism and other damaging actions. Two automated gates were installed - for vehicle and pedestrian access -that provide security to METRO’s facility while maintaining access for METRO buses and employees.
- Three (3) 2016 New Flyer Buses – Santa Cruz METRO entered into a lease-to-purchase agreement (financed purchase) in fiscal year 2018 for three New Flyer Xcelsior buses that extends through November 2023. This purchase is part of Santa Cruz METRO’s effort to replace and update its aging fleet. The principal portion of the ongoing monthly lease payments is funded by Measure D funds, and totaled \$267 thousand in fiscal year 2022.
- JKS Facility - Bus Wash Rehab - N/S Corporation installed Santa Cruz METRO’s bus washer in June 2006. With a life expectancy of 15 to 20 years, the bus washer at Santa Cruz METRO was due for and in need of rehabilitation. Staff concluded a refurbished bus wash provides Santa Cruz METRO time (at least seven years) to research the reconfiguration of the JKS bus yard to accommodate a larger footprint for a new bus wash that has the ability to wash articulated buses and allow for modifications to wash the variety of bus models and configurations. This project was completed using FTA 5339(a) grant and Capital Reserve funds.

# Attachment A

- Maintenance Facilities Improvements:
  - Upgrade to Maintstar maintenance management software to the latest version in an off-premises configuration. Funded with Capital Reserves
  - Radio console for Dispatch was replaced; The previous console was an outdated unit for radio communications and did not access the frequency required by Santa Cruz METRO. Funded with Capital Reserves
  - The Santa Cruz METRO Maintenance Facility exterior was painted in Fall 2021: Cracks had allowed for water intrusion into the interior portion of the building, resulting in damage to the wall surfaces. Water damage had occurred on metal surfaces as well, resulting in rust and degradation of the infrastructure. Rehabilitation of the external surfaces using proper methods and materials restored the building to its original functionality. FTA 5339(a) funded.
  - Various Facilities Maintenance equipment was purchased with FTA 5339(a) funds including floor scrubbers, drain snakes, pressure washers, and vacuums.
- Automatic Vehicle Location (AVL) – On board technology in the transit industry has afforded transit operators the ability to utilize detailed data to optimize services and offer an array of conveniences to their riders. An AVL system provides real-time arrival and departure information to riders via mobile and desktop web applications. Because AVL is becoming so common, it is increasingly becoming expected as standard in public transit. Accordingly, AVL was approved by the Board of Directors in fiscal year 2018. METRO partnered with Clever Devices in fiscal year 2022 to continue work on the AVL project to bring this technology to full and final system-wide implementation in the near future.

## Future Outlook

In July 2022, Santa Cruz METRO started the new fiscal year with a balanced budget and a sustainable five-year projection of revenues and expenses, providing a clear road map for the delivery of service, future planned improvements and addressing anticipated challenges. Years of fiscally responsible decisions, enhanced focus on service efficiency, productivity, and sustainability coupled with favorable economic environment all contributed to Santa Cruz METRO's improved financial position. The renewed focus on prudent financial planning by shoring up Operating and Capital reserve levels, allow public agencies the ability to navigate difficult times and respond to short-term crisis and funding disruptions. The COVID-19 pandemic that started at the beginning of 2020 is yet another example of the critical importance of sound financial planning and fiscal responsibility. Spreading with alarming speed and infecting millions, the pandemic brought the economy to a near standstill as shelter in place orders were imposed. Although the nation and world have not fully recovered, the District continues to monitor and financially plan to weather this pandemic. Over the longer horizon, inflation, personnel shortages, supply chain issues, and uncertain economic environmental landscape are expected to leave lasting scars for a long period of time. The impacts of the pandemic on transit agencies was immediate and devastating. Public transit plummeted nationwide as people telecommuted and avoided buses for fear of contracting COVID-19, resulting in less revenue from fares. However, sales tax revenues have increased more than expected due to people working from home. As we emerge from COVID-19, inflation has increased more than expected, resulting in higher costs on materials, supplies and equipment.

## Operational Improvements and Service Initiatives

Even though transit ridership has yet to return, traffic congestion has. While Santa Cruz METRO was able to increase operating speeds during a few months of the pandemic due to a lack of congestion, traffic has returned to pre-pandemic levels, with a slightly shorter a.m. congested period but a longer mid-afternoon/p.m. congested period. Changing traffic patterns have forced continual schedule adjustments while slower speeds make taking transit less attractive. This trend will continue to negatively impact transit operations unless Santa Cruz METRO can work with the cities and counties in which it operates to create dedicated roadway space for Santa Cruz METRO buses.

Santa Cruz METRO's priorities in fiscal year 2023 will continue to focus on rebuilding ridership post-pandemic, planning for Santa Cruz METRO's transition to zero-emission vehicles, and leading efforts with the City and County to develop affordable housing near key transit corridors.

# Attachment A

## Rebuilding Ridership

Efforts to rebuild ridership post-pandemic will focus on service restructuring, planning for speed and reliability improvements, and customer-focused improvements to fare options and real time passenger information.

## Better Bus Network Reimagining

Staff is currently seeking consultant assistance to develop a Five Year Bus Network Reimagining Plan scheduled for implementation between 2023 and 2028. Key project outcomes will include: 1) an evaluation of Santa Cruz METRO's current fixed route system; 2) Completion of at least two alternative scenarios illustrating different policy directions that the Santa Cruz METRO bus network might take, focusing on the tradeoffs between ridership and coverage goals; 3) final network scenarios matching three possible financial projections, one with current resources and two with additional financial resources; and 4) a process of interaction with stakeholders, city councils, the Santa Cruz METRO Board, and the public that provides opportunities to provide substantive and impactful input to the plan. Santa Cruz METRO completed its last comprehensive service analysis in 2016 on the heels of a fiscal crisis that led to service cuts. The current planning effort will focus on service expansion, with a goal of doubling ridership in five years. The first phase of the planning effort will focus on ensuring Santa Cruz METRO is making the best use of current resources while subsequent phases will envision a future transit network should additional resources become available.

## New Service Initiatives

Staff continuously seeks grant opportunities to fund new service. In fiscal year 2021, staff completed planning for a new zero-emission, free fare circulator in the Watsonville area, funded by a grant from the California Department of Transportation. Launched last fall, the service connects the downtown Watsonville Transit Center with retail and medical destinations, operating as a loop along Main Street, Green Valley Road, Freedom Centre, Freedom Boulevard and Lincoln Street. New service takes time to build ridership and in fiscal year 2022, the Watsonville Circulator was the fifth least productive route in the METRO system. Staff will continue to evaluate ridership on the circulator as part of the Better Bus Network Reimagining Plan and make recommendations for future service changes.

## Speed and Reliability Improvements

Throughout Santa Cruz County, Santa Cruz METRO buses travel along congested streets and corridors without the benefit of transit supportive elements such as bus only lanes, traffic queue jumps, or bus boarding islands. This means travel by bus takes significantly longer and is less reliable than private automobile. In fiscal year 2021, Caltrans awarded Santa Cruz METRO a Caltrans Sustainable Transportation Planning Grant (STPG) to fund the Watsonville - Santa Cruz Intercity Transit Speed and Reliability Study. In fiscal year 2022, staff released a request for proposals for the project and awarded a consultant contract to Kimley-Horn to assist in evaluating traffic and travel conditions along the primary transit corridors connecting Watsonville and Santa Cruz, including Main Street and Freedom Boulevard in Watsonville, and Soquel Avenue and Capitola Road, in order to identify opportunities for pedestrian, bus stop and transit priority improvements aimed at improving the accessibility, speed and reliability of METRO's core intercity routes. Besides recommending improvements for existing service, the study will lay the groundwork for planned rapid service along the Soquel Avenue/Main Street corridor. The project kicked off in September and is expected to be complete by the spring of 2024.

In addition, staff continues to coordinate with the Santa Cruz County Regional Transportation Commission (RTC), Caltrans and Santa Cruz County on the Watsonville – Santa Cruz Multimodal Corridor Program (WSC-MCP), including the Highway 1 Auxiliary Lanes/Bus On Shoulder component and Soquel Avenue/Drive to Freedom Boulevard bicycle/pedestrian improvements. In fiscal year 2021, the California Transportation Commission approved over \$100 million in funding for the WSC-MCP Cycle 2 Project, which will construct auxiliary lanes on Highway 1 between Soquel Ave and State Park Drive and add buffered/protected bike lanes and transit signal priority (TSP) on Soquel Drive along the same segment. Staff is currently coordinating with the regional partners on a SB1 Cycle 3 grant application, a

# Attachment A

\$200 million project to extend the corridor improvements to Freedom Boulevard. As part of the application, Santa Cruz METRO is planning to install bus boarding islands, new bus shelters, and real time passenger information displays at up to 30 locations along the corridor. Application and announcement of award are expected in fiscal year 2023.

## Fare Programs

Besides a focus on service and operations, staff is also working to build ridership through more convenient fare programs. In fiscal year 2021, Santa Cruz METRO launched a mobile ticket “Splash Pass,” which lets customers purchase Santa Cruz METRO fare products using a smartphone, and completed the installation of electronic validators on all Highway 17 buses for more accurate and efficient validation of tickets. Mobile fare payment can help reduce the cost of cash collection, speed up the boarding process, and improve convenience and access to fare products. The next phase of the project, planned for fiscal year 2023, will allow for contactless credit and smart card transactions to happen with the tap of a card on the Highway 17 validators. If successful, staff will seek funding to purchase and install validators fleet-wide. The final phase will involve the rollout of a new smart card and account based ticketing system using stored value accounts. Account-based ticketing will allow riders to exchange cash for pass products at an expanded local retailer network, enabling customers without a bank account to tap and ride. It will also allow Santa Cruz METRO to introduce fare-capping at day- or monthly-pass rates, so that customers will know they are always getting the best value no matter how much they ride.

In addition, Santa Cruz METRO continued its partnership in fiscal year 2022 with the City of Santa Cruz Go Pass program, providing free rides to all 4,000+ downtown Santa Cruz employees, paid for by the City. The project aims to increase Santa Cruz METRO ridership while reducing the demand for parking in downtown Santa Cruz. Staff is looking to expand the program to County employees in fiscal year 2023.

Finally, Santa Cruz METRO supported Assembly Bill 1919, as amended, which would have established a five-year Youth Transit Pass Pilot Program in California. While Governor Newsom vetoed the bill due to lack of funding in the state budget, staff will continue to explore funding opportunities to implement free fare programs, particularly for youth under 18.

## Real Time Passenger Information

Staff is also working to improve the customer experience through improving access to real time information. Staff is currently implementing a Computer-Aided Dispatch / Automatic Vehicle Location (CAD/AVL) system on its fleet, which will allow real time vehicle location tracking and help the agency better track bus speed and reliability. Besides providing better data with which to plan and schedule, the system will provide customers with real time bus location and next bus arrival predictions, allowing customers to track vehicles in real time. The system is expected to go live in early 2023.

Additionally, Santa Cruz METRO plans to install new Automated Passenger Counters (APCs) on its fleet in fiscal year 2023. APCs will provide the Planning Department with a rich dataset for route and service planning, including boarding and alighting information at the level of individual bus stops for all trips. It will also provide real time crowding information to customers so that they can make more informed decisions when trip planning.

## Zero-Emission Vehicle Transition

Santa Cruz METRO has set an ambitious goal of purchasing only zero emission buses (ZEB) moving forward, converting the entire 96 bus Santa Cruz METRO fleet by 2037. Phase 1 of this plan involved the procurement and deployment of four battery electric buses (BEB) on the Watsonville Circulator Route, which was completed in fiscal year 2022. Phase 2 will convert 100% of Santa Cruz METRO’s fleet serving Watsonville to ZEB by 2027. Phase 3 will involve the full transition of Santa Cruz METRO’s fleet to ZEB by the end of 2037, through a mix of fuel cell electric buses (FCEB) and BEB. This would put the agency ahead of the California Air Resources Board (CARB) mandate that all transit agencies in California operate 100% ZEB by 2040. In fiscal year 2022, the Planning and Development Department worked with the Federal Transit Administration (FTA) to use funding available for Highway 17 service to procure four

# Attachment A

additional BEBs. Staff also submitted a highly competitive grant to the FTA Low or No Emission Vehicle and Bus and Bus Facilities Programs for 20 hydrogen fuel cell buses and construction of a hydrogen fueling facility and associated improvements. While the FTA did not select the proposal for funding, staff will continue to support METRO's transition to a 100% ZEB fleet in fiscal year 2023 by identifying funding opportunities and preparing grant applications.

## Supporting Affordable Housing Development in Santa Cruz County

The housing market in the Santa Cruz – Watsonville area is by many measures one of the least affordable housing markets in the country. In the last on-board survey (2019), half of respondents reported household incomes below \$50,000. Providing access to affordable housing near transit corridors is therefore critical to supporting future ridership. Access to high quality transit also makes housing more affordable by reducing the need to build expensive parking, while the ability to live a car-free or car-light lifestyle reduces the costs of transportation for residents.

In the next decade, Santa Cruz METRO plans to develop 175 affordable housing units at Santa Cruz METRO transit centers and facilities, including Pacific Station, the Watsonville Transit Center and the Soquel Park and Ride. In fiscal year 2022, Santa Cruz METRO and the City of Santa Cruz were awarded \$30 million from the state's Affordable Housing and Sustainable Communities (AHSC) grant to redevelop the current Pacific Station site and adjacent City owned properties into 120 affordable housing units and a new bus station and tarmac. The project is currently in design and is expected to break ground in fall 2023. Building on the success of the Pacific Station project, staff is working to develop conceptual design concepts for affordable housing projects at the Watsonville and Soquel Park and Ride sites.

## Marketing Initiatives

In November 2022, Santa Cruz METRO hired an external marketing firm, Celtis Ventures Inc., to assist the agency in promotions, included in the contract is the design and implementation of a new website, development of a customer loyalty program, update to Santa Cruz METRO's existing brand standards, creation of a video/photo library, marketing materials, social media support, and community engagement.

Santa Cruz METRO's marketing will be targeted at increasing environmental awareness in the community and the emissions savings that occurs from riding public transit over personal vehicle use. Campaigns will also tie into Santa Cruz METRO's ZEB transition plan.

In late fiscal year 2023, Santa Cruz METRO hopes to launch a customer loyalty program via a website that will track riders trips with a point system, the accumulated points can then be used to donate to a local environmental non-profit. Omissions savings from riding public transit will also be tracked. This loyalty program will be promoted through bus wraps encouraging riders to join the program.

By fiscal year 2024, Santa Cruz METRO hopes to unveil a new website that will be more user-friendly and mobile responsive. The site will focus on connecting riders to service maps and schedules and highlight Santa Cruz METRO's sustainability initiatives, specifically the emissions savings of our ridership. Additionally, Santa Cruz METRO will increase our social media footprint by creating an Instagram account and doubling our posts across all platforms to increase awareness. Santa Cruz METRO also plans to participate in more community outreach events including parades, fairs, holiday events, community meetings, etc.

## Enterprise Resource Planning (ERP)

Santa Cruz METRO has selected Workday as its ERP with Avaap as the consultant to configure and install Workday at METRO. The first phase will replace our HR system and bring in all payroll services from Santa Cruz County to Santa Cruz METRO. The second phase will be to replace our legacy finance and purchasing systems that are not interconnected. An ERP will provide Santa Cruz METRO with the tools to expediently make informed business decisions and realize efficiencies in the staff workflow. In addition, as part of the ERP project, Santa Cruz METRO will be evaluating its existing systems as their viability within the ERP ecosystem.



# Attachment A

## **Economic Factors and Next Year's Budget**

State law requires Santa Cruz METRO to adopt an annual budget by resolution of the Board. In the spring preceding the start of each fiscal year, staff presents an annual budget based on established District goals, objectives and performance measures to the Board.

The Santa Cruz METRO Board approves the annual budget prior to implementation. Once adopted, the Board has the authority to amend the budget. While the legal level of budgetary control is at the entity level, the District maintains stricter control at departmental and line item levels to serve various needs. Any increase to the expense budget as a whole requires the approval of the Board.

During the fiscal year, the adopted Operating and Capital budgets are used as management tools to monitor revenues and expenses and evaluate operating performance at any given time period. The Board of Directors monitors budget-to-actual performance through monthly staff reports and presentations. Department managers monitor budget-to-actual performance on an accrual basis and meet with the Finance team periodically to review significant variances.

The Board adopted the fiscal year 2023 Operating budget on June 24, 2022, totaling Revenue of \$69,813,238; Operating Expenses of \$60,959,938, and Transfers of \$8,853,300.

Total Operating Revenues are expected to increase 27.5% compared to the fiscal year 2022 budget primarily due to the inclusion of the American Rescue Plan Act of 2021 (ARPA) Covid-19 Relief grant, as well as increased TDA-LTF and TDA–STA, and Sales Tax (including Measure D) revenues. Additionally Passenger Fares (Fixed Route, Paratransit, and Highway 17 Fares) are projected to increase as recovery from the pandemic continues and riders return. Modest increases are anticipated in Special Transit Fares (contracts with UCSC, Cabrillo College, and Highway 17 Partners – Amtrak and VTA).

Total Operating Expenses are projected to increase 7.7% compared to the fiscal year 2022 budget, driven by Labor and Fringe benefits increases such as cost of living adjustments, annual step increases, as well as anticipated higher medical costs. Non-personnel expenses are increasing as general inflationary adjustments are applied across all categories.

Budgeted transfers are a combination of commitments made to maintain assets in a state of good repair, pre-funding of pension and other postemployment benefits liabilities, as well as excess fungible revenues set aside to be used in the future for Capital and/or Operating expenses.

The Capital Budget Portfolio, adopted by the Board in June 2022 is \$87,030,558, approximately 30% of which (or \$25,500,773) is anticipated to be spent by the end of fiscal year 2023. Over 85% of the fiscal year 2023 Capital Budget Portfolio is allocated to bus and paratransit vehicle replacement projects and related infrastructure.

## **Contacting Santa Cruz METRO's Financial Management**

Santa Cruz METRO's financial report is designed to provide Santa Cruz METRO's Board of Directors, management, and the public with an overview of Santa Cruz METRO's finances. For additional information about this report, please contact Chuck Farmer, Chief Financial Officer, at 110 Vernon Street, Santa Cruz, CA 95060.

# Attachment A

## BASIC FINANCIAL STATEMENTS

# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT STATEMENT OF NET POSITION JUNE 30, 2022

### ASSETS

#### CURRENT ASSETS

Cash and Cash Equivalents	\$ 62,094,202
Sales Taxes and Other Receivables	6,466,567
Grants Recivables	10,342,102
Lease Receivable	438,208
Inventory	889,761
Prepaid Expenses	889,234

**Total Current Assets** 81,120,074

#### RESTRICTED ASSETS

Cash and Cash Equivalents	<u>15,732,891</u>
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#### CAPITAL ASSETS

Building and Improvements	80,124,319
Revenue Vehicles	48,809,131
Operations Equipment	7,852,739
Other Equipment	2,355,853
Other Vehicles	1,242,443
Office Equipment	3,950,861

Total Depreciated Capital Assets 144,335,346  
Less Accumulated Depreciation and Amortization (73,044,294)

Total Depreciated Capital Assets Net of Accumulated Depreciation 71,291,052

Construction-in-Progress 4,622,870  
Land 11,596,311

Right-to-use Leased Asset, Net 208,812

**Total Capital Assets** 87,719,045

**Total Assets** 184,572,010

#### DEFERRED OUTFLOWS OF RESOURCES

Deferred Amounts from Other Postemployment Benefits (OPEB) 10,450,283  
Deferred Amounts from Pension Activities 59,045,272

**Total Deferred Outflows of Resources** \$ 69,495,555

The accompanying notes are an integral part of these financial statements.

# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT STATEMENT OF NET POSITION (Continued) JUNE 30, 2022

### LIABILITIES

#### CURRENT LIABILITIES

Accounts Payable and Accrued Liabilities	\$ 4,345,545
Accrued Payroll and Employee Benefits	5,163,969
Interest Payable	503,420
Deferred Rent	3,543
Workers' Compensation Liabilities, Current	461,764
Other Accrued Liabilities	331,715
Security Deposit	10,470
Financed Purchase, Current	275,409
Lease Liability, Current	92,201
Pension Obligation Bonds, Current	2,785,000

**Total Current Liabilities** 13,973,036

#### NON-CURRENT LIABILITIES

Unearned Revenue - State Transit Assistance (STA)	220,696
Unearned Revenue - State of Good Repair (SGR)	2,936,015
Unearned Revenue - PTMISEA Grant	584,864
Unearned Revenue - Proposition 1B Grant	2
Unearned Revenue - Measure D	7,577,895
Unearned Revenue - LCTOP	2,150,017

**Total Non-Current Liabilities** 13,469,489

#### OTHER LONG-TERM LIABILITIES

Workers' Compensation Liabilities, Net of Current	1,845,571
Financed Purchase, Net of Current	117,244
Lease Liability, Net of Current	112,089
Pension Obligation Bonds, Net of Current	48,965,000
Net OPEB Liability	121,906,043
Net Pension Liability	44,134,278

**Total Other Long-Term Liabilities** 217,080,225

**Total Liabilities** 244,522,750

### DEFERRED INFLOWS OF RESOURCES

Deferred Amounts from Leases	431,003
Deferred Amounts from OPEB	14,559,778
Deferred Amounts from Pension Activities	14,653,549

**Total Deferred Inflows of Resources** 29,644,330

### NET POSITION (DEFICIT)

Net Investment in Capital Assets	87,122,102
Unrestricted Net Position (Deficit)	(107,221,617)

**Total Net Position (Deficit)** \$ (20,099,515)

The accompanying notes are an integral part of these financial statements.

# Attachment A

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN FUND NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<b>OPERATING REVENUES</b>	
Passenger Fares	\$ 2,400,603
Special Transit Fares	5,847,145
	<hr/>
<b>Total Operating Revenues</b>	8,247,748
	<hr/>
<b>OPERATING EXPENSES</b>	
Wages, Salaries, and Employee Benefits	39,323,131
Materials and Supplies	4,002,037
Other Expenses	7,321,146
Depreciation and Amortization	5,421,450
	<hr/>
<b>Total Operating Expenses</b>	56,067,764
	<hr/>
<b>Net Operating Loss</b>	(47,820,016)
	<hr/>
<b>NON-OPERATING REVENUES (EXPENSES)</b>	
Sales and Use Taxes	29,313,308
Transportation Development Act (TDA) Assistance	8,592,943
State Transit Assistance (STA)	4,437,224
Federal Transit Administration (FTA) Section 5307 Operating Assistance	20,454,906
FTA Section 5311 Rural Operating Assistance	198,586
Low Carbon Transit Operations Program	405,067
Alternative Fuel Credit	148,777
Interest Income	239,452
Interest Expense	(523,059)
Rental Income	52,787
Other Revenue	361,819
Lease Revenue	76,592
Gain on Sale and Disposal of Property, Equipment, and Inventory	26,752
	<hr/>
<b>Total Non-Operating Revenues (Expenses)</b>	63,785,154
	<hr/>
<b>Net Income Before Capital Contributions</b>	15,965,138
	<hr/>
<b>CAPITAL CONTRIBUTIONS</b>	
Grants Restricted for Capital Expenditures	7,329,243
	<hr/>
<b>NET POSITION</b>	
Change in Net Position	23,294,381
	<hr/>
Net Position (Deficit), Beginning of Year	(43,393,896)
	<hr/>
Total Net Position (Deficit), End of Year	\$ (20,099,515)
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT STATEMENT OF CASH FLOWS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 8,028,579
Payments to Employees	(87,800,555)
Payments to Suppliers	(9,571,529)
Payments from Other	<u>(5,394,067)</u>
Net Cash Used in Operating Activities	<u>(94,737,572)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Operating Grants Received, Including Sales and Use Taxes	<u>63,395,626</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Proceeds from Sale of Property and Equipment	26,752
Capital Grants Received/(Used)	7,695,220
Capital Expenditures	(7,532,563)
Gain on Sale of Assets	945,843
Payments Made on Financed Purchase	(368,069)
Proceeds from Pension Obligation Bonds	<u>51,750,000</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>52,517,183</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investment and Rental Income Received	<u>292,239</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	21,467,476
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>56,359,617</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 77,827,093</u>
FINANCIAL STATEMENT PRESENTATION:	
Cash and Cash Equivalents	\$ 62,094,202
Cash and Cash Equivalents - Restricted	<u>15,732,891</u>
Total Cash and Cash Equivalents	<u>\$ 77,827,093</u>

The accompanying notes are an integral part of these financial statements.

# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT STATEMENT OF CASH FLOWS (Continued) FOR THE FISCAL YEAR ENDED JUNE 30, 2022

RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES	
Net Operating Loss	\$ (47,820,016)
Adjustments to Reconcile Net Operating Loss to Net Cash	
Used in Operating Activities:	
Depreciation and Amortization	5,421,450
Changes in Assets and Liabilities:	
Decrease in Receivables	(211,964)
Decrease in Lease Receivables	(7,205)
Decrease in Inventory	(115,577)
Decrease in Prepaid Expenses	(54,075)
Increase in Accounts Payable and Accrued Liabilities	1,747,675
Decrease in Interest Payable	503,420
Decrease in Net Pension Liability	(56,270,878)
Increase in Net OPEB Liability	1,796,768
Increase in Other Liabilities	<u>272,830</u>
Net Cash Used in Operating Activities	<u>\$ (94,737,572)</u>

The accompanying notes are an integral part of these financial statements.

# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2022

### **NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### A. Description of Organization

The Santa Cruz Metropolitan Transit District (Santa Cruz METRO) was formed February 9, 1969, following a favorable election in conformity with Section 9800 et. seq. of the Public Utilities Code (PUC). The transit system serves the general public in the cities of Santa Cruz, Watsonville, Scotts Valley, Capitola, and the unincorporated areas of Santa Cruz County. The Board of Directors (Board) consisting of eleven directors and two ex-officio directors representing the University of California, Santa Cruz and Cabrillo College govern Santa Cruz METRO. At June 30, 2022, the Board was as follows:

Chairperson:	Larry Pageler		
Vice Chair:	Jimmy Dutra		
Members:	Shebreh Kalantari-Johnson	Donna Meyers	Bruce McPherson
	Ari Parker	Manu Koenig	Rebecca Downing
	Kristen Brown	Donna Lind	Mike Rotkin
Ex-Officios:	Dan Henderson	Alta Northcutt	

Santa Cruz METRO also serves the Highway 17 corridor into Santa Clara County to provide a commuter express service through a memorandum of understanding with the San Joaquin Joint Powers Authority (SJJPA), the Capitol Corridor Joint Powers Authority (CCJPA), and the Santa Clara Valley Transportation Authority (VTA). Amtrak Thruway bus service is also provided by Santa Cruz METRO on the same corridor.

#### B. Reporting Entity

Santa Cruz METRO and the Santa Cruz Civic Improvement Corporation (the Corporation) have a financial and operational relationship, which meets the reporting entity definition criteria of Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by GASB Statement No. 39, *The Financial Reporting Entity*, for inclusion of the Corporation as a blended component unit of Santa Cruz METRO. Accordingly, the financial activities of the Corporation have been included in the basic financial statements of Santa Cruz METRO. For the fiscal year ended June 30, 2022, these activities were minimal.

#### **Scope of Public Service:**

The Corporation is a nonprofit, public benefit corporation incorporated under the laws of the State of California and recorded by the Secretary of State in July 1986. The Corporation was formed for the sole purpose of providing financial assistance to Santa Cruz METRO for the construction and acquisition of major capital facilities.

The following are those aspects of the relationship between Santa Cruz METRO and the Corporation which satisfy GASB Statement No. 14/39 criteria.

#### Accountability:

1. Santa Cruz METRO's Board appointed the Corporation's Board of Directors.



# Attachment A

## **NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

### B. Reporting Entity (Continued)

2. Santa Cruz METRO is able to impose its will upon the Corporation based on the following:
  - All major financing arrangements, contracts, and other transactions of the Corporation must have the consent of Santa Cruz METRO.
  - Santa Cruz METRO exercises significant influence over operations of the Corporation as it is anticipated that Santa Cruz METRO will be the sole lessee of all facilities owned by the Corporation. Likewise, it is anticipated that Santa Cruz METRO's lease payments will be the sole revenue source of the Corporation.
3. The Corporation provides specific financial benefits or imposes specific financial burdens on Santa Cruz METRO based upon the following:
  - Santa Cruz METRO has assumed a “moral obligation,” and potentially a legal obligation, for any debt incurred by the Corporation.

### C. Basis of Accounting and Presentation

Santa Cruz METRO is accounted for as a Business-Type Activity, as defined by GASB Statement No. 34, *Basic Financial Statements – Management's Discussion and Analysis – for State and Local Governments*, and its basic financial statements are presented on the accrual basis of accounting. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Santa Cruz METRO adopted GASB Statement No. 34, as amended by GASB Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, as of and for the fiscal year ended June 30, 2003, and applied those standards on a retroactive basis. GASB Statement No. 34 establishes standards for external financial reporting for state and local governments and requires that resources be classified for accounting and reporting purposes into three net position categories, namely, net investment in capital assets, restricted net position, and unrestricted net position.

#### **Contributed Capital/Reserved Retained Earnings:**

Santa Cruz METRO receives grants from the Federal Transit Administration (FTA) and other agencies of the U.S. Department of Transportation, state, and local transportation funds for the acquisition of transit-related equipment and improvements. Prior to July 1, 2001, capital grants were recognized as donated capital to the extent that project costs under the grant had been incurred. Capital grant funds earned, less amortization, equal to accumulated depreciation of the related assets, were included in contributed capital. As required by GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, Santa Cruz METRO changed its method of accounting for capital grants from capital contributions to reserved non-operating revenues. In accordance with GASB Statement No. 33, capital grants are required to be included in the determination of net income (loss) resulting in an increase in net revenue of \$7,329,243 for the fiscal year ended June 30, 2022.

Under GASB Statement No. 34, contributed capital and reserved retained earnings are presented in the net position section as net investment in capital assets.

# Attachment A

## **NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

### C. Basis of Accounting and Presentation (Continued)

#### **Proprietary Accounting and Financial Reporting:**

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services, and producing and delivering goods, in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of Santa Cruz METRO are passenger fares and special transit fares. Operating expenses for Santa Cruz METRO include wages, benefits, professional services, materials and supplies, casualty and liability costs, depreciation/amortization on capital assets, and other expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

#### **Net Position:**

Net position represents the residual interest in Santa Cruz METRO's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted. In accordance with GASB Statement No. 34, the fund equity section on the statements of net position was combined to report total net position and present it in three broad components: net investment in capital assets, restricted, and unrestricted. Net position invested in capital assets includes capital assets net of accumulated depreciation. Net position is restricted when constraints are imposed by third parties or by law through constitutional provisions or enabling legislation. All other net position is unrestricted.

When both restricted and unrestricted resources are available for use, generally it is Santa Cruz METRO's policy to use restricted resources first, and then unrestricted resources as they are needed.

### D. Cash and Cash Equivalents

Santa Cruz METRO considers all highly liquid investments with a maturity date within three months of the date acquired to be cash equivalents. Santa Cruz METRO deposits funds into an external investment pool maintained by Santa Cruz County. These deposits are considered cash equivalents. The Santa Cruz County Pooled Investment Fund is authorized to invest in obligations of the U.S. Treasury agencies and instrumentalities, commercial paper rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool. Cash and cash equivalents are stated at fair value. For purposes of the statements of cash flows, Santa Cruz METRO considers all highly liquid investments (including restricted assets) to be cash equivalents.

### E. Inventory

Inventory is carried at cost using the first-in/first-out (FIFO) method. Inventory held by Santa Cruz METRO consists of spare bus parts and operating supplies that are consumed by Santa Cruz METRO and are not for resale purposes.

### F. Restricted Assets

Certain assets are classified as restricted assets on the statements of net position because their use is subject to externally imposed stipulations, either by laws or regulations.

Unspent grant funds from the State Transit Assistance (STA) and State Transit Assistance - State of Good Repair (STA-SGR) programs; Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA); Proposition 1B Office of Homeland Security (OHS) and the California Transit Security Grant Program (CTSGP); the Low Carbon Transit Operations Program (LCTOP); State Transportation Improvement Program (STIP) and a portion of Measure D sales tax allocations are restricted for capital expenditures. Additionally, the District has \$3,423,140 of restricted cash deposited with a fiscal agent to meet pension obligation bonds debt reserve fund requirements.

# Attachment A

## NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### F. Restricted Assets (Continued)

Restricted assets at June 30 are as follows:

Cash and Cash Equivalents		
Proposition 1B PTMISEA Grant	\$	584,864
Proposition 1B OHS and CTSGP Grants		2
STA Grant		220,696
STA - State of Good Repair (SGR) Grant		2,811,084
Measure D		6,820,314
LCTOP Grant		1,075,446
STIP		797,345
Pension Obligation Bonds		3,423,140
Total Restricted Assets	\$	15,732,891

### G. Property and Equipment

Property and equipment are recorded at cost. Depreciation for all such assets is computed on a straight-line basis. Estimated useful lives of assets are as follows:

Buildings and improvements	20-39 years
Revenue vehicles	12 years
Other vehicles and equipment	3-10 years

Depreciation expense on assets acquired with capital grant funds are transferred to net position, net investment in capital assets, after being charged to operations.

Major improvements and betterments to existing facilities and equipment are capitalized. Costs for maintenance and repairs, which do not extend the useful lives of the applicable assets, are charged to expense as incurred. Upon disposition, costs and accumulated depreciation are removed from the accounts and resulting gains or losses are included in operations.

Santa Cruz METRO completed and capitalized the Scotts Valley Transit Center in fiscal year 1999. The cost of this facility totaled \$4,063,634, which was funded by federal, state, and local funds. The former Scotts Valley Redevelopment Agency, a political subdivision of the State of California, was one of Santa Cruz METRO’s funding sources for this project and the Successor Agency has retained an interest in the property. The title to the property is retained by both Santa Cruz METRO and the Successor Agency as tenants in common with each party holding an individual interest in proportion to each party’s financial participation in the project. The Successor Agency’s portion of the property is 13.87%. The Successor Agency’s portion is not recorded in Santa Cruz METRO’s basic financial statements.

### H. Sales and Use Taxes Receipts

1979 Gross Sales Tax (1/2-cent): In June 1978, voters in Santa Cruz County approved Measure G which changed the basis of transit support for Santa Cruz METRO from property tax to a ½-cent sales and use tax effective January 1979. This ½-cent sales and use tax levied on all taxable sales in Santa Cruz County is collected and administered by the California State Board of Equalization. Actual receipts of Measure G sales and use tax for the fiscal year ended June 30, 2022 was \$27,902,479.

# Attachment A

## **NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

### H. Sales and Use Taxes Receipts (Continued)

2017 Net Sales Tax (Measure D): This local ordinance to fund a comprehensive package of county-wide transportation improvements passed in November 2016 by over 2/3 of Santa Cruz County voters. The transportation tax measure levies a 0.5% sales and use tax on retail sales within Santa Cruz County for a thirty-year period, effective April 1, 2017. Measure D sales and use tax receipts are administered by the Santa Cruz County Regional Transportation Commission according to the Expenditure Plan identified in the ordinance. Santa Cruz METRO is allocated 16% of Measure D local sales and use tax receipts collected, net of administrative costs, to provide transit and paratransit service for seniors and people with disabilities. Measure D sales and use tax receipts were \$4,327,486 for the fiscal year ended June 30, 2022. During fiscal year 2022, \$1,410,829 of Measure D funds were earned and spent on operating expenses, and \$603,522 of Measure D funds were earned and spent on capital projects. At June 30, 2022, \$7,577,895, of Measure D funds were unspent and recorded as unearned (deferred) revenue.

Additionally, Santa Cruz METRO is allocated, through the Santa Cruz County Regional Transportation Commission, a portion of the 0.025% sales and use tax levied by the Transportation Development Act (TDA).

### I. Operating Assistance Grants

Operating assistance grants are recognized as revenue in the grant period when earned.

### J. Self-Insurance

Santa Cruz METRO is self-insured for the first \$250,000 of general and vehicular liability. For settlements in excess of \$250,000, Santa Cruz METRO has total coverage up to \$25,000,000 per occurrence. The District also self-insures for vehicle physical damage coverage with a deductible option of \$5,000 per vehicle and coverage up to \$30,000,000 per occurrence. Additionally, Santa Cruz METRO is self-insured up to \$350,000 for workers' compensation claims. Santa Cruz METRO has recorded a liability for estimated claims to be paid, including incurred but not reported claims (IBNR).

### K. Employee Benefits

Annual and medical leave benefits are accrued when earned and reduced when used. Any paid medical leave accrued beyond 96 hours may, at the employee's option, be converted to annual leave and credited to the employee's annual leave schedule or paid in cash, depending on the bargaining unit, at 100% of the earned rate. Employees are paid accrued and unused annual leave at the time of separation from Santa Cruz METRO service.

### L. Payroll

Santa Cruz METRO contracts with the Santa Cruz County Auditor-Controller to provide payroll processing services.

### M. Pension Costs

For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pension, and pension expense, information about the fiduciary net position of Santa Cruz METRO's California Public Employees' Retirement System (CalPERS) pension plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

# Attachment A

## **NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

### N. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of Santa Cruz METRO's OPEB plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Accounting principles generally accepted in the United States of America require that the reported results must pertain to liability and asset information within certain defined timeframes.

### O. Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### P. Implementation of GASB Statements

**GASB Statement No. 87 – Leases.** The requirements of this statement are effective for fiscal years beginning after June 15, 2021. On July 1, 2021, Santa Cruz METRO implemented the provisions of GASB Statement No. 87, *Leases*, which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. As a result, the District's financial statements have been modified to reflect the recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognized as inflows or outflows of resources based on the contract payment provisions. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about a government's leasing activities. See Notes 14 and 15 for detailed discussion of the effects of Santa Cruz METRO's financial statements as a result of implementing this standard.

**GASB Statement No. 97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code (IRC) Section 457 Deferred Compensation Plans—an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32.** The requirements are applicable for fiscal years beginning after June 15, 2021. There was no effect on Santa Cruz METRO's accounting and financial reporting as a result of implementing this standard.

### Q. Future GASB Statements

**GASB Statement No. 89 – Accounting for Interest Cost Incurred Before the End of a Construction Period.** The requirements of this statement are effective for fiscal years beginning after December 15, 2021. Santa Cruz METRO has not fully judged the effect of implementation of GASB Statement No. 89 as of the date of the basic financial statements.

**GASB Statement No. 91 – Conduit Debt Obligations.** The requirements of this statement are effective for fiscal years beginning after December 15, 2021. Santa Cruz METRO will implement GASB Statement No. 91 if and where applicable.

**GASB Statement No. 92 – Omnibus 2020.** The requirements of this statement related to Statement No. 87, implementation guide 2019-3, and reinsurance recoveries are to be implemented with GASB Statement No. 87; all other requirements are effective for fiscal years beginning after June 15, 2022. Santa Cruz METRO will implement GASB Statement No. 92 if and where applicable.

# Attachment A

## NOTE 1 – OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Q. Future GASB Statements (Continued)

**GASB Statement No. 93** – *Replacement of Interbank Offered Rates*. The requirements of this statement are effective for fiscal years beginning after June 15, 2022. Early application is encouraged. Santa Cruz METRO will implement GASB Statement No. 93 if and where applicable.

**GASB Statement No. 94** – *Public-Private and Public-Private Partnerships and Availability Payment Arrangements*. The requirements of this statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Early application is encouraged. Santa Cruz METRO will implement GASB Statement No. 94 if and where applicable.

**GASB Statement No. 96** – *Subscription-Based Information Technology Arrangements*. The requirements of this statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Santa Cruz METRO will implement GASB Statement No. 96 if and where applicable.

**GASB Statement No. 99** – *Omnibus 2022*. The requirements of this statement are effective as follows:

- The requirements related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in GASB Statement No. 34, as amended, and terminology updates related to GASB Statement No. 53 and GASB Statement No. 63 are effective upon issuance.
- The requirements related to leases, public-public partnerships (PPPs), and subscription-based information technology arrangements (SBITAs) are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement No. 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Santa Cruz METRO will implement GASB Statement No. 99 if and where applicable.

**GASB Statement No. 100** – *Accounting Changes and Error Corrections*. The requirements of this statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all fiscal years thereafter. Earlier application is encouraged. Santa Cruz METRO will implement GASB Statement No. 100 if and where applicable.

**GASB Statement No. 101** – *Compensated Absences*. The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all fiscal years thereafter. Earlier application is encouraged. The Authority will implement GASB Statement No. 101 if and where applicable.

## NOTE 2 – CASH AND CASH EQUIVALENTS

Total cash and cash equivalents (restricted and unrestricted) consist of the following at June 30, 2022:

Cash on Hand	\$ 12,930
Demand Deposits	1,215,467
Certificates of Deposit (CD)	111,728
Deposits with Trustee	3,423,140
Deposits in Santa Cruz County Pooled Investment Fund	<u>73,063,828</u>
	<u>\$ 77,827,093</u>

# Attachment A

## NOTE 2 – CASH AND CASH EQUIVALENTS (Continued)

### Cash on Hand and Cash in Banks

### **Investments Authorized by the California Government Code and Santa Cruz METRO’s Investment Policy**

The table below identifies the **investment types** that are authorized for Santa Cruz METRO by the California Government Code (or Santa Cruz METRO’s investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or Santa Cruz METRO’s investment policy, where more restrictive) that address **interest rate risk**, **credit risk**, and **concentration of credit risk**.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Bankers’ Acceptances	180 days	None	None
Commercial Paper	270 days	None	None
Negotiable CDs	5 years	None	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	None	None
Medium-Term Notes	5 years	None	None
Mutual Funds	N/A	None	None
Money Market Mutual Funds	N/A	None	None
Mortgage Pass-Through Securities	5 years	None	None
Santa Cruz County Pooled Investment Fund	N/A	100%	None
Local Agency Investment Fund (LAIF)	N/A	None	None

### **Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of Santa Cruz METRO’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of Santa Cruz METRO’s investments by maturity:

# Attachment A

## NOTE 2 – CASH AND CASH EQUIVALENTS (Continued)

### Cash on Hand and Cash in Banks (Continued)

#### Disclosures Relating to Interest Rate Risk (Continued)

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Santa Cruz County Pooled Investment Fund	\$ 73,063,828	\$ 73,063,828	\$ -	\$ -	\$ -

#### Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code or Santa Cruz METRO's investment policy, and the actual rating as of year-end for each investment type. The column marked "exempt from disclosure" identifies those investment types for which GASB Statement No. 40 does not require disclosure as to credit risk:

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Year-End		
				AAA	Aa	Not Rated
Santa Cruz County Pooled Investment Fund	\$ 73,063,828	N/A	\$ -	\$ -	\$ -	\$ 73,063,828

#### Concentration of Credit Risk

The investment policy of Santa Cruz METRO contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Santa Cruz METRO did not have any investments in any one issuer (other than external investment pools) that represent 5% or more of total Santa Cruz METRO's investments at June 30, 2022.

#### Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and Santa Cruz METRO's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

GASB Statement No. 40 requires that the following disclosure be made with respect to custodial credit risks relating to deposits and investments: None of Santa Cruz METRO's deposits with financial institutions in excess of Federal Deposit Insurance Corporation limits were held in uncollateralized accounts.



# Attachment A

## NOTE 2 – CASH AND CASH EQUIVALENTS (Continued)

### Cash on Hand and Cash in Banks (Continued)

#### **Investment in Santa Cruz County Pooled Investment Fund**

Santa Cruz METRO is a voluntary participant in the Santa Cruz County Pooled Investment Fund. The fair value of Santa Cruz METRO's investment in this pool is reported in the accompanying basic financial statements at amounts based upon Santa Cruz METRO's pro-rata share of the fair value provided by Santa Cruz County for the entire Santa Cruz County portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by Santa Cruz County, which are recorded on an amortized cost basis.

#### **Fair Value Measurements**

Santa Cruz METRO categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset, either directly or indirectly, which may include inputs in markets that are not considered to be active; and
- Level 3: Investments reflect prices based upon unobservable sources.

Santa Cruz METRO has the following recurring fair value measurements as of June 30, 2022:

		Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Investments by fair value level</u>				
Certificates of Deposit (CD)	\$ 111,728	\$ 111,728	\$ -	\$ -
Total investments measured at fair value	111,728	<u>\$ 111,728</u>	<u>\$ -</u>	<u>\$ -</u>
Investments measured at amortized cost:				
Santa Cruz County Pooled Investment Fund	<u>73,063,828</u>			
Total pooled and directed investments	<u>\$ 73,175,556</u>			

Investments in the Santa Cruz County Pooled Investment Fund totaling \$73,063,828 as of June 30, 2022, are measured at amortized cost, which approximates fair value.

# Attachment A

## NOTE 3 – RECEIVABLES

Sales taxes and other receivables at June 30, 2022 are as follows:

Sales and Use Tax Revenue	\$ 5,724,714
Other	741,853
	<u>6,466,567</u>
	<u>\$ 6,466,567</u>

Grant receivables at June 30, 2022 are as follows:

Federal Grants	\$ 5,140,755
State Grants	4,597,825
Local Grants	603,522
	<u>10,342,102</u>
	<u>\$ 10,342,102</u>

## NOTE 4 – CHANGES IN CAPITAL ASSETS

Facilities, property, and equipment at June 30 are summarized as follows:

	Balance July 1, 2021	Additions	Retirements	Transfers	Balance June 30, 2022
Non-Depreciated Assets					
Land	\$ 11,596,311	\$ -	\$ -	\$ -	\$ 11,596,311
Construction-in-Progress	5,191,107	7,520,623	(945,843)	(7,143,017)	4,622,870
Total Non-Depreciated Assets	16,787,418	7,520,623	(945,843)	(7,143,017)	16,219,181
Depreciated Assets					
Building and Improvements	79,602,688	11,940	(12,028)	521,719	80,124,319
Revenue Vehicles	45,946,726	-	(3,309,447)	6,171,852	48,809,131
Operations Equipment	7,740,769	-	-	111,970	7,852,739
Other Equipment	2,147,277	-	(4,484)	213,060	2,355,853
Other Vehicles	1,210,602	-	-	31,841	1,242,443
Office Equipment	3,911,209	-	(52,923)	92,575	3,950,861
Right-to-Use Leased Asset	-	305,187	-	-	305,187
Total Depreciated Assets	140,559,271	317,127	(3,378,882)	7,143,017	144,640,533
Less Accumulated Depreciation and Amortization	(71,098,101)	(5,421,450)	3,378,882	-	(73,140,669)
Depreciated Assets Net of Accumulated Depreciation	69,461,170	(5,104,323)	-	7,143,017	71,499,864
Total Capital Assets	<u>\$ 86,248,588</u>	<u>\$ 2,416,300</u>	<u>\$ (945,843)</u>	<u>\$ -</u>	<u>\$ 87,719,045</u>

Depreciation and amortization expense for the fiscal year ended June 30, 2022, was \$5,421,450.

## NOTE 5 – CAPITAL CONTRIBUTIONS

Santa Cruz METRO receives capital grants from the FTA, which provide financing for the acquisition of rolling stock and construction of facilities. Santa Cruz METRO also receives capital grants under the State TDA primarily for the acquisition of rolling stock, support equipment, and the purchase of furniture and fixtures. Additionally, a portion of sales tax allocations received through local Measure D are restricted for use on capital projects, as specified in Santa Cruz METRO's Measure D funds annual expenditure plan approved by the Santa Cruz County Regional Transportation Commission (SCRTC).

# Attachment A

## **NOTE 5 – CAPITAL CONTRIBUTIONS** (Continued)

A summary of federal, state, and local capital grants and sales tax allocations for the fiscal years ended June 30 is as follows:

Federal Grants	\$ 1,496,889
State Grants	5,228,832
Measure D Local Sales Tax Allocations	<u>603,522</u>
Total Capital Contributions	<u>\$ 7,329,243</u>

## **NOTE 6 – JOINT VENTURES (JOINT POWERS AUTHORITY WITH CalTIP)**

Santa Cruz METRO participates in a joint power authority (JPA), the California Transit Indemnity Pool (CalTIP). The relationship between Santa Cruz METRO and the JPA is such that the JPA is not a component unit of Santa Cruz METRO for financial reporting purposes.

CalTIP arranges for and provides property and liability insurance for its 34 members. CalTIP is governed by a board that controls the operations of CalTIP, including selection of management and approval of operating budgets, independent of any influence by the member districts. Each member of the district pays a premium commensurate with the level of coverage requested and shares in surpluses and deficits proportionate to their participation in CalTIP.

Condensed audited financial information of CalTIP for the year ended April 30 (most recent information available) is as follows:

Total Assets	\$ 48,536,262
Total Liabilities	<u>22,421,134</u>
Fund Balance	<u>\$ 26,115,128</u>
Total Revenues	\$ 15,106,543
Total Expenditures	<u>14,136,598</u>
Net Increase in Fund Balance	<u>\$ 969,945</u>

CalTIP has not calculated Santa Cruz METRO's share of year-end assets, liabilities, or fund balance.

## **NOTE 7 – CONTINGENCIES**

Santa Cruz METRO has received state and federal funds for specific purposes that are subject to review and audit by grantor agencies. Although such audits could generate expenditure disallowances under the terms of the grants, Santa Cruz METRO believes that any required reimbursement will not be material.

Additionally, Santa Cruz METRO is party to various claims and litigation in the normal course of business. In the opinion of management and in-house counsel, any ultimate losses have been adequately provided for in the basic financial statements.

# Attachment A

## **NOTE 8 – DEFINED BENEFIT PENSION PLAN**

### A. General Information About the Pension Plan

#### Plan Description

Santa Cruz METRO’s defined benefit pension plan, the Miscellaneous Plan for Santa Cruz Metropolitan Transit District (the Plan), provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to Plan members and beneficiaries. The Plan is part of CalPERS, an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers with the State of California. A menu of benefit provisions, as well as other requirements, is established by state statutes within the Public Employees’ Retirement Law. Santa Cruz METRO selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through Board action. CalPERS issues a separate annual comprehensive financial report. Copies of the CalPERS’ annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

#### Funding Policy

There were 290 active members in the Plan as of June 30, 2022, who were required to contribute a percentage of their annual covered salary. Santa Cruz METRO is also required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. Beginning in fiscal year 2018, CalPERS changed how it bills/collects employer contributions. The total minimum required employer contribution is now the sum of the Plan’s Normal Cost Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars). The required employer contribution for fiscal year 2022 was 9.96% of covered payroll plus twelve (12) monthly payments of \$427,165. The contribution requirements of the Plan members are established by state statute and the employer contribution rate is established and may be amended by CalPERS.

The Plan’s provisions and benefits in effect at June 30, 2022, are summarized as follows:

Hire Date	<u>Prior to January 1, 2013</u>	<u>On or after January 1, 2013</u>
Benefit Formula	2.5%@55	2%@62
Benefit Vesting Schedule	5 years service	5 years service
Benefit Payments	monthly for life	monthly for life
Retirement Age	50	52
Monthly Benefits, as a Percentage of Eligible Compensation	2.000% - 2.500%	1.000%-2.500%
Required Employee Contribution Rates	8.000%	7.000%
Required Employer Normal Cost Contribution Rates	9.960%	9.960%
Required Monthly Employer Dollar UAL Payment	\$427,165/month	\$427,165/month

***Employees Covered*** – At June 30, 2022, the following employees were covered by the benefit terms for the Plan:

Inactive Employees or Beneficiaries Currently Receiving Benefits	413
Inactive Employees Entitled to but not yet Receiving Benefits	175
Active Employees	<u>290</u>
 Total	 <u><u>878</u></u>

# Attachment A

## NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

### B. Net Pension Liability

Santa Cruz METRO's net pension liability for the Plan is measured as the total pension liability, less the Plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

**Actuarial Assumptions** – The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	2.75%
Projected Salary Increase	Varies by Entry Age and Service <sup>(1)</sup>
Investment Rate of Return	7.00% <sup>(2)</sup>
Mortality	Derived using <sup>(3)</sup> CalPERS' Membership Data for all Funds

<sup>(1)</sup> Depending on age, service, and type of employment.

<sup>(2)</sup> Net of pension plan investment and administrative expenses, including inflation.

<sup>(3)</sup> The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

Further details of the Experience Study can found on the CalPERS website.

**Discount Rate** – The discount rate used to measure the total pension liability for June 30, 2022, was 7.15%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15% discount rate for 2022 is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.15% for 2022 will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of GASB Statement No. 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. For the reporting period ended June 30, 2022, the 7.15% discount rate was not reduced for administrative expenses.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

# Attachment A

## NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

### B. Net Pension Liability (Continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 <sup>(a)</sup>	Real Return Years 11+ <sup>(b)</sup>
Public Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	(0.92%)
Total	100.0%		

<sup>(a)</sup> An expected inflation of 2.00% used for this period.

<sup>(b)</sup> An expected inflation of 2.92% used for this period.

# Attachment A

## NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

### C. Changes in the Net Pension Liability

The changes in the net pension liability for the Plan follow:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2020 <sup>(1)</sup>	\$ 195,087,165	\$ 130,877,015	\$ 64,210,150
Changes in the year:			
Service Cost	3,290,053	-	3,290,053
Interest on the Total Pension Liability	13,685,292	-	13,685,292
Differences between Actual and Expected Experience	276,385	-	276,385
Contribution - Employer	-	6,469,902	(6,469,902)
Contribution - Employee	-	1,514,329	(1,514,329)
Net Investment Income <sup>(2)</sup>	-	29,474,109	(29,474,109)
Administrative Expenses	-	(130,738)	130,738
Benefit Payments, Including Refunds of Employee Contributions	(11,211,777)	(11,211,777)	-
Net Changes	6,039,953	26,115,825	(20,075,872)
Balance at June 30, 2021 <sup>(1)</sup>	\$ 201,127,118	\$ 156,992,840	\$ 44,134,278

<sup>(1)</sup> The plan fiduciary net position includes receivables for employee service buybacks, deficiency reserves, fiduciary self-insurance, and other postemployment benefits (OPEB) expense. This may differ from the Plan assets reported in the funding actuarial valuation report.

<sup>(2)</sup> Net of administrative expenses.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate** – The following presents the net pension liability of the Plan, calculated using the discount rate for the Plan, as well as what Santa Cruz METRO's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

1% Decrease	6.15%
Net Pension Liability	\$ 68,449,412
Current Discount Rate	7.15%
Net Pension Liability	\$ 44,134,278
1% Increase	8.15%
Net Pension Liability	\$ 23,824,424

**Pension Plan Fiduciary Net Position** – Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

# Attachment A

## NOTE 8 – DEFINED BENEFIT PENSION PLAN (Continued)

### D. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

For the fiscal year ended June 30, 2022, Santa Cruz METRO recognized a pension expense of \$1,940,239. At June 30, 2022, Santa Cruz METRO reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 58,203,721	\$ -
Differences between Actual and Expected Experience	841,551	-
Changes in Assumptions	-	-
Net Differences Between Projected and Actual Earnings on Plan Investments	-	(14,653,549)
Total	\$ 59,045,272	\$ (14,653,549)

The \$58,203,721 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability, as determined by CalPERS, in the measurement periods ended June 30, 2022. These subsequent contributions include \$51,364,266 of net proceeds from the sale of pension obligation bonds in fiscal year 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30	
2022	\$ (3,120,564)
2023	(3,171,887)
2024	(3,465,728)
2025	(4,053,819)
Total	\$ (13,811,998)

### E. Payable to the Pension Plan

At June 30, 2022, Santa Cruz METRO reported a payable of \$0 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2022.

## NOTE 9 – DEFERRED COMPENSATION PLAN

Santa Cruz METRO offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and provisions of the Government Code of the State of California. The plan, available to all Santa Cruz METRO employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, or unforeseeable emergency. Santa Cruz METRO employees participate in two such plans, the Great-West Life and Annuity Insurance (Great-West) plan and the other through CalPERS.

At June 30, 2022 and 2021, all amounts held under the Great-West plan and the CalPERS plan are held in trust and are not reflected on the accompanying statements of net position as required under GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*.

Complete financial statements for Great-West can be obtained from Great-West at P.O. Box 173764, Denver, Colorado 80217-3764. Complete financial statements for CalPERS can be obtained from CalPERS at Lincoln Plaza North, 400 Q Street, Sacramento, California 94229.



# Attachment A

## **NOTE 10 – RISK MANAGEMENT**

Santa Cruz METRO is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which Santa Cruz METRO carries commercial insurance. Santa Cruz METRO has also established limited risk management programs for workers' compensation, and general and vehicular liability, as described in Note 1.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been IBNR.

The IBNR for workers' compensation was based on an actuarial study dated March 2022. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. Changes in the balances of claims liabilities are as follows:

Workers' Compensation Liabilities:	
Unpaid Claims, Beginning of Fiscal Year	\$ 2,333,954
Claim Payments	(967,267)
Other Adjustments (Including IBNRs)	<u>940,648</u>
Unpaid Claims Liability, End of Fiscal Year	<u>\$ 2,307,335</u>

## **NOTE 11 – TRANSPORTATION DEVELOPMENT ACT/CALIFORNIA CODE OF REGULATIONS**

Santa Cruz METRO is subject to compliance with the TDA provisions; Sections 6634 and 6637 of the California Code of Regulations; and Sections 99267, 99268.1, and 99314.6 of the PUC.

### Section 6634

Pursuant to Section 6634, a transit claimant is precluded from receiving monies from the Local Transportation Fund (LTF) and the STA Fund in an amount which exceeds the claimant's operating costs, less fares, federal funding, and local support. Santa Cruz METRO did not receive TDA, STA, or LTF revenues in excess of the prescribed formula amounts.

### Section 6637

Pursuant to Section 6637, a claimant must maintain its accounts and records in accordance with the Uniform System of Accounts and Records for Transit Operators adopted by the State Controller. Santa Cruz METRO did maintain its accounts and records in accordance with the Uniform System of Accounts and Records for Transit Operators.

### Sections 99267, 99268.1, and 99314.6

Santa Cruz METRO is defined in the TDA as an older operator, having started service prior to July 1, 1974. Older operators may qualify for TDA under the 50% expenditure limitation (PUC Section 99268.1) or the farebox recovery ratio (PUC Section 99268.2). Pursuant to the TDA, Santa Cruz METRO meets the 50% expenditure limitation required by PUC §99268 and does not use the alternative revenue ratio to determine eligibility for TDA funds.

# Attachment A

## **NOTE 12 – PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT, AND SERVICE ENHANCEMENT ACCOUNT (PTMISEA)**

In November 2006, California voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, Proposition 1B. Of the \$19.925 billion of state general obligation bonds authorized, \$4 billion was set aside by the State, as instructed by the statute, as PTMISEA. These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety, or modernization improvements; capital service enhancements or expansions; new capital projects; bus rapid transit improvements; or for rolling stock procurement, rehabilitation, or replacement.

The audit of public transportation operator finances, pursuant to Section 99245 of the PUC and required under the TDA, was expanded to include verification of receipt and appropriate expenditure of PTMISEA bond funds.

The Santa Cruz County Regional Transportation Commission (SCCRTC) is responsible for allocating the Proposition 1B PUC Section 99313 funds in Santa Cruz County. In December 2007, the SCCRTC programmed 100% of its share of Section 99313 Proposition 1B PTMISEA funds (approximately \$2.1 million) to Santa Cruz METRO for the Consolidated MetroBase Project. Funds audited include the SCCRTC share of PUC Section 99313 Proposition 1B transit funds that have been passed-through to Santa Cruz METRO.

During the fiscal year ended June 30, 2022, Santa Cruz METRO earned interest of \$12,130 from the State's PTMISEA account for construction funding for the Consolidated MetroBase Project. During the fiscal year ended June 30, 2022, qualifying expenditures of \$3,905,392 were incurred and the remaining balance of \$584,864, including accrued interest, was deferred. Qualifying expenditures must be encumbered within three years from the date of the allocation and expended within three years from the date of encumbrance.

### **Schedule of PTMISEA Proposition 1B Grants For the Year Ended June 30, 2022**

<b>Balance - beginning of the year</b>	\$ 4,478,126
<b>Receipts:</b>	
Interest accrued 7/1/2021 through 6/30/2022	12,130
<b>Expenses:</b>	
Transit bus	(3,905,392)
<b>Balance - end of year</b>	<b>\$ 584,864</b>

## **NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

**Plan Description** – Santa Cruz METRO provides post-retirement CalPERS medical benefits to qualified retired employees age 50 and older (including eligible dependents) who have completed at least five years of CalPERS eligible service. Santa Cruz METRO pays medical premiums depending on bargaining union and Public Employees' Medical and Hospital Care Act (PEMHCA) contract requirements. If the retiree has ten years of Santa Cruz METRO eligible service, Santa Cruz METRO provides post-retirement dental and vision benefits for qualified retirees (including eligible dependents), and life insurance for the retiree only, until the retiree reaches age 65. The costs of providing these benefits are recognized when paid.

# Attachment A

## NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

**Employees Covered** – As of the June 30, 2021 valuation, the following current and former employees were covered by the benefit terms for the OPEB Plan:

Inactive Employees or Beneficiaries Currently Receiving Benefits	320
Inactive Employees Entitled to but not yet Receiving Benefits	24
Active Employees	297
 Total	 641

**Contributions** – The contribution requirements of OPEB Plan members and Santa Cruz METRO are established and may be amended by Santa Cruz METRO's Board. These contributions are neither mandated nor guaranteed. Santa Cruz METRO has retained the right to unilaterally modify its payment for retiree health care benefits. For the fiscal year ended June 30, 2022, Santa Cruz METRO contributed \$4,259,836. Employees are not required to contribute to the OPEB Plan.

**Net OPEB Liability** – Santa Cruz METRO's net OPEB liability was measured as of June 30, 2021 and 2020, and the total OPEB liability used to calculate the net OPEB liability was the OPEB Plan Fiduciary Net Position of the OPEB trust held with CalPERS as of those dates. The following actuarial methods and assumptions were used:

Reporting Date	June 30, 2022
Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	2.18%
Inflation	2.50%
Salary Increases	3.00%
Healthcare Cost Trend Rates	5.8% in 2023, fluctuating down to 3.9% by 2076
Mortality Rate	CalPERS 2017 Experience Study; Projected with MW Scale 2022

The long-term expected rate of return on OPEB Plan investments was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	New Strategic Allocation	Real Return Years 1-10 <sup>(a)</sup>	Real Return Years 11+ <sup>(b)</sup>
Public Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
 Total	 100.00%		

<sup>(a)</sup> An expected inflation of 2.00% used for this period.

<sup>(b)</sup> An expected inflation of 2.92% used for this period.

# Attachment A

## NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

**Discount Rate** – The discount rate used to measure the total OPEB liability was 2.18% June 30, 2022. The projection of cash flows used to determine the discount rate assumed that Santa Cruz METRO contributions will be sufficient to fully fund the obligation over a period not to exceed 30 years. Historic 30-year real rates of return for each asset class along with the assumed long-term inflation assumption were used to set the discount rate. The expected investment return was offset by the investment expenses of 15 basis points. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive members and beneficiaries. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Changes in the Net OPEB Liability** – The changes in the net OPEB liability for the OPEB Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2020	\$ 132,363,695	\$ -	\$ 132,363,695
Changes in the Year:			
Service Cost	6,234,396	-	6,234,396
Interest	3,632,144	-	3,632,144
Changes of Benefit Terms	(1,866,384)	-	(1,866,384)
Differences Between Expected and Actual Experience	(14,678,446)	-	(14,678,446)
Changes in Assumptions	347,863	-	347,863
Contribution - Employer	-	4,127,225	(4,127,225)
Benefit Payments	(4,127,225)	(4,127,225)	-
Net Changes	(10,457,652)	-	(10,457,652)
Balance at June 30, 2021	\$ 121,906,043	\$ -	\$ 121,906,043

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate** – The following presents the net OPEB liability of Santa Cruz METRO if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for the measurement period ended June 30, 2021:

1% Decrease	1.18%
Net OPEB Liability	\$ 143,896,953
Current Discount Rate	2.18%
Net OPEB Liability	\$ 121,906,043
1% Increase	3.18%
Net OPEB Liability	\$ 104,545,025

**OPEB Plan Fiduciary Net Position** – Detailed information about the OPEB Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**Recognition of Deferred Outflows and Deferred Inflows of Resources** – Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

# Attachment A

## NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (OPEB) (Continued)

**OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB** – For the fiscal year ended June 30, 2022, Santa Cruz METRO recognized OPEB expense of \$6,056,604. As of fiscal year ended June 30, 2022, Santa Cruz METRO reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to Measurement Date	\$ 4,259,836	\$ -
Differences between Actual and Expected Experience	-	(14,559,778)
Changes in Assumptions	6,190,447	-
<b>Total</b>	<b>\$ 10,450,283</b>	<b>\$ (14,559,778)</b>

The \$4,259,836 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement dates will be recognized as a reduction in the net OPEB liability in the measurement periods ended June 30, 2023. In addition, future recognition of the deferred inflows of resources is shown below.

Measurement Period Ended June 30,	
2023	\$ (1,780,824)
2024	(744,854)
2025	(1,327,584)
2026	(2,089,614)
2027	(1,629,629)
Thereafter	(796,826)
<b>Total</b>	<b>\$ (8,369,331)</b>

## NOTE 14 – LONG-TERM DEBT

The following is a summary of Santa Cruz METRO's long-term debt activity for the fiscal year ended June 30, 2022:

	Balance June 30, 2021	Additions	Payments	Balance June 30, 2022	Due Within One Year
Financed Purchase	\$ 659,825	\$ -	\$ (267,172)	\$ 392,653	\$ 275,409
Lease Liability	-	305,187	(100,897)	204,290	92,201
Pension Obligation Bonds	-	51,750,000	-	51,750,000	2,785,000
<b>Total Long-Term Debt</b>	<b>\$ 659,825</b>	<b>\$ 52,055,187</b>	<b>\$ (368,069)</b>	<b>\$ 52,346,943</b>	<b>\$ 3,152,610</b>

### Financed Purchase:

Santa Cruz METRO has acquired three CNG buses under a financed purchase agreement for a total purchase price of \$1,553,250 (principal amount). The terms of the contract call for monthly payments of \$23,627 over a 72-month period beginning in December 2017, and include a 3.04% effective interest rate. At June 30, 2022, the outstanding balance was \$392,653.

# Attachment A

## NOTE 14 – LONG-TERM DEBT (Continued)

The following schedule details debt service requirements to maturity for the District’s financed purchase at June 30, 2022:

Fiscal Year	Principal	Interest	Total
2023	\$ 275,409	\$ 8,121	\$ 283,530
2024	117,244	893	118,137
Total	<u>\$ 392,653</u>	<u>\$ 9,014</u>	<u>\$ 401,667</u>

### Lease Liability:

On July 1, 2021, the District entered into a 38-month lease as lessee for Paracruz facilities for the use of approximately 9,318 rentable square feet of floor space. As of June 30, 2022, the value of the lease liability is \$204,290. The District is required to make monthly fixed payments of \$7,650. Effective September 1, 2022 and 2023, the fixed payments increase to \$7,900 and \$8,100, respectively. The lease has an interest rate of 1.29%. The right-to-use leased asset useful life was 38 months as of the contract commencement. The value of the right-to-use leased asset as of June 30, 2022, was \$305,187, and accumulated amortization was \$96,375. Refer to Note 4 of the financial statements.

The annual requirements to amortize the lease liability outstanding, including interest, are as follows:

Fiscal Year	Principal	Interest	Total
2023	\$ 92,201	\$ 2,099	\$ 94,300
2024	95,916	884	96,800
2025	16,173	26	16,199
Total	<u>\$ 204,290</u>	<u>\$ 3,009</u>	<u>\$ 207,299</u>

### Pension Obligation Bonds (POBs):

In fiscal year 2022, pension obligation bonds (POBs) were issued by the District to reduce its pension unfunded actuarial liability, with the intended purpose of achieving interest rate savings by issuing the bonds at interest rates which would be less than the assumed rate of return earned on proceeds placed in the CalPERS pension plan. Santa Cruz Metropolitan Transit District issued its Sales Tax Revenue Bonds (Measure G), Series 2022 (Federally Taxable) under an Indenture of Trust, dated as of March 1, 2022, by and between the District and U.S. Bank National Association, as trustee, totaling \$51,750,000. Net proceeds of \$51,364,266 from the sale of the bonds were used to repay a portion of the District’s unfunded accrued actuarial liability to CalPERS in March 2022.

The payment of debt service on the Bonds is secured solely by Measure G sales tax revenues, which are received by the District from a 0.5% sales tax collected in the County of Santa Cruz, for deposit in the debt service fund in accordance with the Indenture. The Measure G sales tax revenues are the sole source of payment of the bonds.

The pension obligation bonds are structured as fixed rate bonds with a 15-year final maturity and 10-year call (refinance) option, and were sold as a series of 15 bonds with 1 Year to 15 Year maturities, yielding interest rates from 1.539% to 3.842%, increasing with the term to maturity. The final maturity date is August 1, 2037.

# Attachment A

## **NOTE 14 – LONG-TERM DEBT** (Continued)

The annual requirements to amortize the pension obligation bonds liability outstanding, including interest, are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 2,785,000	\$ 1,362,973	\$ 4,147,973
2024	2,700,000	1,445,271	4,145,271
2025	2,750,000	1,397,858	4,147,858
2026	2,805,000	1,342,107	4,147,107
2027	2,870,000	1,277,638	4,147,638
2028-2032	15,535,000	5,196,286	20,731,286
2033-2037	18,240,000	2,492,071	20,732,071
2038-2042	4,065,000	78,089	4,143,089
Total	<u>\$ 51,750,000</u>	<u>\$ 14,592,293</u>	<u>\$ 66,342,293</u>

## **NOTE 15 – LESSOR TRANSACTIONS**

Retail spaces at Pacific Station, Watsonville Transit Center and Scotts Valley Transit Center are leased to commercial organizations and small businesses under financing lease agreements with terms ranging from 2 to 10 years, with fixed 3% - 3.5% annual lease escalations and options to extend the leases for a period ranging from 1 to 5 additional years. Santa Cruz METRO had six financing leases subject to GASB Statement No. 87 (GASB 87) accounting treatment in this first year of implementation. Under GASB 87, leases receivable totaled \$438 thousand, lease revenue totaled \$77 thousand, and deferred inflows of resources from leases totaled \$431 thousand for the year ended June 30, 2022.

## **NOTE 16 – STATE TRANSIT ASSISTANCE - STATE OF GOOD REPAIR (STA-SGR)**

Santa Cruz METRO was allocated \$742,920 of State Transit Assistance - State of Good Repair (STA-SGR) program funds for fiscal year 2022. Interest earned on STA-SGR funds held in the Santa Cruz County Pooled Investment Fund during fiscal year 2022 was \$11,043. The unspent (unearned) balance of STA-SGR funds was \$2,936,015 at June 30, 2022.

## **NOTE 17 – DEFICIT NET POSITION**

As of June 30, 2022, Santa Cruz METRO had a deficit net position of \$20,099,515. The deficit was primarily due to the reporting of the net pension liability and the net liability for OPEB, pursuant to the implementation of GASB Statement No. 68 and GASB Statement No. 75. Santa Cruz METRO is committed to fully funding the actuarially determined contributions annually.

## **NOTE 18 – SUBSEQUENT EVENTS**

Subsequent events were evaluated by management through December 9, 2022, which is the date of issuance.

# Attachment A

**REQUIRED SUPPLEMENTARY INFORMATION**



# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30, 2022 LAST 10 YEARS\*

	Measurement Period 2020/21	Measurement Period 2019/20	Measurement Period 2018/19	Measurement Period 2017/18
<b>Total Pension Liability</b>				
Service Cost	\$ 3,290,053	\$ 3,235,943	\$ 3,267,506	\$ 3,267,575
Interest on Total Pension Liability	13,685,292	13,261,238	12,800,717	12,278,470
Differences between Expected and Actual Experience	276,385	651,255	1,427,437	(1,025,273)
Changes in Assumptions	-	-	-	(1,231,759)
Changes in Benefits	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	<u>(11,211,777)</u>	<u>(10,527,796)</u>	<u>(9,997,925)</u>	<u>(9,340,636)</u>
Net Change in Total Pension Liability	6,039,953	6,620,640	7,497,735	3,948,377
Total Pension Liability - Beginning	<u>195,087,165</u>	<u>188,466,525</u>	<u>180,968,790</u>	<u>177,020,413</u>
Total Pension Liability - Ending (a)	<u><u>\$ 201,127,118</u></u>	<u><u>\$ 195,087,165</u></u>	<u><u>\$ 188,466,525</u></u>	<u><u>\$ 180,968,790</u></u>
<b>Plan Fiduciary Net Position</b>				
Net Plan to Plan Resource Movement	\$ -	\$ -	\$ -	\$ (285)
Contributions - Employer	6,469,902	5,889,484	5,300,243	4,686,264
Contributions - Employee	1,514,329	1,552,782	1,560,484	1,592,606
Net Investment Income	29,474,109	6,333,686	7,933,310	9,742,558
Administrative Expense	(130,738)	(180,179)	(87,847)	(182,238)
Benefit Payments	(11,211,777)	(10,527,796)	(9,997,925)	(9,340,636)
Other Miscellaneous Income/(Expense)	<u>-</u>	<u>-</u>	<u>285</u>	<u>(346,072)</u>
Net Change in Plan Fiduciary Net Position	26,115,825	3,067,977	4,708,550	6,152,197
Plan Fiduciary Net Position - Beginning	<u>130,877,015</u>	<u>127,809,038</u>	<u>123,100,488</u>	<u>116,948,291</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>\$ 156,992,840</u></u>	<u><u>\$ 130,877,015</u></u>	<u><u>\$ 127,809,038</u></u>	<u><u>\$ 123,100,488</u></u>
Net Pension Liability [(a) - (b)]	<u><u>\$ 44,134,278</u></u>	<u><u>\$ 64,210,150</u></u>	<u><u>\$ 60,657,487</u></u>	<u><u>\$ 57,868,302</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.06%	67.09%	67.82%	68.02%
Covered Payroll	\$ 19,677,351	\$ 18,956,899	\$ 18,780,928	\$ 19,075,163
Net Pension Liability as a Percentage of Covered Payroll	224.29%	338.72%	322.97%	303.37%

\*Fiscal year 2015 was the 1<sup>st</sup> year of implementation; therefore, only eight years are shown.

### Notes to Schedule:

**Benefit changes.** In 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015, there were no benefit changes.

**Changes in assumptions.** In 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of miscellaneous employees.

# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS (Continued) FOR THE FISCAL YEAR ENDED JUNE 30, 2022 LAST 10 YEARS\*

	Measurement Period 2016/17	Measurement Period 2015/16	Measurement Period 2014/15	Measurement Period 2013/14
<b>Total Pension Liability</b>				
Service Cost	\$ 3,422,455	\$ 3,160,455	\$ 3,294,147	\$ 3,200,114
Interest on Total Pension Liability	12,002,686	11,775,833	11,234,261	10,709,850
Differences between Expected and Actual Experience	(1,952,270)	162,174	(414,257)	-
Changes in Assumptions	9,337,059	-	(2,564,554)	-
Changes in Benefits	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(9,126,454)	(7,903,179)	(7,185,556)	(6,660,594)
Net Change in Total Pension Liability	13,683,476	7,195,283	4,364,041	7,249,370
Total Pension Liability - Beginning	163,336,937	156,141,654	151,777,613	144,528,243
Total Pension Liability - Ending (a)	<u>\$ 177,020,413</u>	<u>\$ 163,336,937</u>	<u>\$ 156,141,654</u>	<u>\$ 151,777,613</u>
<b>Plan Fiduciary Net Position</b>				
Net Plan to Plan Resource Movement	\$ 107	\$ -	\$ -	\$ -
Contributions - Employer	4,047,221	3,991,447	4,086,806	3,668,004
Contributions - Employee	1,556,993	1,603,071	1,645,356	1,573,391
Net Investment Income	12,015,977	608,702	2,493,939	16,262,179
Administrative Expense	(160,362)	(67,272)	(124,362)	-
Benefit Payments	(9,126,454)	(7,903,179)	(7,185,556)	(6,660,594)
Other Miscellaneous Income/(Expense)	-	-	-	-
Net Change in Plan Fiduciary Net Position	8,333,482	(1,767,231)	916,183	14,842,980
Plan Fiduciary Net Position - Beginning	108,614,809	110,382,040	109,465,857	94,622,877
Plan Fiduciary Net Position - Ending (b)	<u>\$ 116,948,291</u>	<u>\$ 108,614,809</u>	<u>\$ 110,382,040</u>	<u>\$ 109,465,857</u>
Net Pension Liability [(a) - (b)]	<u>\$ 60,072,122</u>	<u>\$ 54,722,128</u>	<u>\$ 45,759,614</u>	<u>\$ 42,311,756</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.06%	66.50%	70.69%	72.12%
Covered Payroll	\$ 19,343,552	\$ 19,550,012	\$ 19,490,839	\$ 18,385,116
Net Pension Liability as a Percentage of Covered Payroll	310.55%	279.91%	234.77%	230.14%

\*Fiscal year 2015 was the 1<sup>st</sup> year of implementation; therefore, only eight years are shown.

### Notes to Schedule:

**Benefit changes.** In 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015, there were no benefit changes.

**Changes in assumptions.** In 2022, 2021, 2020, 2019, 2018, 2017, 2016, and 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of miscellaneous employees.

# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT SCHEDULE OF CONTRIBUTIONS – PENSION FOR THE FISCAL YEAR ENDED JUNE 30, 2022 LAST 10 YEARS\*

	Fiscal Year 2021-22	Fiscal Year 2020-21	Fiscal Year 2019-20	Fiscal Year 2018-19
Actuarially Determined Contributions	\$ 6,469,902	\$ 5,889,484	\$ 5,300,243	\$ 4,686,264
Contributions in Relation to the Actuarially Determined Contributions	<u>(6,469,902)</u>	<u>(5,889,484)</u>	<u>(5,300,243)</u>	<u>(4,686,264)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 19,677,351	\$ 16,874,245	\$ 18,956,899	\$ 18,780,928
Contributions as a Percentage of Covered Payroll	32.88%	34.90%	27.96%	24.95%
	Fiscal Year 2017-18	Fiscal Year 2016-17	Fiscal Year 2015-16	Fiscal Year 2014-15
Actuarially Determined Contributions	\$ 4,047,221	\$ 3,991,447	\$ 4,086,806	\$ 3,668,004
Contributions in Relation to the Actuarially Determined Contributions	<u>(4,047,221)</u>	<u>(3,991,447)</u>	<u>(4,086,806)</u>	<u>(3,668,004)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 19,075,163	\$ 19,343,552	\$ 19,550,012	\$ 19,490,839
Contributions as a Percentage of Covered Payroll	21.22%	20.63%	20.90%	18.82%

\*Fiscal year 2015 was the 1<sup>st</sup> year of implementation; therefore, only eight years are shown.

# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT SCHEDULE OF CHANGES IN THE NET OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY AND RELATED RATIOS FOR THE FISCAL YEAR ENDED JUNE 30, 2022 LAST 10 YEARS\*

<i>Measurement Period Date</i>	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
<b>Total OPEB Liability</b>					
Service Cost	\$ 6,234,396	\$ 5,853,462	\$ 5,638,591	\$ 5,259,186	\$ 5,708,352
Interest	3,632,144	3,574,866	3,522,407	3,452,776	3,047,381
Actual and Expected Experience Difference	(14,678,446)	-	(4,602,485)	-	-
Changes in Assumptions	347,863	2,720,145	9,172,330	2,643,408	(7,860,824)
Changes in Benefits Terms	(1,866,384)	-	-	-	-
Benefit Payments	(4,127,225)	(4,125,446)	(3,906,373)	(3,784,611)	(3,898,705)
Net Change in Total OPEB Liability	(10,457,652)	8,023,027	9,824,470	7,570,759	(3,003,796)
Total OPEB Liability - Beginning	<u>132,363,695</u>	<u>124,340,668</u>	<u>114,516,198</u>	<u>106,945,439</u>	<u>109,949,235</u>
Total OPEB Liability - Ending (a)	<u>\$ 121,906,043</u>	<u>\$ 132,363,695</u>	<u>\$ 124,340,668</u>	<u>\$ 114,516,198</u>	<u>\$ 106,945,439</u>
<b>Plan Fiduciary Net Position</b>					
Contributions - Employer	\$ 4,127,225	\$ 4,125,446	\$ 3,906,373	\$ 3,784,611	\$ 3,898,705
Benefit Payments	(4,127,225)	(4,125,446)	(3,906,373)	(3,784,611)	(3,898,705)
Net Change in Plan Fiduciary Net Position	-	-	-	-	-
Plan Fiduciary Net Position - Beginning	-	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability [(a) - (b)]	<u>\$ 121,906,043</u>	<u>\$ 132,363,695</u>	<u>\$ 124,340,668</u>	<u>\$ 114,516,198</u>	<u>\$ 106,945,439</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered Payroll	\$ 21,475,538	\$ 23,485,892	\$ 22,768,353	\$ 22,116,603	\$ 22,483,538
Net OPEB Liability as a Percentage of Covered Payroll	567.65%	563.59%	546.11%	517.78%	475.66%

\* Fiscal year 2018 was the 1<sup>st</sup> year of implementation; therefore, only five years are shown.

### Notes to the Schedule:

Historical information is required only for measurement periods for which GASB Statement No. 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT SCHEDULE OF CONTRIBUTIONS – OPEB FOR THE FISCAL YEAR ENDED JUNE 30, 2022 LAST 10 YEARS\*

	Fiscal Year 2022	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018
Actuarially Determined Contributions	\$ 4,127,225	\$ 4,125,446	\$ 3,906,373	\$ 3,784,611	\$ 3,898,705
Contributions in Relation to the Actuarially Determined Contributions	<u>(4,127,225)</u>	<u>(4,125,446)</u>	<u>(3,906,373)</u>	<u>(3,784,611)</u>	<u>(3,898,705)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 21,336,510	\$ 21,475,538	\$ 23,485,892	\$ 22,768,353	\$ 22,116,603
Contributions as a Percentage of Covered Payroll	19.34%	19.21%	16.63%	16.62%	17.63%

**Notes to the Schedule:**

Actuarial methods and assumptions used to set the actuarially determined contributions for fiscal year 2021, were from the June 30, 2020 actuarial valuation.

**Methods and Assumptions Used to Determine Contributions:**

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value
Discount Rate	2.18%
Inflation	2.50%
Salary Increases	3.00%
Healthcare Cost Trend Rates	5.8% in 2023, fluctuating down to 3.9% by 2076
Mortality Rate	CalPERS 2017 Experience Study; Projected with MW Scale 2022

\* Fiscal year 2018 was the 1<sup>st</sup> year of implementation; therefore, only five years are shown.

# Attachment A

**SUPPLEMENTARY INFORMATION**

# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT STATEMENT OF OPERATING EXPENSES FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Labor	
Operators' salaries and wages	\$ 7,724,637
Other salaries and wages	8,440,598
Overtime	2,838,450
	<u>19,003,685</u>
Fringe Benefits	
Absence with pay	4,141,354
Pension plans	6,839,455
Vision, medical, and dental plans	6,547,961
Workers' compensation insurance	914,029
Disability insurance	384,699
Other fringe benefits	341,956
Other postemployment benefits	1,149,992
	<u>20,319,446</u>
Services	
Accounting	96,013
Administrative and banking	383,565
Professional and technical services	1,756,076
Security	660,931
Outside repairs	1,591,858
Other services	173,304
	<u>4,661,747</u>
Materials and Supplies Consumed	
Fuels and lubricants	1,981,109
Tires and tubes	204,954
Vehicle parts	1,200,681
Other materials and supplies	615,293
	<u>4,002,037</u>
Utilities	617,567
Casualty and Liability Costs	1,171,441
Taxes and Licenses	48,449
Miscellaneous Expenses	252,083
Equipment and Facility Lease	192,494
Debt Issuance Cost	377,365
Depreciation and Amortization	<u>5,421,450</u>
Total Operating Expenses	<u><u>\$ 56,067,764</u></u>

# Attachment A

**OTHER SCHEDULES AND REPORTS**



# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION				
Direct Programs:				
Federal Transit Administration (FTA)				
Cluster Defined by the Department of Transportation				
<b>Section 3/5309 Consolidation</b>				
Pacific Station Expansion FY2006 (Design/Engineering)	20.500	CA-04-0021	\$ -	\$ 4,114
<b>Section 9/5307</b>				
Operating Assistance	20.507	FY-2021-113-00	-	7,297,339
Operating Assistance - CRRSAA	20.507	CA-2021-114-01	-	7,253,973
Operating Assistance - ARPA	20.507	CA-2022-044-01	-	4,250,587
Operating Assistance - ARPA	20.507	CA-2022-044-02	-	1,653,007
			-	20,454,906
<b>Section 5339</b>				
FY16 5339 (c) LoNo Discretionary	20.526	CA-2017-071-00	-	18,299
FY18 5339(a) Bus & Bus Facilities	20.526	CA-2019-070-00	-	255,310
FY19 5339(a) Bus & Bus Facilities	20.526	CA-2020-088-00	-	129,553
FY20 5339(a) Bus & Bus Facilities	20.526	CA-2021-029-00	-	31,840
FY19 5339 Discretionary (CalTrans)	20.526	CA-2021-125-00	-	1,057,776
			-	1,492,778
Total Federal Transit Cluster			-	21,951,798
Total Federal Transit Administration			-	21,951,798
<b>Section 18/5311-5317</b>				
Rural Operating Assistance - 5311	20.509	CA-2022-055	-	198,556
Rural Operating Assistance - 5311 - CARES Act	20.509	CA-2020-285	-	30
			-	198,586
Total Expenditures of Federal Awards			\$ -	\$ 22,150,384

See accompanying notes to schedule of expenditures of federal awards.

# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2022

### **NOTE 1 – GENERAL**

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO). Federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other governmental agents, is included on the schedule.

### **NOTE 2 – BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Federal capital grant funds are used to purchase property, plant, and equipment. Federal grants receivable are included in capital and operating grants receivable, which also includes receivables from state and local grant sources.

### **NOTE 3 – INDIRECT COST RATE**

Santa Cruz METRO has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Santa Cruz Metropolitan Transit District  
Santa Cruz, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO), as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Santa Cruz METRO's basic financial statements, and have issued our report thereon dated December 9, 2022.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Santa Cruz METRO's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Santa Cruz METRO's internal control. Accordingly, we do not express an opinion on the effectiveness of c's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Santa Cruz METRO's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

# Attachment A

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Santa Cruz METRO's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Santa Cruz METRO's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong  
Accountancy Corporation*

Bakersfield, California  
December 9, 2022

## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors  
Santa Cruz Metropolitan Transit District  
Santa Cruz, California

### Report on Compliance for Each Major Federal Program

#### *Opinion on Each Major Federal Program*

We have audited Santa Cruz METRO's compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Santa Cruz METRO's major federal programs for the fiscal year ended June 30, 2022. Santa Cruz METRO's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Santa Cruz METRO complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

#### *Basis for Opinion on Each Major Federal Program*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Santa Cruz METRO and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Santa Cruz METRO's compliance with the compliance requirements referred to above.

#### *Responsibilities of Management for Compliance*

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Santa Cruz METRO's federal programs.

# Attachment A

## ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Santa Cruz METRO's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Santa Cruz METRO's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Santa Cruz METRO's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Santa Cruz METRO's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Santa Cruz METRO's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

## **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

# Attachment A

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Santa Cruz METRO as of and for the fiscal year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Santa Cruz METROs basic financial statements. We issued our report thereon dated December 9, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong  
Accountancy Corporation*

Bakersfield, California  
December 9, 2022

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH THE STATUTES, RULES, AND REGULATIONS OF THE CALIFORNIA TRANSPORTATION DEVELOPMENT ACT AND THE ALLOCATION INSTRUCTIONS AND RESOLUTIONS OF THE TRANSPORTATION COMMISSION**

To the Board of Directors  
Santa Cruz Metropolitan Transit District  
Santa Cruz, California

We have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the U.S. Office of Management and Budget (OMB) *Compliance Supplement*; and the statutes, rules, and regulations of the California Transportation Development Act (TDA), the financial statements of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) as of and for the fiscal year ended June 30, 2022, and have issued our report thereon dated December 9, 2022.

### **Compliance**

As part of obtaining reasonable assurance about whether Santa Cruz METRO's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Additionally, we performed tests to determine that allocations made and expenditures paid by Santa Cruz METRO were made in accordance with the allocation instructions and resolutions of the Transportation Commission and in conformance with the TDA. Specifically, we performed each of the specific tasks identified in the California Code of Regulations Sections 6666 and 6667 that are applicable to Santa Cruz METRO. In connection with our audit, nothing came to our attention that caused us to believe Santa Cruz METRO failed to comply with the statutes, rules, and regulations of the TDA and the allocation instructions and resolutions of the Transportation Commission. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

Also as part of our audit, we performed tests of compliance to determine whether certain state funds were received and expended in accordance with the applicable bond act and state accounting requirements.

### **Other Matters**

In November 2006, California voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B). Of the \$19.925 billion of state general obligation bonds authorized, \$4 billion was set aside by the State as instructed by statute as the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA). These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety, or modernization improvements; capital service enhancements or expansions; new capital projects; bus rapid transit improvements; or for rolling stock procurement, rehabilitation, or replacement.



# Attachment A

As of June 30, 2022, PTMISEA interest received and funds expended were verified in the course of our audit as follows:

## Schedule of PTMISEA Proposition 1B Grants For the Year Ended June 30, 2022

<b>Balance - beginning of the year</b>	\$ 4,478,126
<b>Receipts:</b>	
Interest accrued 7/1/2021 through 6/30/2022	12,130
<b>Expenses:</b>	
Transit bus	<u>(3,905,392)</u>
<b>Balance - end of year</b>	<u>\$ 584,864</u>

The results of our tests indicated that, with respect to the items tested, Santa Cruz METRO complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that Santa Cruz METRO had not complied, in all material respects, with those provisions.

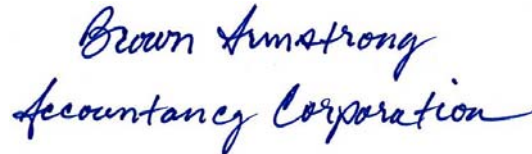
### Purpose of this Report

The purpose of this report is solely to describe the scope of our internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Santa Cruz METRO's internal control or on compliance. Accordingly, this report is not suitable for any other purpose.

### Restriction on Use

This report is intended solely for the information and use of management and the Board of Directors of Santa Cruz METRO, the California Department of Transportation, the State Controller's Office, and officials of applicable grantor agencies. However, this report is a matter of public record and its distribution is not limited.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION



Bakersfield, California  
December 9, 2022

# Attachment A

## FINDINGS AND QUESTIONED COSTS SECTION

# Attachment A

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT SCHEDULE OF FINDINGS AND QUESTIONED COSTS JUNE 30, 2022

### I. Summary of Auditor's Results

#### Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness identified?  Yes  No

Reportable conditions identified that are not considered to be material weaknesses?  Yes  None reported

Noncompliance material to financial statements noted?  Yes  No

#### Federal Awards

Internal control over major federal programs:

Material weakness identified?  Yes  No

Reportable conditions identified that are not considered to be material weaknesses?  Yes  None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?  Yes  No

Identification of major programs:

Assistance Listing Number(s)

Name of Federal Program or Clusters

	Federal Transit Cluster
20.500	Federal Transit Capital Investment Grants – Section 3
20.507	Federal Transit Formula Grants – Section 9
20.526	Bus and Bus Facilities Formula and Discretionary Programs

Dollar threshold used to distinguish type A and B programs: \$750,000

Auditee qualified as low risk auditee?  Yes  No

### II. Findings Relating to Financial Statements Required Under Generally Accepted Government Auditing Standards

None.

### III. Federal Award Findings and Questioned Costs

None.

# Attachment A

## IV. State Award Findings and Questioned Costs

None.

## V. A Summary of Prior Audit (all June 30, 2021) Findings and Current Year Status Follows

None.

# Attachment B



www.ba.cpa  
661-324-4971

To the Board of Directors  
Santa Cruz Metropolitan Transit District  
Santa Cruz, California

We have audited the financial statements of Santa Cruz Metropolitan Transit District (Santa Cruz METRO) for the fiscal year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 2, 2022. Professional standards also require that we communicate to you the following information related to our audit.

## **Significant Audit Matters**

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Santa Cruz METRO are described in Note 1 to the financial statements. Santa Cruz METRO implemented Governmental Accounting Standard Board (GASB) Statement No. 87 – *Leases* during the fiscal year ended June 30, 2022. We noted no transactions entered into by Santa Cruz METRO during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Santa Cruz METRO's financial statements were:

Management's estimate of the useful lives of capital assets for purposes of calculating annual depreciation expense to be reported in Santa Cruz METRO's results of operations. Estimated useful lives range from three to thirty-nine years. We evaluated the key factors and assumptions used to develop the estimates of useful lives of capital assets in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of both its net pension liability and net other postemployment benefits (OPEB) liability are based on actuarial valuations that involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. We evaluated the key factors and assumptions used to develop the estimates of the net pension liability and net OPEB liability in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the accrued claims is based upon management's past experience and useful lives. We evaluated the key factors and assumptions used to develop the estimates of the accrued claims in determining that they are reasonable in relation to the financial statements taken as a whole.

BAKERSFIELD  
4200 Truxtun Avenue, Suite 300  
Bakersfield, CA 93309  
661-324-4971

FRESNO  
10 River Park Place East, Suite 208  
Fresno, CA 93720  
559-476-3592

STOCKTON  
2423 West March Lane, Suite 202  
Stockton, CA 95219  
209-451-4833

# Attachment B

Management's estimate of the discount rate for the purpose of calculating the right-to-use leased asset and liability, and lease revenue. We evaluated the key factors and assumptions used to develop the discount rate for the purpose of calculating the right-to-use leased asset and liability, and lease revenue in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

The disclosure of capital assets, unpaid claims, pension plan, OPEB, lease liability and lease revenue in notes to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No such misstatements occurred during the course of our audit.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 9, 2022.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Santa Cruz METRO's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Santa Cruz Metro's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### **Other Matters**

We applied certain limited procedures to Management's Discussion and Analysis, Schedule of Changes in Net Pension Liability and Related Ratios, and Schedule of Contributions – Pension, Schedule of Changes in OPEB Liability and Related Ratios, and Schedule of Contributions – OPEB, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

## Attachment B

We were engaged to report on the Statement of Operating Expenses and the Schedule of Expenditures of Federal Awards, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

### Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of Santa Cruz METRO and is not intended to be, and should not be, used by anyone other than these specified parties.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong  
Accountancy Corporation*

Bakersfield, California  
December 9, 2022

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# Attachment C

**SANTA CRUZ METROPOLITAN  
TRANSIT DISTRICT  
MEASURE D PROGRAM**

**FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE YEAR ENDED  
JUNE 30, 2022**

# Attachment C

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
MEASURE D PROGRAM  
FOR THE YEAR ENDED JUNE 30, 2022**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Santa Cruz Metropolitan Transit District  
Santa Cruz, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the Measure D Program of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Measure D Program of Santa Cruz METRO's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Measure D Program of Santa Cruz METRO, as of June 30, 2022, and the respective changes in financial position for the fiscal years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinions***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Santa Cruz METRO and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Measure D Program of Santa Cruz METRO's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance

# Attachment C

and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Santa Cruz METRO's internal control relating to the Measure D Program. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Measure D Program of Santa Cruz METRO's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Emphasis of Matter**

As discussed in Note 1, the financial statements present only the Measure D Program and do not purport to, and do not, present fairly the financial positions of Santa Cruz METRO as of June 30, 2022, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

## **Supplementary Information**

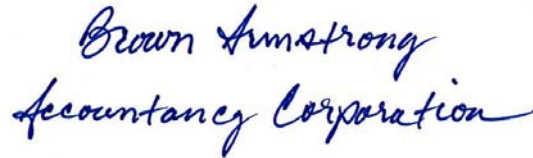
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Measure D Program of Santa Cruz METRO's basic financial statements. The accompanying schedule of revenues, expenditures, and changes in fund balance – budget and actual is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of revenues, expenditures, and changes in fund balance – budget and actual is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

# Attachment C

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2022, on our consideration of Santa Cruz METRO's internal control over financial reporting, relating to the Measure D Program, and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance, relating to the Measure D Program, and the results of that testing, and not to provide an opinion on the effectiveness of Santa Cruz METRO's internal control over financial reporting or on compliance relating to the Measure D Program. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Santa Cruz METRO's internal control over financial reporting and compliance relating to the Measure D Program.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive style.

Bakersfield, California  
December 9, 2022

# Attachment C

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
MEASURE D PROGRAM  
BALANCE SHEET  
JUNE 30, 2022**

## **ASSETS**

Cash and Investments	\$ 6,820,314
Intergovernmental Receivables	
Receivables from SCCRTC for Measure D Allocations	<u>757,581</u>
<b>Total Assets</b>	<b><u><u>\$ 7,577,895</u></u></b>

## **LIABILITIES AND FUND BALANCE**

Liabilities	
Unearned Income	\$ 6,974,373
Interfund Payable	
Reimbursements for Capital Expenditures	<u>603,522</u>
Total Liabilities	<u>7,577,895</u>
Fund Balance	
Restricted	<u>-</u>
Total Fund Balance	<u>-</u>
<b>Total Liabilities and Fund Balance</b>	<b><u><u>\$ 7,577,895</u></u></b>

See accompanying Notes to Financial Statements.

# Attachment C

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
MEASURE D PROGRAM  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE  
FOR THE YEAR ENDED JUNE 30, 2022**

## REVENUES

Measure D Revenue	\$ 1,984,619
Interest Income	29,732
	<hr/>
<b>Total Revenues</b>	<b>2,014,351</b>

## EXPENDITURES

Transit Operations	1,410,829
Transit Capital	603,522
	<hr/>
<b>Total Expenditures</b>	<b>2,014,351</b>

**REVENUES OVER EXPENDITURES** -

## FUND BALANCE

Beginning of Year	-
	<hr/>
End of Year	\$ -
	<hr/> <hr/>

See accompanying Notes to Financial Statements.

# Attachment C

## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MEASURE D PROGRAM NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

On November 8, 2016, the voters of Santa Cruz County, pursuant to the provisions of the Local Transportation Authority and Improvement Act (the Act), California Public Utilities Code, Division 19, Section 180000 et seq., adopted an ordinance approving the Santa Cruz County Transportation Improvement Plan Measure (Measure D), thereby authorizing Santa Cruz County Regional Transportation Commission (SCCRTC) to administer the proceeds from a retail transaction and use tax of one-half of one-percent (0.5%) that will last 30 years from the initial date of collection. The Measure D Ordinance authorizes SCCRTC to allocate, administer, and oversee the expenditure of all Measure D revenues and to distribute revenues no less than quarterly to local agencies (including Santa Cruz Metropolitan Transit District).

All transactions of the Measure D Program by the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) are included as an enterprise fund in the basic financial statements of Santa Cruz METRO. These statements account for Santa Cruz METRO's share of revenues earned and expenditures incurred under Santa Cruz METRO's Transportation for Seniors and People with Disabilities Program. The accompanying financial statements are for the Measure D Program only and are not intended to fairly present the financial position or results of operations of Santa Cruz METRO.

#### B. Basis of Accounting and Measurement Focus

Santa Cruz METRO uses an enterprise fund format to report its activities for financial statement purposes. The accompanying financial statements are prepared using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenditures are recorded at the time liabilities are incurred regardless of when the related cash flows take place.

#### C. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

### NOTE 2 – MEASURE D PROGRAM

Under Measure D, Santa Cruz METRO receives 16% of the proceeds (after administrative costs) of a one-half cent local sales tax, to be used for transportation-related expenditures. This Measure was adopted with the intention that the funds generated by the sales tax will not fund transportation-related expenditures previously paid for by existing funds, revenues, and other resources, but rather, will be used for additional projects and programs, so as to supplement (and not replace) the revenue funds designated and used for transportation programs and expenditures.



# Attachment C

## **NOTE 2 – MEASURE D PROGRAM** (Continued)

Santa Cruz METRO must receive Board approval of a 5-year Program of Projects prior to expending Measure D funding on any project or program, in accordance with the requirements of the Measure D Master Funding Agreement. The approved 5-year Program of Projects is submitted to the SCCRTC annually, and includes information about each of the projects to be funded with the estimated annual Measure D revenues, allocated according to the Measure D Ordinance and Expenditure Plan.

The major project funded by Measure D was as follows:

*Transportation for Seniors and People with Disabilities Program* – To provide transit services to seniors and people with disabilities, and to purchase transportation capital improvements.

In fiscal year 2022, \$1,410,829 of Measure D sales tax proceeds were used to fund bus operator wages and benefits in order to sustain paratransit service levels during the year. Measure D capital outlays of \$603,522 were used to purchase three (3) New Flyer CNG buses, two (2) 35' CNG buses, and two (2) new Proterra zero-emission buses during the year.

## **NOTE 3 – CASH AND INVESTMENTS**

Cash and investments are tracked and held in a separate Measure D fund account in the Santa Cruz County Pooled Investment Fund, and consisted of \$6,820,314 of Measure D sales tax allocations and interest earnings at June 30, 2022.

See Santa Cruz METRO's basic financial statements for disclosures related to the cash and investments as prescribed by GASB Statement No. 40. The basic financial statements may be obtained from Santa Cruz METRO at 110 Vernon Street, Santa Cruz, CA 95060.

## **NOTE 4 – INTERGOVERNMENTAL RECEIVABLES**

Intergovernmental receivables of \$757,581 represent the Measure D Program sales tax allocations for fiscal year 2022 that were received from the Santa Cruz County Regional Transportation Commission (SCCRTC) after June 30, 2022.

## **NOTE 5 – UNEARNED INCOME**

Measure D Program sales tax allocations that are allocated to Santa Cruz METRO during the fiscal year are restricted and reported as liabilities (unearned income) until spent on the specific purpose for which they were intended, as outlined in the 5-Year Program of Projects approved by the Santa Cruz METRO Board of Directors and submitted to the SCCRTC. The balance of unearned Measure D proceeds is currently committed as cost sharing on awarded capital grants in progress.

## **NOTE 6 – INTERFUND PAYABLE**

Interfund payables of \$603,522 represent amounts due to Santa Cruz METRO's general operating fund, in order to reimburse the agency for the Measure D Program capital expenditures paid for with Santa Cruz METRO unrestricted monies during the fiscal year.

## **NOTE 7 – SUBSEQUENT EVENTS**

Subsequent events were evaluated by management through December 9, 2022, which is the date of issuance.

# Attachment C

## SUPPLEMENTARY INFORMATION

# Attachment C

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
MEASURE D PROGRAM  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Measure D Revenue	\$ 3,556,627	\$ 3,556,627	\$ 1,984,619	\$ (1,572,008)
Interest Income	-	-	29,732	29,732
<b>Total Revenues</b>	<u>3,556,627</u>	<u>3,556,627</u>	<u>2,014,351</u>	<u>(1,542,276)</u>
<b>EXPENDITURES</b>				
Transit Operations	1,410,829	1,410,829	1,410,829	-
Transit Capital	2,145,798	2,145,798	603,522	1,542,276
<b>Total Expenditures</b>	<u>3,556,627</u>	<u>3,556,627</u>	<u>2,014,351</u>	<u>1,542,276</u>
<b>REVENUES OVER EXPENDITURES</b>	-	-	-	-
<b>FUND BALANCE</b>				
Beginning of Year	-	-	-	-
End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF BASIC FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Santa Cruz Metropolitan Transit District  
Santa Cruz, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Measure D Program of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Santa Cruz METRO's Measure D Program's financial statements, and have issued our report thereon dated December 9, 2022.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Santa Cruz METRO's internal control over financial reporting (internal control), relating to the Measure D Program, as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Santa Cruz METRO's internal control relating to the Measure D Program. Accordingly, we do not express an opinion on the effectiveness of Santa Cruz METRO's internal control relating to the Measure D Program.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Santa Cruz METRO's Measure D Program's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

# Attachment C

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Measure D Program's financial statements are free of material misstatement, we performed tests of Santa Cruz METRO's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance relating to the Measure D Program and the results of that testing, and not to provide an opinion on the effectiveness of Santa Cruz METRO's internal control or on compliance relating to the Measure D Program. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Santa Cruz METRO's internal control and compliance relating to the Measure D Program. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

*Brown Armstrong  
Accountancy Corporation*

Bakersfield, California  
December 9, 2022

## INDEPENDENT AUDITOR'S REPORT ON MEASURE D PROGRAM COMPLIANCE

To the Board of Directors  
Santa Cruz Metropolitan Transit District  
Santa Cruz, California

### Compliance

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) Measure D Program as of and for the year ended June 30, 2022, and the related notes, and have issued our report thereon dated December 9, 2022.

### Management's Responsibility

Compliance with the requirements referred to above is the responsibility of Santa Cruz METRO's management.

### Auditor's Responsibility

Our responsibility is to express an opinion on Santa Cruz METRO's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the agreement between Santa Cruz METRO and Santa Cruz County Regional Transportation Commission (SCCRTC). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the Measure D Program occurred. An audit also includes examining, on a test basis, evidence about Santa Cruz METRO's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Santa Cruz METRO's compliance with those requirements.

### Opinion on Measure D Program

In our opinion, Santa Cruz METRO complied, in all material respects, with the compliance requirements referred to above that are applicable to the Measure D Program for the year ended June 30, 2022.

# Attachment C

## Internal Control Over Compliance

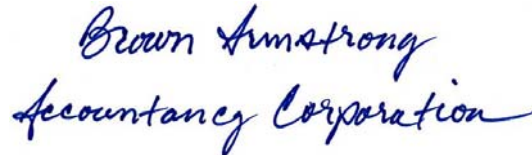
Management of Santa Cruz METRO is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit, we considered Santa Cruz METRO's internal control over compliance relating to the Measure D Program as a basis for designing auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance relating to the Measure D Program. Accordingly, we do not express an opinion on the effectiveness of Santa Cruz METRO's internal control over compliance relating to the Measure D Program.

*A deficiency in internal control over compliance* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the agreement between Santa Cruz METRO and SCCRTC. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG  
ACCOUNTANCY CORPORATION

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Bakersfield, California  
December 9, 2022

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**DATE:** January 27, 2023  
**TO:** Board of Directors  
**FROM:** Chuck Farmer, CFO  
**SUBJECT: CONSIDERATION OF DECLARING VEHICLES AND/OR EQUIPMENT  
AS EXCESS FOR PURPOSES OF DISPOSAL OR AUCTION**

## **I. RECOMMENDED ACTION**

**That the Board of Directors approve a resolution declaring vehicles and/or obsolete equipment as ready for disposal or auction and direct the CEO to dispose of the surplus item in conformance with METRO's Administrative Policy Number AP-2020 - Fixed Assets and Inventoried Items.**

## **II. SUMMARY**

- In accordance with Santa Cruz Metropolitan Transit District's (METRO's) policy on disposal of fixed assets, at least once per year Finance Department management shall recommend to the Board of Directors a list of items to be declared excess with appropriate action for disposal.
- Vehicles and/or equipment have exceeded their useful lives and are no longer needed by METRO.
- Staff recommends that the Board of Directors approve the resolution for the disposal or auction of excess property (Attachment A) and declare the item(s) listed in Exhibit A as excess and direct staff to use appropriate action for disposal.

## **III. DISCUSSION/BACKGROUND**

The following vehicles identified in the Excess Vehicle & Equipment Listing (Exhibit A) have become obsolete and surpassed their useful life expectancy:

- One (1) 2000 GMC Safari Minivan: no. 003
- One (1) 2002 Toyota Prius Sedan: no. 203
- One (1) 2005 Honda Civic Sedan: no. 501
- One (1) 2006 Chevrolet Colorado Pickup Truck: no. 601
- One (1) 2006 Ford Explorer: no. 602
- One (1) 2007 Ford Focus Sedan: no. 714
- Two (2) 2011 Dodge/Eldorado Amerivans: nos. PC1125 & PC1127

The vehicles recommended for disposal are fully depreciated, so there is no financial obligation to a granting agency with regard to the recommended disposal. METRO no longer has a need for the assets listed in Exhibit A; therefore, it is recommended that they be disposed of at this time.

The disposition of these assets has been coordinated with management and staff in processing them for disposal, recycling or auction, if appropriate.

Staff recommends that the Board of Directors approve a resolution (Attachment A) and declare the items listed in Exhibit A as excess and direct staff to use appropriate action for disposal.

#### **IV. STRATEGIC PLAN PRIORITIES ALIGNMENT**

This report pertains to Financial Stability, Stewardship, & Accountability.

#### **V. FINANCIAL CONSIDERATIONS/IMPACT**

The estimated gross market value of each of the vehicles included in the disposal list is approximately \$1,500 (a total of \$12,000). These vehicles have reached the end of their useful life and are obsolete. There is minimal financial impact as a result of these disposals.

Any revenue generated from the sale of equipment or inventory is recorded in the District's general ledger, to account 407090-100 "Gain/Loss on Disposal of Assets."

#### **VI. CHANGES FROM COMMITTEE**

N/A

#### **VII. ALTERNATIVES CONSIDERED**

- Keep the vehicles in the capital asset inventory. Staff does not recommend this alternative because the items have exceeded their useful life and/or are cost-prohibitive to repair and are no longer in use.

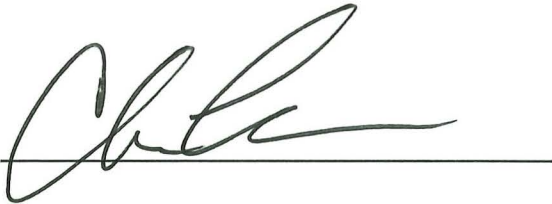
#### **VIII. ATTACHMENTS**

**Attachment A:** Resolution to Approve the Disposal or Auction of Excess Assets

**Exhibit A:** Excess Vehicle & Equipment Listing – as of January 27, 2023

**IX. APPROVALS:**

Approved as to fiscal impact:  
Chuck Farmer, CFO



A handwritten signature in black ink, appearing to read 'Chuck Farmer', is written over a horizontal line.

Michael Tree, CEO/General Manager



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# Attachment A



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

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

### **RESOLUTION TO APPROVE THE DISPOSAL OR AUCTION OF EXCESS ASSETS**

**WHEREAS**, the Santa Cruz Metropolitan Transit District (District), receives federal financial assistance from the Federal Transit Administration (FTA) to acquire real property, equipment and supplies, and rolling stock; and

**WHEREAS**, all such assets must be managed, used, and disposed of in accordance with applicable laws and regulations; and

**WHEREAS**, the FTA prescribes the method and delivers guidance to public transit operators to comply with grant management requirements in accordance with the regulations in *Title 49 Code of Federal Regulations, part 24 (49CFR 24)* and FTA Circular 5010.1E; and

**WHEREAS**, the acquisition cost of each item identified as excess is greater than \$5,000; and

**WHEREAS**, the District has determined that it is necessary to either dispose of the property, and/or to place the items up for auction.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**, that it hereby resolves, determines and orders as follows:

1. The following assets are declared excess property on the Excess Vehicle & Equipment Listing as of 01/27/2023, "Exhibit A" and may be disposed of or auctioned as such:
  - a. "One (1) 2000 GMC Safari Minivan: no. 003";
  - b. "One (1) 2002 Toyota Prius Sedan: no. 203";

# Attachment A

Resolution No. \_\_\_\_\_

Page 2 of 3

- c. "One (1) 2005 Honda Civic Sedan: no. 501";
- d. "One (1) 2006 Chevrolet Colorado Pickup Truck: no. 601";
- e. "One (1) 2006 Ford Explorer: no. 602";
- f. "One (1) 2007 Ford Focus Sedan: no. 714";
- g. "Two (2) 2011 Dodge/Eldorado Amerivans: nos. PC1125 & PC1127";

**PASSED AND ADOPTED** by the Board of Directors of the Santa Cruz Metropolitan Transit District on January 27, 2023, by the following vote:

AYES: DIRECTORS –

NOES: DIRECTORS –

ABSENT: DIRECTORS –

ABSTAIN: DIRECTORS –

APPROVED:

---

Larry Pageler  
Board Chair

ATTEST:

---

Michael Tree  
CEO/General Manager

APPROVED AS TO FORM:

---

JULIE SHERMAN  
General Counsel

# Attachment A

Resolution No. \_\_\_\_\_  
Page 3 of 3

## **EXHIBIT A, SANTA CRUZ METROPOLITAN TRANSIT DISTRICT RESOLUTION NO. \_\_\_\_\_**

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT  
EXCESS VEHICLE & EQUIPMENT LISTING AS OF 01/27/2023

(Attached)

# Exhibit A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT EXCESS VEHICLE & EQUIPMENT LISTING AS OF 01/27/2023										
Vehicle or Asset Tag #	Description	Acquisition Date	Cost	Accumulated Depreciation	Net Book Value	Est. Market Value	Reason for Disposal	Condition	VIN / SN	License #
003	2000 GMC SAFARI VAN	07/19/2000	\$ 19,826.64	\$ 19,826.64	\$ -	\$ 1,500.00	END OF USEFUL LIFE	POOR	1GKDM19WXYB545419	E-1087779
203	2002 TOYOTA PRIUS SEDAN/HYBRID	10/24/2001	\$ 22,229.90	\$ 22,229.90	\$ -	\$ 1,500.00	END OF USEFUL LIFE	POOR	JT2BK18U020042342	E-1120610
501	2005 HONDA CIVIC SEDAN/HYBRID	03/24/2005	\$ 22,892.47	\$ 22,892.47	\$ -	\$ 1,500.00	END OF USEFUL LIFE	POOR	JHMES96625S014802	E-1192214
601	2006 CHEVY COLORADO PICK UP	05/24/2006	\$ 13,145.91	\$ 13,145.91	\$ -	\$ 1,500.00	END OF USEFUL LIFE	POOR	1GCCS146968298943	E-1226369
602	2006 FORD EXPLORER	07/21/2006	\$ 26,776.79	\$ 26,776.79	\$ -	\$ 1,500.00	END OF USEFUL LIFE	POOR	1FMEU63E56Z A19504	E-1226386
714	2007 FORD FOCUS SEDAN	06/01/2007	\$ 14,209.89	\$ 14,209.89	\$ -	\$ 1,500.00	END OF USEFUL LIFE	POOR	1FAHP34N47W312549	E-1263683
PC1125	2011 DODGE/ELDORADO AMERIVAN	03/01/2011	\$ 51,121.29	\$ 51,121.29	\$ -	\$ 1,500.00	END OF USEFUL LIFE	POOR	2D4RN4DE0AR462462	E-1363894
PC1127	2011 DODGE/ELDORADO AMERIVAN	03/01/2011	\$ 51,121.28	\$ 51,121.28	\$ -	\$ 1,500.00	END OF USEFUL LIFE	POOR	2D4RN4DE4AR462464	E-1364065





**DATE:** January 27, 2023  
**TO:** Board of Directors  
**FROM:** Michael Tree, CEO/General Manager  
**SUBJECT: CONSIDERATION OF A RESOLUTION MAKING CERTAIN FINDINGS AND DIRECTING THAT THE BOARD AND ITS COMMITTEE MEETINGS WILL CONTINUE TO BE HELD VIA TELECONFERENCE**

**I. RECOMMENDED ACTION**

**That the Board of Directors approve a resolution making certain findings and directing that the Board and its committee meetings will continue to be held via teleconference**

**II. SUMMARY**

Due to the ongoing COVID-19 pandemic, the Interim CEO/General Manager and General Counsel recommend the Board adopt a resolution making certain findings and directing that Board meetings and Board committee meetings will continue to be held via teleconference because the proclaimed COVID-19 pandemic State of Emergency continues to impact the ability of the Santa Cruz Metropolitan Transit District (METRO) Board of Directors (Board) and its committees to meet safely in person.

**III. DISCUSSION/BACKGROUND**

On September 16, 2021, Governor Newsom signed into law Assembly Bill (AB) 361 amending Government Code Section 54953 to allow local agencies to use teleconferencing for public meetings without requiring teleconference locations to be included on published agendas or accessible to the public, and without requiring a quorum of the members of the legislative body of the agency to participate from locations within the boundaries of the agency's jurisdiction, during proclaimed states of emergencies.

Local agency determinations to meet using the modified teleconferencing rules under AB 361 must be reviewed every 30 days following the first teleconferenced meeting held pursuant to this law, which as an urgency statute, came into effect on October 1. The legislative body must reconsider the circumstances of the state of emergency and find that they directly impact the ability to meet safely in person. These findings can be relied upon for up to 30 days, so the Board will need to consider the circumstances of the state of emergency at each subsequent Board meeting in order to continue meeting remotely under the modified teleconference rules.

The Governor's State of Emergency related to the COVID-19 pandemic remains active and the Santa Cruz County Health Officer, the California Department of Public Health, and the Department of Industrial Relations have imposed or recommended measures to promote social distancing. Compliance with these measures directly impacts the ability of the public to meet safely in person, and METRO cannot ensure social distancing recommendations are met in circumstances of in-person public meetings.

Furthermore, there is a continuing threat of COVID-19 to the community, and Board and committee meetings have characteristics that give rise to risks to health and safety of meeting participants. Consequently, it is recommended that METRO continue to use remote teleconferencing for public meetings as permitted under AB 361 and to reconsider its determination (and make the necessary findings) every 30 days.

#### **IV. STRATEGIC PLAN PRIORITIES ALIGNMENT**

This report pertains to METRO's Safety First Culture priority.

#### **V. FINANCIAL CONSIDERATIONS/IMPACT**

There is no financial impact.

#### **VI. CHANGES FROM COMMITTEE**

N/A

#### **VII. ALTERNATIVES CONSIDERED**

The Board could decide to no longer meet via teleconference. Due to the ongoing COVID-19 pandemic, this is not recommended.

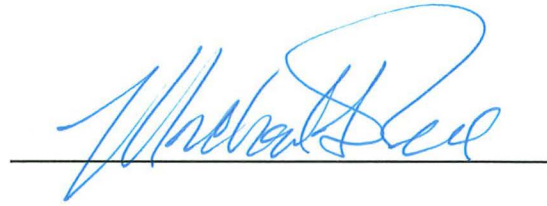
#### **VIII. ATTACHMENTS**

**Attachment A:** Authorizing Resolution

Prepared by: Donna Bauer, Executive Assistant

**IX. APPROVALS**

Michael Tree, CEO/General Manager



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# Attachment A



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

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT FINDING THAT THE PROCLAIMED  
STATE OF EMERGENCY FOR THE COVID-19 PANDEMIC  
CONTINUES TO IMPACT THE ABILITY FOR THE BOARD OF DIRECTORS AND ITS  
COMMITTEES TO MEET SAFELY IN PERSON, AND DIRECTING THAT  
VIRTUAL BOARD AND COMMITTEE MEETINGS CONTINUE**

**WHEREAS**, on March 4, 2020, Governor Newsom declared a State of Emergency to exist in California as a result of the threat of the COVID-19 pandemic, which declaration remains in effect; and

**WHEREAS**, the Santa Cruz County Board of Supervisors subsequently declared a local emergency related to COVID-19, which declaration also remains in effect; and

**WHEREAS**, on March 17 and June 11, 2020, the Governor issued Executive Orders N-29-20 and N-08-21, respectively, suspending certain provisions of the Ralph M. Brown Act related to teleconferencing through September 30, 2021 to facilitate legislative bodies conducting public meetings remotely to help protect against the spread of COVID-19 and to protect the health and safety of the public; and

**WHEREAS**, on September 16, 2021, the Governor signed Assembly Bill (AB) 361 into law, amending Government Code Section 54953, effective immediately, to allow legislative bodies to continue to meet remotely under less restrictive requirements during a proclaimed State of Emergency provided that (1) state or local officials have imposed or recommended measures to promote social distancing, or (2) the legislative bodies determine that meeting in person would present imminent risks to the health or safety of attendees, and (3) the legislative bodies make such findings at least every thirty days during the term of the declared state of emergency; and

**WHEREAS**, on November 19, 2021, pursuant to Resolution 21-11-01, Board of Directors (Board) made the requisite findings to allow teleconferencing under AB 361 for 30 days; and

# Attachment A

Resolution #

Page 2 of 3

**WHEREAS**, the Board has reviewed its previous findings and again concludes that there is a continuing threat of COVID-19 to the community, and that Board and committee meetings have characteristics that continue to give rise to risks to health and safety of meeting participants; and

**WHEREAS**, to help protect against the spread of COVID-19 and its variants, and to protect the health and safety of the public, the Board desires to take the actions necessary to continue to hold its Board and committee meetings remotely as authorized by AB 361.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) has reconsidered the circumstances of the COVID-19 State of Emergency, and finds and determines that the state of emergency continues to directly impact its ability to meet safely in person; and

**BE IT FURTHER RESOLVED**, that in light of these findings, the Board directs the Interim CEO/General Manager and Board Secretary to continue to agendize public meetings of the Board, and all METRO committees that are subject to the Brown Act, only as online teleconference meetings; and

**BE IT FURTHER RESOLVED**, that METRO will comply with the requirements of Government Code Section 54953(e)(2) when holding Board and committee meetings pursuant to this Resolution; and

**BE IT FURTHER RESOLVED**, that this Resolution will be in effect for the maximum period of time permitted under AB 361 (30 days), and the Board will consider the findings in this Resolution each month and may, by motion, reaffirm these findings.

**PASSED AND ADOPTED** by the Board of Directors of the Santa Cruz Metropolitan Transit District this 27th Day of January 2023 by the following vote:

**AYES:** Directors -

**NOES:** Directors -

**ABSTAIN:** Directors -

**ABSENT:** Directors –

**APPROVED:**

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LARRY PAGELER, Board Chair

**10.6A.2**

# Attachment A

Resolution #  
Page 2 of 3

## **ATTEST:**

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MICHAEL TREE,  
CEO/General Manager

## **APPROVED AS TO FORM:**

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JULIE SHERMAN  
General Counsel

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**DATE:** January 27, 2023

**TO:** Board of Directors

**FROM:** Julie Sherman, General Counsel

**SUBJECT: CONSIDERATION OF A RESOLUTION ADOPTING AN AMENDED RECORDS RETENTION SCHEDULE FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

**I. RECOMMENDED ACTION**

**That the Board of Directors approve a resolution amending the Santa Cruz Metropolitan Transit District Records Retention Schedule.**

**II. SUMMARY**

Public Utilities Code Section 98234 authorizes the Santa Cruz Metropolitan Transit District (METRO) Board of Directors (Board) to determine, by resolution, the disposition of METRO's records. METRO's Records Retention Schedule is periodically reviewed and updated to reflect METRO's current needs and applicable law.

Due to new Federal Transit Administration (FTA) requirements that grantees must maintain certain records relating to their Agency Safety Plans (ASP) for a minimum of three years, the Records Retention Schedule needed to be amended.

No other substantive changes to the Records Retention Schedule are being made at this time, however, formatting changes have been made to align the schedule with the current METRO policy format.

**III. DISCUSSION/BACKGROUND**

In August 1998, the Board implemented METRO's Records Retention Schedule and it was last updated in 2012. Numerous federal and state statutes require certain records be maintained for various periods of time.

The proposed revisions to the Record Retention Schedule is to specify the appropriate retention period for Agency Safety Plan (ASP) records. As an Urbanized Area Formula Grant (Section 5307) recipient, METRO is subject to the Public Transportation Agency Safety Plan (PTASP) regulation (49 CFR Part 673), which requires METRO to develop an ASP that includes and implements Safety Management Systems (SMS) processes and procedures. Pursuant to 49 CFR Section 673.31 (Safety plan documentation), the FTA requires METRO to maintain ASP records for at least three years after the documents are created. ASP records include documents related to the implementation of METRO's SMS, results from

SMS processes and activities, and any other documents that are included in whole, or by reference, in the ASP that describe the programs, policies, and procedures for carrying out the ASP (i.e., training records, written safety, policies, and employee bulletins).

#### **IV. STRATEGIC PLAN PRIORITIES ALIGNMENT**

This report pertains to Financial Stability, Stewardship and Accountability.

#### **V. FINANCIAL CONSIDERATIONS/IMPACT**

There is no financial impact.

#### **VI. CHANGES FROM COMMITTEE**

N/A

#### **VII. ALTERNATIVES CONSIDERED**

The Board could decide not to adopt the amended Record Retention Schedule. Staff does not recommend this because METRO is federally required to maintain ASP records for a minimum of three years.

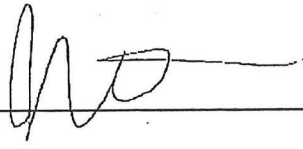
#### **VIII. ATTACHMENTS**

**Attachment A:** Resolution Adopting an Amended Records Retention Schedule (red-lined showing changes)

Prepared by: Donna Bauer, Executive Assistant

**IX. APPROVALS**

Julie Sherman, District Counsel



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Approved as to fiscal impact:  
Chuck Farmer, CFO



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Michael Tree  
CEO/General Manager



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# Attachment A



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

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

### **RESOLUTION ADOPTING AN AMENDED RECORDS RETENTION SCHEDULE FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

**WHEREAS**, the Santa Cruz Metropolitan Transit District (METRO) implemented a Records Retention Schedule on August 21, 1998; and

**WHEREAS**, through adoption of the Records Retention Schedule, METRO records are managed in a consistent manner; and

**WHEREAS**, Public Utilities Code Section 98234 vests authority with the Board of Directors to determine if and when a record, map, book or paper in the possession of METRO is of no further value; and

**WHEREAS**, the Federal Transit Administration requires the District to maintain certain records relating to its Agency Safety Plan (ASP) for a minimum of three years; and

**WHEREAS**, METRO management staff finds it necessary to propose amendments to the Records Retention Schedule detailing the disposition of ASP records to comply with federal law.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Santa Cruz Metropolitan Transit District does hereby adopt the attached amended Records Retention Schedule and that such amended Records Retention Schedule shall become effective upon adoption of this resolution.

**PASSED AND ADOPTED** by the Board of Directors of the Santa Cruz Metropolitan Transit District this 27th Day of January 2023 by the following vote:

**AYES:** Directors -

**NOES:** Directors -

# Attachment A

Resolution No. \_\_\_\_\_  
Page 2

**ABSTAIN:** Directors -

**ABSENT:** Directors -

Approved:

Larry Pageler, Chair

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Attest:

Michael Tree,  
CEO/General Manager

---

Approved as to form:

Julie A. Sherman, General Counsel

---

# Attachment A



## Administration Department

---

Department Manager/Title

---

CEO

## RECORDS RETENTION SCHEDULE

**Policy #:** AP-1019    **Origination Date:** August 21, 1998    **Revised Date:** Jan. 2023

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### I. PURPOSE

- 1.01 Santa Cruz Metropolitan Transit District (METRO) requires that records be retained in accordance with federal and state requirements or when it is in the best interest of METRO to do so.
- 1.02 In accordance with California Public Utilities Code Section 98234, the METRO Board of Directors is solely vested with the power and authority to authorize destruction of METRO's records, maps, books or paper that is of no further value to METRO.
- 1.03 METRO reserves the right to amend, modify, or delete this Records Retention Policy and Schedule at any time.
- 1.04 Attached is METRO's Records Retention Schedule, which details the length of time each record series is to be maintained in department files, how long it is to be maintained in inactive status, if and when such record can be destroyed, and the department that is the keeper of the official copy of the record.

### II. APPLICABILITY

- 2.01 This Records Retention Schedule applies to all applicable METRO employees at all METRO facilities.
- 2.02 Every METRO employee that handles the records described herein shall follow and abide by the Records Retention Schedule so that METRO will have a consistent policy and procedure for managing its records.
- 2.03 Specific categories control over the general categories.

### III. DEFINITIONS

N/A

# Attachment A



## IV. PROCEDURES

N/A

## V. STANDARDS

5.01 Employee personnel files, medical files, and other similar files or records in METRO's possession that contain confidential information will be kept and maintained in a confidential manner, on a need to know basis only and in accordance with federal and California laws and regulations and sound business practices. Confidential files and records may not be disclosed except:

- a) To METRO Directors, officers, and employees as required in the ordinary course of business (including disclosure during the grievance and/or disciplinary process);
- b) Upon written consent by the affected employee or other proper written authorization; or
- c) Where compelled by law, such as by subpoena, court order or search warrant.

## VI. ADMINISTRATION OF POLICY

6.01 Each Department Manager is responsible for administering this policy within their department.

## VII. REVISION HISTORY

Date	Action	Approved By
August 21, 1998	Implementation of policy and schedule	Jeff Almquist
September 17, 1999	Add amendments to schedule	Jan Beautz
January 18, 2002	Add amendments to schedule	Sheryl Ainsworth
March 25, 2005	Add amendments to schedule, including title change	Michael W. Keogh
May 22, 2009	Add ParaCruz records; revise records and retention periods	Dene Bustichi
March 9, 2012	Add and revise records and retention periods	Lynn Robinson
January 27, 2023	Revise policy format; add and revise records and retention periods	Michael Tree

**END OF POLICY**



# Attachment A

Record Series Title	Years Active	Years Inactive	Office of Record	Total Yrs. Retention	Comment
<b>APPLICABLE TO ALL DEPARTMENTS:</b>					
DEPARTMENT WORKING PAPERS & DRAFTS	ACT	NA	APPLICABLE GENERATING DEPT.	ACT	
E-MAIL MESSAGES ON SERVERS	WU	NA	APPLICABLE GENERATING/RECEIVING DEPT.	WU	
EMPLOYEE FIELD FILE	ACT	02	APPLICABLE GENERATING DEPT.	ACT +02	
GENERAL (DEPARTMENT FILES)	03	02	APPLICABLE GENERATING DEPT.	05	
PROJECT FILES	ACT	06	APPLICABLE GENERATING DEPT.	ACT+06	PA,GR
SUBJECT AND REFERENCE MATERIALS	ACT	NA	APPLICABLE GENERATING DEPT.	ACT	
<b>ADMINISTRATION RECORDS:</b>					
AGENDA PACKETS/MINUTES – OTHER AGENCIES & ORGANIZATIONS	ACT	03	ADM	ACT+03	
BOARD OF DIRECTOR AGENDA PACKETS (METRO)	02	IND	ADM	IND	V, PA
BOARD OF DIRECTOR MEETING AUDIO AND VIDEO TAPE RECORDINGS (METRO)	ACT	IND	ADM	IND	
CONFLICT OF INTEREST (BOARD/STAFF)	02	05	ADM	07	
CONTRACT COMPLIANCE FILE	ACT	06	ADM	ACT+06	GR
CONTRACT PAYMENT/PERF ADMIN DOCUMENTS	ACT	IND	ADM	IND	
CONTRACTED SERVICE RECORDS	04	03	ADM	07	
CONTRACTS/AGREEMENTS	ACT	IND	ADM	IND	V
CONTRACTS – REAL PROPERTY IMPROVEMENTS	ACT	IND	ADM	IND	
COPYRIGHT/TRADEMARK PATENT RECORDS	ACT	IND	ADM	IND	

# Attachment A

Record Series Title	Years Active	Years Inactive	Office of Record	Total Yrs. Retention	Comment
<b>ADMINISTRATION RECORDS (CONTINUED):</b>					
CORRESPONDENCE FILES	ACT	IND	ADM	IND	
DISTRICT-WIDE REGULATIONS	ACT	IND	ADM	IND	
ENGINEERING/CONSTRUCTION TECH DOCUMENTS (MOVED FROM OLD PLANNING/MARKETING ENTRY)	ACT	LOS+10	ADM	LOS+10	To be stored on CD or zip disk
ETHICS TRAINING PARTICIPATION CERTIFICATES	ACT	05	ADM	ACT+05	
GENERAL SVCS (MAIL/ SUPPLIES/ GRAPHICS)	03	NA	ADM	03	
GRANT MANAGEMENT FILES	ACT	03	ADM (Grants)	ACT+03	GR
GRANT RECORDS (GRANT-FUNDED PROJECTS)	ACT	03	ADM (Grants)	ACT+03	GR
INSURANCE – CALTIP STUDY SESSION PACKETS, AUDIT REPORTS, AGENDA PACKETS	ACT	03	ADM	ACT+03	
INTERNAL AUDITS	03	IND	ADM	IND	
INVESTIGATION FILES (INSPECTOR GENERAL)	ACT	IND	ADM	IND	
JOINT DEVELOPMENT PROJECT FILES	ACT	IND	ADM	IND	
LEASE FILES (INCLUDES PROPERTY MGMT.)	ACT	06	ADM	ACT+06	
LEGAL COMPLIANCE DOCS (FTA)	06	IND	ADM (GRANTS)	IND	GR
MARKETING ACTIVITY RECORDS MOVED FROM OLD PLANNING/MARKETING ENTRY	03	NA	ADM	03	GR - To be stored on CD or zip disk
PUBLIC HEARING NOTICES	ACT	IND	ADM	IND	
RTC TRIENNIAL REVIEWS, FTA TRIENNIAL REVIEWS, CUSTOMER SERVICE COMPLAINTS	ACT	IND	ADM	IND	
PLANNING/FORECASTING (5-YR/30-YR.)- MOVED FROM OLD PLANNING/MARKETING ENTRY	ACT	IND	ADM	IND	PA - To be stored on CD or zip disk
PROPERTY ACQUISITION (APPRAISAL)	ACT	IND	ADM	IND	
PROTEST FILE (CONTRACTS)	ACT	03	ADM	ACT+03	GR

# Attachment A

<b>Record Series Title</b>	<b>Years Active</b>	<b>Years Inactive</b>	<b>Office of Record</b>	<b>Total Yrs. Retention</b>	<b>Comment</b>
<b>ADMINISTRATION RECORDS (CONTINUED):</b>					
PUBLIC AFFAIRS (PRESS RELEASES, PHOTOS)	05	IND	ADM	IND	
PUBLIC COMMENT LETTERS	01	IND	ADM	IND	PA,GR
PUBLIC MEETING FILES	01	IND	ADM	IND	PA,GR
PURCHASE ORDERS (REGULAR/YEARLY)	03	03	ADM/PURCH	06	GR
PURCHASING (UNSUCCESSFUL BIDS & PROPOSALS)	03	NA	ADM/PURCH	03	GR
REAL ESTATE GENERAL FILES	ACT	IND	ADM	IND	
S RTP MOVED FROM PREVIOUS PLANNING/MARKETING ENTRY	IND	IND	ADM	IND	PA - To be stored on CD or zip disk
TAPE RECORDINGS OF PUBLIC HEARINGS, COMMITTEE MEETINGS AND OTHER MEETINGS OTHER THAN BOARD OF DIRECTORS' MEETINGS (IF RECORDED)	60 DAYS	0	ADM	60 DAYS	
TRAINING/TRAVEL PACKETS (EMPLOYEE)	ACT	03	ADM	ACT+03	
TRAINING ANNOUNCEMENT	ACT	0	ADM	ACT	
UNIONS – GRIEVANCES, CORRESPONDENCE, ARBITRATION PROCEEDINGS, LABOR AGREEMENTS	ACT	IND	ADM	IND	
VEHICLE REHAB & PURCHASE	ACT	04	ADM	ACT + 04	
WARRANTIES	ACT	IND	ADM	IND	

# Attachment A

Record Series Title	Years Active	Years Inactive	Office of Record	Total Yrs. Retention	Comment
<b>FACILITY MAINTENANCE RECORDS:</b>					
AIR COMPRESSOR CERTIFICATION	05	01	MAINT	06	
BUILDING BLUEPRINTS AS BUILTS	ACT	01	MAINT	ACT +01	GR
BUILDING SPECS	ACT	01	MAINT	ACT +01	GR
BUILDING WARRANTIES	ACT	01	MAINT	ACT +01	GR
BUS STOP BLUEPRINTS AS BUILTS	ACT	01	MAINT	ACT +01	GR
CONSTRUCTION/ENCROACHMENT PERMITS/RIDERS	ACT	LOS + 10	MAINT	LOS + 10	LOS
EMPLOYEE MEDICAL RECORDS – HAZARD EXPOSURE	ACT	IND	MAINT	IND	
ENVIRON/ TESTING/ EXPOSURE/ MONITORING REPORT	01	29	MAINT	30	
EQUIPMENT WARRANTIES	ACT	LOS	MAINT	LOS	GR
HAZARDOUS MAT. CHEM INV. FORMS (HCS-88)	ACT	IND	MAINT	IND	
HAZARDOUS WASTE MANIFEST FORMS	03	IND	MAINT	IND	
HAZCOM TRAINING RECORDS	IND	IND	MAINT	IND	
MATERIAL SAFETY DATA SHEETS	ACT	IND	MAINT	IND	
NOISE EXPOSURE/AUDIOMETRIC TESTING	02	IND	MAINT	IND	
RELEASE REPORT	03	01	MAINT	04	
UNDERGROUND STORAGE TANK PERMITS	ACT	LOS	MAINT	LOS	

# Attachment A

Record Series Title	Years Active	Years Inactive	Office of Record	Total Yrs. Retention	Comment
<b>FINANCE RECORDS:</b>					
ACCOUNTING INFORMATION RPTS	01	06	FINANCE	07	
ACCOUNTING JOURNAL/ LEDGERS	01	06	FINANCE	07	V
ACCOUNTS PAYABLE & RECEIV VOUCHERS/ INVOICES	01	06	FINANCE	07	GR
ACCRUAL ADJUSTMENT REPORTS	01	06	FINANCE	07	
ADMIN COMP TIME, FLOATING HOLIDAY BALANCE REPORT	01	06	FINANCE	07	
ANNUAL LEAVE, SICK LEAVE, PERSONAL LEAVE BALANCE REPORT	01	06	FINANCE	07	
ASSETS RECONCILIATION TO PHYSICAL COUNT	ACT	03	FINANCE	ACT +03	GR
ATTENDANCE REGISTER/PAYROLL	02	05	FINANCE	07	
ATTRIBUTABLE INCOME REPORTS	02	05	FINANCE	07	
BAD DEBTS/UNCOLLECTABLE ACCT RECORDS	01	06	FINANCE	07	
BANK STATEMENTS	01	06	FINANCE	07	
BANKING (DEPOSITS/CANCELLED CHECKS)	01	06	FINANCE	07	
BOND/DEBENTURE/INVESTMENT RECORDS	ACT	IND	FINANCE	IND	V
BUDGET (ANNUAL)	02	IND	FINANCE	IND	PA
BUDGET (ANNUAL) SUPPORT DOCUMENTS	02	08	FINANCE	10	
CASH RECEIPT LEDGER	01	06	FINANCE	07	
DBE CERTIFICATION RECORDS – APPROVED	ACT	06	FINANCE/ PURCH	ACT+06	MOVED FROM ADM
DBE CERTIFICATION RECORDS – DENIED	02	01	FINANCE/ PURCH	03	MOVED FROM ADM
DEDUCTIONS LIST	02	05	FINANCE	07	
DEDUCTIONS MASTER LOG FILE SUMMARY	01	01	FINANCE	02	
DEEDS OF TRUST	IND	NA	FINANCE	IND	LOS
DEPOSIT SLIP BOOKS	02	05	FINANCE	07	

# Attachment A

<b>Record Series Title</b>	<b>Years Active</b>	<b>Years Inactive</b>	<b>Office of Record</b>	<b>Total Yrs. Retention</b>	<b>Comment</b>
<b>FINANCE RECORDS (CONTINUED):</b>					
EARNINGS HISTORY	02	05	FINANCE	07	
EARNINGS LIST	02	05	FINANCE	07	
EMPLOYEE MASTER LOG FILE SUMMARY	01	01	FINANCE	02	
EMPLOYEE PAYROLL DATA	02	05	FINANCE	07	
EMPLOYEE PAYROLL FILE	ACT	07	FINANCE	ACT+07	
FINANCE GENERAL	01	02	FINANCE	03	
FINANCIAL AUDITS (EXTERNAL)	01	IND	FINANCE	IND	V
FIXED ASSET INVENTORY LISTING	ACT	03	FINANCE	ACT +03	GR
FIXED ASSET RECORDS – PERMANENT	ACT	IND	FINANCE	IND	
GFI REPORTS	02	05	FINANCE	07	
HOURS ACCUMULATOR REPORT	02	05	FINANCE	07	
INSURANCE (POLICIES/AMENDMENTS)	ACT	IND	FINANCE	IND	V
LOBBYIST REPORTS (QUARTERLY)	02	05	FINANCE	07	
MASTER FILE	02	05	FINANCE	07	
METRO HOURS REPORT	02	05	FINANCE	07	
NOTICE – PAY RATE FOR BUS OPERATORS	ACT	07	FINANCE	ACT+07	SEE EMPLOYEE FILE
NOTICE – PAY RATE FOR MANAGEMENT	ACT	07	FINANCE	ACT+07	SEE EMPLOYEE FILE
NOTICE – PAY RATE FOR PSA	ACT	07	FINANCE	ACT+07	SEE EMPLOYEE FILE
NOTICE – PAY RATE FOR SEA	ACT	07	FINANCE	ACT+07	SEE EMPLOYEE FILE
NOTICE – PAY RATE FOR VMU	ACT	07	FINANCE	ACT+07	SEE EMPLOYEE FILE
PAYROLL ADJUSTMENTS REPORTS	02	05	FINANCE	07	
PAYROLL INTERFACE	02	05	FINANCE	07	
PAYROLL REGISTER	02	05	FINANCE	07	

# Attachment A

Record Series Title	Years Active	Years Inactive	Office of Record	Total Yrs. Retention	Comment
<b>FINANCE RECORDS (CONTINUED):</b>					
PURCHASING (IFB/RFP/SUCCESS BIDS & PROPS)	03	IND	FINANCE/ PURCH	IND	MOVED FROM ADM
SALES TAX ALLOCATION	01	IND	FINANCE	IND	
SIGNATURE LOG FOR PAY WARRANTS	01	01	FINANCE	02	
SUPPLEMENTAL LIFE DEDUCTIONS RECORDS	02	05	FINANCE	07	
TIME BANK RECORDS	02	05	FINANCE	07	
TIME SHEETS	03	04	FINANCE	07	GR
TIME SHEETS – DUBOIS	ACT	07	FINANCE	ACT+07	
TRUST WARRANT CLAIMS	02	05	FINANCE	07	
UNION BILL BACKS RECORDS	01	01	FINANCE	02	
UNION COPE DEDUCTIONS	02	05	FINANCE	07	
UNION CORRESPONDENCE	02	05	FINANCE	07	
UNION DUES NOTICES	ACT	07	FINANCE	ACT+07	SEE EMPLOYEE FILE
UNION INSURANCE NOTICES	02	05	FINANCE	07	
UNION TPEL NOTICES	02	05	FINANCE	07	
VAULT ROOM DAILY DATA BALANCE SHEETS	02	05	FINANCE	07	
VEHICLE TITLES	IND	NA	FINANCE	IND	LOV
WIRE TRANSFER BOOKS	02	05	FINANCE	07	V

# Attachment A

Record Series Title	Years Active	Years Inactive	Office of Record	Total Yrs. Retention	Comment
<b>FLEET MAINTENANCE RECORDS:</b>					
ACCIDENT APPRAISAL REPORTS (COPIES)	01	06 MO	MAINT	18 MO	
AIR COMPRESSOR CERTIFICATION	05	01	MAINT	06	
BLUE FUEL CARDS	03 MO	10 MO	MAINT	13 MO	
BUS MAINTENANCE AND REPAIR RECORDS (BUS #2210-2238 AND BUS #2301-2311)	IND	IND	MAINT	IND	
CALLSTOP MAINTENANCE REQUEST FORMS	ACT	02	MAINT	ACT+02	
DAILY FUEL/SERVICING	03 MO	10 MO	MAINT	13 MO	
DAILY SHIFT ATTENDANCE RECORD (DSAR'S) ORIGINALS IN FLEET	02	05	MAINT	07	
DRIVER'S LICENSE PULL NOTICE & DMV RECORDS	ACT	01	OPS, MAINT	ACT+01	
DRIVER VEHICLE CHECK SHEET ORIGINALS	06 MO	NA	MAINT	06 MO	
EMPLOYEE ATTENDANCE RECORDS	01	07	MAINT	08	
FLEET MAINTENANCE PLAN ONLY	05	IND	MAINT	IND	
INSPECTION FORMS (A-E) ORIGINALS	03 MO	02	MAINT	27 MO	
INVENTORY COUNTS	01	07	MAINT	08	
INVENTORY VALUATIONS (MO END/YR END)	01	07	MAINT	08	
LICENSES/PERMITS (VEHICLES)	ACT	03	MAINT	ACT+03	
MONTH END REPORTS	01	07	MAINT	08	
REQUESTS FOR TIME OFF (RTO'S)	02	05	MAINT	07	
UNDERGROUND STORAGE TANK REPORTS	01	IND	MAINT	IND	
VEHICLE HISTORIES	ACT	05	MAINT	ACT +05	
VEHICLE OPACITY READINGS	01	01	MAINT	02	
VEHICLE REGISTRATION	ACT	NA	MAINT	ACT	
VEHICLE WARRANTIES IN VEHICLE FILES	ACT	05	MAINT	ACT + 05	
WORK ORDERS	03 MO	03	MAINT	03+03 MO	DISCARDED



# Attachment A

<b>Record Series Title</b>	<b>Years Active</b>	<b>Years Inactive</b>	<b>Office of Record</b>	<b>Total Yrs. Retention</b>	<b>Comment</b>
<b>HUMAN RESOURCES RECORDS:</b>					
BENEFITS/INSURANCE PLANS	ACT	10	HR	ACT+10	V
COMPLAINT FILES EEOC/DFEH	ACT	05	HR	ACT+05	
DISCIPLINARY APPEALS/GRIEVANCES (LEVELS 1 AND 2; ARBITRATION)	ACT	04	HR	ACT+04	
DOCUMENTATION OF REFUSALS OF REQUIRED ALCOHOL/DRUG TESTS	05	01	HR	06	
DRUG & ALCOHOL COLLECTION & EMPLOYEE TRAINING	02	01	HR	03	
DRUG & ALCOHOL FOLLOW-UP TEST RESULTS AND SCHEDULES	05	01	HR	06	
DRUG & ALCOHOL INSPECTION, MAINTENANCE AND CALIBRATION OF EBTS	02	01	HR	03	
DRUG & ALCOHOL NEGATIVE TEST RESULTS	01	01	HR	02	V
DRUG & ALCOHOL POSITIVE TEST RESULTS	05	01	HR	06	
DRUG & ALCOHOL SAP & MIS REPORTS SUBMITTED TO FTA	05	01	HR	06	
DRUG & ALCOHOL TEST RESULTS FROM PREVIOUS EMPLOYERS	03	01	HR	04	
EEO/AA PLAN	ACT	05	HR	ACT+05	
EMPLOYEE ACCIDENT/INJURY (W/C)	ACT	05	HR	ACT+05	
EMPLOYEE BENEFIT FILES	ACT	10	HR	ACT+10	
EMPLOYEE PERSONNEL FILES	ACT	07	HR	ACT +07	
EMPLOYEE SELECTION LISTS	03	07	HR	10	
HEALTH DEDUCTIONS RECORDS	ACT	10	HR	ACT+10	
I-9 FORMS	ACT	03	HR	ACT +0 3	
JOB FLYERS	02	02	HR	04	
LABOR CONTRACTS	ACT	IND	HR	IND	V
LABOR NEGOTIATION FILES	ACT	IND	HR	IND	
OSHA 300 LOG & SUMMARY	06	NA	HR	06	

# Attachment A

<b>Record Series Title</b>	<b>Years Active</b>	<b>Years Inactive</b>	<b>Office of Record</b>	<b>Total Yrs. Retention</b>	<b>Comment</b>
<b>HUMAN RESOURCES RECORDS (CONTINUED):</b>					
PERS FILES INCLUDING VARIOUS MEMBER STATEMENT DATA	ACT	10	HR	ACT+10	
SALARY SCHEDULE RECORDS	03	03	HR	06	
STATUS CHANGE REPORTS	ACT	07	HR	ACT+07	
TRAINING/EMPLOYEE DEVELOPMENT FILES	ACT	03	HR	ACT+03	
<b>IT RECORDS:</b>					
BART CAVALLARO TRANSIT CENTER SURVEILLANCE VIDEO	30DAYS	11MO	Cavallaro Station	01	
ELECTRONIC BUILDING ACCESS RECORDS	30 DAYS	11 MO	Fueling Facility	01	
EMAIL MESSAGES ON SERVERS	01 MO	NA	IT	01 MO	
PACIFIC STATION SURVEILLANCE VIDEO	20DAYS	00	Pacific Station	20 DAYS	Stored on DVR until overwritten
Vault Room/Video Surveillance Fueling Facility	30 DAYS	11MO	Fueling Facility	01	MOVED FROM OPS
<b>LEGAL RECORDS:</b>					
ADA/504 COMPLAINTS	03	07	LEGAL	10	
ACTUARIAL REPORTS	03	07	LEGAL	10	
AUDITOR REPORTS	03	07	LEGAL	10	
BOARD OF DIRECTORS REPORTS ON OPEN/CLOSED CASE FILES	03	07	LEGAL	10	
CLAIM/LITIGATION CASE FILES	ACT	10	LEGAL	ACT+10	
COLLECTION FILES	ACT	05	LEGAL	ACT +05	
COURT ORDER/AGENCY COMPLIANCE DOCUMENTS	ACT	09	LEGAL	ACT+09	
FMLA/CFRA/PDL DOCUMENTS & NOTICES	ACT	10	LEGAL	ACT+10	
KINCARE DOCUMENTATION	ACT	10	LEGAL	ACT+10	

# Attachment A

Record Series Title	Years Active	Years Inactive	Office of Record	Total Yrs. Retention	Comment
<b>LEGAL RECORDS (CONTINUED):</b>					
LEGAL BEAGLE	ACT	03	LEGAL	ACT+03	
LEGAL OPINIONS	IND	IND	LEGAL	IND	
LEGAL SERVICE COPIES (SUBPOENAS; DECLARATIONS; RECORDS REQUESTS)	ACT	03	LEGAL	ACT +03	
NATIONAL TRANSIT DATABASE REPORTING	02	03	LEGAL	05	
OCCURRENCE REPORT LOGGING PROCEDURES FORM	03	NA	LEGAL	03	
OCCURRENCE REPORTS/INCIDENT REPORTS	03	NA	LEGAL	03	
ORIGINAL DISPOSITIONAL SUMMARY MEMORANDUMS/SETTLEMENT AGREEMENTS AND RELEASES	IND	IND	LEGAL	IND	
PUBLIC RECORDS REQUESTS	03	07	LEGAL	10	
RECORDS RETENTION SCHEDULE	ACT	IND	LEGAL	IND	
<b>Record Series Title</b>	<b>Years Active</b>	<b>Years Inactive</b>	<b>Office of Record</b>	<b>Total Yrs. Retention</b>	<b>Comment</b>
<b>OPERATIONS RECORDS:</b>					
ACCIDENT REVIEW DATABASE	01	NA	OPS	01	
<u>AGENCY SAFETY PLANS</u>	<u>03</u>	<u>NA</u>	<u>OPS</u>	<u>03</u>	
BASE RADIO RECORDINGS (DISPATCH & TELEPHONE LINES)	60 DAYS	02	OPS	02+60 DAYS	
BSAC COMMITTEE RECORDS	01	NA	OPS	01	
COPY OF DRIVER'S LICENSE, MEDICAL CARDS, VTT TRAINING RECORDS & PULL NOTICES	ACT	NA	OPS	ACT	
CUSTOMER SERVICE COMPLAINT	ACT	03	OPS	ACT+03	
CUSTOMER SERVICE COMPLAINT DATABASE	ACT	05	OPS	ACT+05	
DISCOUNT FARE POLICY DATABASE	ACT	05	OPS	ACT+05	
DISCOUNT FARE POLICY RECORDS	ACT	NA	OPS	ACT	
HEADWAYS-	ACT	IND	OPS	IND	
IIPP COMMITTEE RECORDS	01	NA	OPS	01	
LABOR MANAGEMENT COMMITTEE RECORDS	01	NA	OPS	01	

# Attachment A

Record Series Title	Years Active	Years Inactive	Office of Record	Total Yrs. Retention	Comment
<b>OPERATIONS RECORDS (CONTINUED):</b>					
METRO CENTER BICYCLE ABATEMENT	30 DAYS	11 MO	OPS	01	
OPERATIONS NEWSLETTERS / OPS STAFF MEMOS	ACT	03	OPS	ACT+03	
OPERATIONS PULLOUT SHEETS	01 MO	03	OPS	03+01MO	
OPERATIONS SAFETY & TRAINING RECORDS	05	NA	OPS	05	
OPERATIONS SCHEDULING RECORDS	02	05	OPS	07	
OPERATIONS YARD VIDEO SURVEILLANCE TAPES	31 DAYS	0	OPS	31 DAYS	
OPERATORS DAILY TIME RECORDS & PAYROLL	ACT	05	OPS	ACT+05	
PASS SELLERS RECORDS	01	02	OPS	03	To be stored on CD or zip disk
QUALITY OF WORK COMMITTEE RECORDS	01	NA	OPS	01	
SAFETY AND HEALTH COMMITTEE RECORDS	01	NA	OPS	01	
SECURITY – OFFICER DAILY LOGS	30 DAYS	30 DAYS	OPS	60 DAYS	
SECURITY – INCIDENT REPORTS	30 DAYS	11 MO	OPS	01	
SPARC COMMITTEE RECORDS	01	NA	OPS	01	
VEHICLE ACCIDENT / INCIDENT REPORT PACKETS	NA	06	OPS	06	
<b>Record Series Title</b>					
<b>Years Active</b>					
<b>Years Inactive</b>					
<b>Office of Record</b>					
<b>Total Yrs. Retention</b>					
<b>Comment</b>					
<b>PARACRUZ RECORDS:</b>					
ACCIDENT REPORTS	NA	06	OPS	06	
ADA FILES	03	02	OPS	05	
ALPHA LISTS OF ELIGIBLE PASSENGERS	01	02	OPS	03	
APPEALS RECORDS	ACT	04	OPS	ACT+04	
CUSTOMER SERVICE REPORTS	01	IND	OPS	IND	
DAILY ASSESSMENT CALENDAR	01	02	OPS	03	
DAILY PASSENGER LISTS	01	05	OPS	06	
EMPLOYEE PERSONNEL FILES	ACT	07	PARACRUZ	ACT+07	

# Attachment A

<b>Record Series Title</b>	<b>Years Active</b>	<b>Years Inactive</b>	<b>Office of Record</b>	<b>Total Yrs. Retention</b>	<b>Comment</b>
<b>PARACRUZ RECORDS (CONTINUED):</b>					
IMMEDIATE NEED REQUESTS	01	02	OPS	03	
MANIFESTS	01	05	OPS	06	
MONTHLY RECERTIFICATION NOTICES	01	02	OPS	03	
PAYROLL RECORDS	ACT	IND	PARACRUZ	IND	
PROCESSED CERTIFICATIONS AND RECERTIFICATIONS	01	02	OPS	03	
SUBSCRIPTION RIDE RECORDS	02	06	OPS	08	STORED IN TRAPEZE
TELEPHONE RECORDINGS	01	01	OPS	02	
VIDEO RECORDINGS	03 DAYS	00	OPS	03 DAYS	Stored on DVR- until overwritten
VISITOR STATUS REQUESTS	01	02	OPS	03	

# Attachment A

<u>CODES:</u>	<u>DEFINITIONS:</u>
ACT	WHILE ACTIVE (INCLUDES "VEHICLE LIFE"; "EMPLOYMENT PERIOD")
ADM	ADMINISTRATION DEPARTMENT
CFRA	CALIFORNIA FAMILY RIGHTS ACT
DEPT	DEPARTMENT
FINANCE	FINANCE DEPARTMENT
FMLA	FAMILY MEDICAL LEAVE ACT
GR	IF GRANT-FUNDED (KEEP FOR MINIMUM OF 3 YEARS AFTER CLOSE OF GRANT AND 3 YEARS AFTER CLOSE OF ANY LITIGATION ON PROJECT)
HR	HUMAN RESOURCES DEPARTMENT
IND	INDEFINITE
LEGAL	LEGAL DEPARTMENT
LOS	LIFE OF SYSTEM
LOV	LIFE OF VEHICLE
IT	INFORMATION TECHNOLOGY
MAINT	MAINTENANCE DEPARTMENT
MO	MONTH
NA	NOT APPLICABLE
OPS	OPERATIONS DEPARTMENT
PA	POTENTIALLY ARCHIVAL
PDL	PREGNANCY DISABILITY LEAVE
PURCH	PURCHASING
UC	UPON COMPLETION
V	VITAL RECORD
WC	WHEN CREATED
WU	WHEN USEFUL
YRS	YEARS



**DATE:** January 27, 2023  
**TO:** Board of Directors  
**FROM:** Dawn Crummié, HR Director  
**SUBJECT: APPROVE AUTHORIZATION TO FUND A SENIOR CUSTOMER SERVICE REPRESENTATIVE**

**I. RECOMMENDED ACTION**

**That the Board of Directors approve the funding of a Senior Customer Service Representative in the Customer Service Department.**

**II. SUMMARY**

- In order to address the needs of the Customer Service Department, it has been determined that there is a need for an additional Senior Customer Service Representative position.
- Santa Cruz Metropolitan Transit District (METRO) currently has one existing Senior Customer Service position.
- The Customer Service Department operates 7-days a week, with the exception of major holidays, similar to Fixed Route and ParaTransit services. To ensure proper coverage and provide support to the department and our customers, there is a need for an additional senior position. That position would assist with overseeing the Customer Service Representatives and assist in making decisions such as ensuring proper staffing and phone coverage when the manager is unavailable.
- Currently there is only one Manager (Customer Service Manager) position that must cover all issues that arise over all shifts within a workweek including weekends with the support of the current Senior Customer Service Representative. This has resulted in substantial amounts of overtime.
- It has been determined that a second Senior Customer Service Representative is needed to allow for adequate support 7-days a week and an ability to provide training on operational procedures.
- Staff is recommending that the Board approve the funding of the Senior Customer Service Representative.
- On January 13, 2023, staff requested that the Personnel/HR Standing Committee (Committee) review and recommend the full Board of Directors approve the funding for this position. The Committee voted unanimously to recommend approval to the full Board of Directors (Board) with no additions.

### **III. DISCUSSION/BACKGROUND**

In order to provide proper support to the department an additional Senior Customer Service Representative that holds a higher level of knowledge is needed. This includes understanding all aspects of Customer Service such as, phone coverage, staffing, counting cash and reconciliation at both Pacific Station and Watsonville Transit Center, to name a few.

The Senior Customer Service Representative position has the knowledge in resolving issues and making sure we have proper staffing and support to avoid burnout and stress within the department. By having two Senior Customer Service Representatives, it will allow for both to properly coordinate training, troubleshoot, perform other duties as needed and allow support coverage 7-days a week.

The additional duties the Senior Customer Service Representative will perform that the existing Customer Service Representative positions do not perform include, but are not limited to, serving as a lead worker over subordinate staff by prioritizing, assigning and monitoring work and providing training as needed.

If approved, a recruitment will be performed to fill the Senior Customer Service Representative role.

Staff requests the Board of Directors approve the funding for the Senior Customer Service Representative position.

### **IV. STRATEGIC PLAN PRIORITIES ALIGNMENT**

This report ties to the following strategic priorities:

- Service Quality and Delivery
- Employee Engagement: Attract, Retain and Develop

### **V. FINANCIAL CONSIDERATIONS/IMPACT**

The expected increase needed in additional funds are roughly \$37,141 for FY23 and \$112,216 for FY24 Budget for funding the Senior Customer Service Representative.

### **VI. CHANGES FROM COMMITTEE**

None. On January 13, 2023, the Personnel/Human Resources Committee met to review this request. The Committee recommends the full Board approve the funding of an additional Senior Customer Service Representative as presented.



## **VII. ALTERNATIVES CONSIDERED**

- Not approving the funding of the position. Staff does not recommend this action as it would continue to create a problem with calling for overtime and stress on the overall department and could cause delays or inconveniences to our customers. This could result in unexpected booth closures or longer wait times on phones or while standing in line at the booths. This position meets the needs of METRO.

## **VIII. ATTACHMENTS**

**Attachment A:** Senior Customer Service Representative Job Description

Prepared by: Dawn Crummié, HR Director

**IX. APPROVALS**

Dawn Crummié, HR Director

Dawn Crummié

Approved as to fiscal impact:  
Chuck Farmer, Chief Financial Officer

Chuck Farmer

Michael Tree  
CEO/General Manager

Approved for Michael Tree



# Attachment A

## HUMAN RESOURCES DEPARTMENT

### Santa Cruz METRO

Class Code: AS110  
FLSA Status: Non-exempt

### Senior Customer Service Representative

#### Bargaining Unit: SEA

#### DEFINITION:

Under general supervision, a Senior Customer Service Representative performs lead worker and advanced customer service work related to providing information and assistance regarding transit services to customers; conducts transit-related special projects which may include marketing, public information, and community outreach activities; and- Performs related work as required

#### DISTINGUISHING CHARACTERISTICS:

Senior Customer Service Representative is the advanced-lead level class in the series. An incumbent in this class serves as a lead worker, performs the more advanced customer service functions in a call center or information booth, and assists with outreach and public relations functions. This class may be distinguished from the lower level class of Customer Service Representative because an incumbent in the latter class performs journey-level duties and does not have formal lead worker responsibilities. This class may be distinguished from the higher level class of Customer Service Supervisor because an incumbent in the latter class supervises the work of subordinate customer service staff.

#### EXAMPLES OF DUTIES AND RESPONSIBILITIES:

*The duties listed below represent the various types of work that may be performed. The omission of specific statements of duties does not exclude them if the work is related or a logical assignment to this class.*

- Serves as a lead worker over subordinate staff by prioritizing, assigning and monitoring work and providing training as needed; may provide input on performance evaluations.
- Performs sales and cashiering activities using print encoding media (PEMs) and/or selling transit tickets, passes, and coupons; operates a cash register and performs credit card transactions; takes photographs of customers for purposes of creating identification badges; reconciles booth sales.
- Provides information to the public regarding transit services, including the location of bus stops, routes, detours, fares, transfers, and policies; responds to inquiries about pass eligibility, photo identification, lost and found, and bus schedule publication and distribution.
- Creates ride reservations for Paratransit eligible customers; negotiates trip options and times with customers and their service providers; calculates fares, arranges for client callbacks; processes cancellations and no shows; maintains related records and documentation.
- Receives and responds to public information requests; receives and processes compliments, complaints, and service improvement suggestions.
- Participates in outreach and public relations activities and may represent Santa Cruz METRO at special events; may assist with the design and preparation of brochures, informational flyers, written articles, and news releases.
- Operates standard office equipment; utilizes computer software in performing job tasks.
- Operates a cash register and photography equipment
- Drive a Santa Cruz METRO vehicle to perform assignments.
- Performs related work as required



# Attachment A

## HUMAN RESOURCES DEPARTMENT

### Santa Cruz METRO

#### **EMPLOYMENT STANDARDS:**

##### **Knowledge of:**

- Principles and practices of employee leadership, including ways to motivate staff and maximize productivity.
- Modern office practices, procedures, and equipment, including multi-line telephone systems.
- Applicable Federal, State, and local laws and regulations pertaining to Department of Transportation regulations and policies governing Americans with Disabilities Act (ADA) Fixed Route and Paratransit service.
- Regulations, policies, and procedures affecting Santa Cruz METRO customers.
- Specialized scheduling software.
- Local and regional transportation services.
- Principles and methods of currency counting and cash record-keeping.
- Effective customer service techniques.
- Public speaking techniques.
- Basic mathematics including, percentages and basic statistics.
- Telephone techniques and etiquette.
- The effective use of modern office equipment, personal computers, and standard business software.

##### **Ability to:**

- Serve as a lead worker over subordinate staff.
- Provide information to the public in a clear, accurate, and effective manner.
- Count and record currency and passenger fare receipts accurately and safely, in accordance with established procedures.
- Demonstrate excellent public relations skills, obtaining and providing information in a clear, accurate and professional manner.
- Communicate detailed information about local and regional transit systems, including routes and schedules.
- Address customer complaints in a sensitive and tactful manner.
- Assist with designing and preparing a variety of public information, marketing, and planning materials and presentations.
- Maintain a calm demeanor in stressful situations.
- Maintain confidentiality of materials, records, files, and other privileged information using tact and discretion.
- Utilize standard office equipment and computer software and learn to use specialized Santa Cruz METRO software if assigned.
- Drive a Santa Cruz METRO vehicle to perform assignments as required.
- Utilize specialized equipment such as ticketing machines, cash registers, and photo identification printers.
- Communicate clearly and effectively in both oral and written form.
- Establish and maintain effective working relationships within the department and with other divisions, departments, agencies, suppliers, vendors, and the public.
- Ability to handle conflict resolution and mediate solutions.



# Attachment A

## HUMAN RESOURCES DEPARTMENT

### Santa Cruz METRO

#### **MINIMUM QUALIFICATIONS:**

*Any combination of experience and education that would likely provide the required knowledge and abilities is qualifying. A typical way to obtain the knowledge and abilities would be:*

#### **Education, Training, and Experience:**

Three (3) years of progressively responsible customer service experience equivalent to a Customer Service Representative.

Fluency in English and Spanish is desirable.

#### **LICENSES AND CERTIFICATES:**

A valid California Driver's License will be required at the time of appointment and throughout employment.

Must be able to obtain and maintain a current, valid California Class "C" Driver's License.

#### **PHYSICAL AND MENTAL DEMANDS:**

*The physical and mental demands described here are representative of those that must be met by employees to successfully perform the essential functions of this class. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.*

#### **Physical Demands**

While performing the duties of this job, the employee is frequently required to reach with hands and arms; walk, sit and stand; use finger dexterity; talk and hear, and use a keyboard. Work often requires the repetitive use of both hands to grasp and feel objects; stooping at the waist, and standing. Work may require lifting up to 20 pounds unaided. Specific visual abilities required for this job include close vision, distance vision, the ability to see colors and shades, and the ability to perceive depth.

#### **Mental Demands**

While performing the duties of this job, an employee uses written and oral communication skills; reads and interprets data, information and documents; analyzes and solves problems; uses math and mathematical reasoning; performs highly detailed work; deals with multiple concurrent tasks; and interacts with others encountered in the course of work.

#### **Work Environment:**

The employee may work in a standard office, call center or information booth environment where the noise level is usually moderate. May work in the field when needed.

#### **OTHER CONDITIONS OF EMPLOYMENT:**

- Must pass a requisite background check.
- May occasionally work extended hours or hours outside of the regular schedule.

*Adopted:	12-11-18
*BOD Approved:	08-23-19
*Revised:	00-00-00
*Job Family:	Customer Service
*Job Series:	Customer Service
*Job Series Level:	Advanced-Lead
*Confidential:	No

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**DATE:** January 27, 2023

**TO:** Board of Directors

**FROM:** Chuck Farmer, DBE Liaison Officer, CFO

**SUBJECT: ACCEPT AND FILE THE SEMI-ANNUAL REPORT ON THE STATUS OF METRO'S DISADVANTAGED BUSINESS ENTERPRISE PROGRAM**

## **I. RECOMMENDED ACTION**

**That the Board of Directors accept and file the Semi-Annual Report on the status of METRO's Disadvantaged Business Enterprise Program**

## **II. SUMMARY**

- As a recipient of federal funds, Santa Cruz Metropolitan Transit District (METRO) participates in the federal Disadvantaged Business Enterprise (DBE) Program as specified in Title 49, Code of Federal Regulations, Part 26 (49 CFR 26).
- The Federal Transit Administration (FTA) requires METRO to recalculate its DBE goal triennially and to report goal attainment semi-annually as a requirement to receive federal funds.
- METRO's FFY21-23 goal for DBE participation is 2.65% of all federally funded procurements with competitive contract bidding opportunities.
- A Semi-Annual report provided to the Board in concurrence with the FTA reporting schedule per METRO's DBE Policy.
- April 1, 2022 – September 30, 2022, METRO's DBE attainment was 0.00% for contracts awarded, payments on ongoing contracts, and payments on completed contracts.

## **III. DISCUSSION/BACKGROUND**

The Department of Transportation established a Disadvantaged Business Enterprise (DBE) Program in 1980 to ensure that firms competing for federally funded contracts are not subject to unlawful discrimination. DBEs, as defined by the US Department of Transportation, are for-profit small business concerns where socially and economically disadvantaged individuals own at least a 51% interest and also control management and daily business operations. African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans, and women are presumed to be socially and economically disadvantaged. Other individuals can also qualify as socially and economically disadvantaged on a case-by-case basis.

The FTA requires each qualified recipient of more than \$250,000 annually in federal funds to implement a DBE program, recalculate a DBE goal triennially, and report its goal attainment semi-annually, as specified by 49 CFR 26. METRO received approximately \$11.9 million from the FTA in FFY22 and, therefore, maintained a DBE Program.

It is important to acknowledge the restrictions placed on DBE goal setting, attainment, and reporting:

- Only competitively biddable contracts with federal funding are counted in the procurement opportunities in which DBEs can participate.
  - The majority of METRO's FTA funding is used to pay for internal labor costs and fringe benefits, and is not required to be monitored for the DBE program.
- Several large expenses have no competitive contract opportunities:
  - Utilities, leases and rent payments, subscription services, membership costs, travel.
- Only certified DBEs can be included for setting goals and measuring attainment.
  - Many businesses are owned by minorities and women, but not all of these owners register as DBEs in the statewide program.

#### **IV. STRATEGIC PLAN PRIORITIES ALIGNMENT**

Filing and accepting the semi-annual report on the status of METRO's Disadvantaged Business Enterprise Program aligns with METRO's goal of Financial Stability, Stewardship & Accountability because failing to do so jeopardizes the receipt of federal funding.

#### **V. DBE STATUS**

METRO's current DBE goal is 2.65% as seen in METRO's DBE semi-annual report for the period covering April 1, 2022 – September 30, 2022 provided as Attachment A. During this reporting period, METRO's DBE attainment for contracts awarded, payments on ongoing contracts, and payments on completed contracts is 0.00%, 0.00%, and 0.00%, respectively. Attachment B shows that there were no DBE payments on any contracts in the prior reporting period. Attachment C reports on METRO's DBE attainment for the entirety FFY22. METRO's DBE attainment for contracts awarded, payments on ongoing contracts, and payments on completed contracts is 0.00%, 0.00%, and 0.00%, respectively.

METRO did not award or close any large construction procurement with subcontracting opportunities for DBEs, during this reporting period. The majority of METRO's federal capital funds were obligated for revenue vehicle infrastructure



purchased from the vehicle manufacturer for which the transit vehicle manufacturer (TVM) reports DBE participation, not METRO. The remainder of METRO's federal capital funds were obligated for smaller infrastructure projects, for which there were limited subcontracting opportunities for DBEs.

## **VI. UPCOMING DBE OPPORTUNITIES**

In the first half of FFY23, METRO will have approximately \$230,000 in contract opportunities. These funds are for construction work on the automated gate control at the JKS Operations Facility, which may allow for subcontracting opportunities with DBEs. METRO encourages prime contractors to subcontract portions of the work to facilitate participation by DBEs and other small businesses to assist METRO in meeting their DBE goal.

## **VII. FINANCIAL CONSIDERATIONS/IMPACT**

The DBE Program has direct expenses of less than \$850 for publishing ads and public hearing notices. Failure to update the goal and submit semi-annual reports would jeopardize METRO's receipt of over \$11.9 million in federal financial assistance in FFY22.

## **VIII. CHANGES FROM COMMITTEE**

N/A

## **IX. ALTERNATIVES CONSIDERED**

There are no alternatives. Receiving the semi-annual report is a legal requirement connected to METRO receiving federal financial assistance. Staff is required to provide this information to inform the Board of this important program per METRO's DBE policy, Art. III § 3.304(G).

## **X. ATTACHMENTS**

**Attachment A:** December 1, 2022 DBE Semi-Annual Report (April 1, 2022 – September 30, 2022)

**Attachment B:** June 1, 2022 DBE Semi-Annual Report (October 1, 2021 – March 31, 2022)

**Attachment C:** FFY22 DBE Semi-Annual Report (October 1, 2021 – September 30, 2022)

Prepared by: Cayla Hill, Planning Analyst

**XI. APPROVALS**

Approved as to fiscal impact:  
Chuck Farmer, CFO



Michael Tree, CEO/General Manager



# Attachment A

## UNIFORM REPORT OF DBE COMMITMENTS/AWARDS AND PAYMENTS

### FTA Section

\*\*Please refer to the instruction sheet for directions on filling out this form\*\*

1 Submitted to (check only one)	<input type="checkbox"/> FHWA	<input type="checkbox"/> FAA	<input checked="" type="checkbox"/> FTA - Recipient ID Number 1622
2 Grant Number(s) (FTA Recipients):			
3 Federal Fiscal year in which reporting period falls:	FFY22	4. Date This Report Submitted:	12/1/2022
5 Reporting Period:	<input type="checkbox"/> Report due for period Oct 1-Mar 31	<input checked="" type="checkbox"/> Report due for period April 1-Sep 30	<input type="checkbox"/> FAA annual report due Dec 1
6 Name and address of Recipient:	Recipient or subrecipient completing this form		
7 Annual DBE Goal(s):	Race Conscious Projection: 0.00%	Race Neutral Projection: 2.65%	OVERALL Goal: 2.65%

### Awards/Commitments this Reporting Period

		A	B	C	D	E	F	G	H	I
A	<b>AWARDS/COMMITMENTS MADE DURING THIS REPORTING PERIOD</b> (Total contracts and subcontracts committed during this reporting period)	Total Federal Share Dollars	Total Number	Total to DBEs (dollars)	Total to DBEs (number)	Total to DBEs/Race Conscious (dollars)	Total to DBEs/Race Conscious (number)	Total to DBEs/Race Neutral (dollars)	Total to DBEs/Race Neutral (number)	Percentage of total dollars to DBEs
8	Prime contracts awarded this period (Standard Agreements)	\$ 968,344.03	15	\$ -	0	\$ -	0	\$ -	0	0%
9	Subcontracts awarded/committed this period (3rd Party Contracts)	\$ -	0	\$ -	0	\$ -	0	\$ -	0	0%
10	<b>TOTAL</b>			\$ -	0	\$ -	0	\$ -	0	0.00%

		A	B	C	D	E	F
B	<b>BREAKDOWN BY ETHNICITY &amp; GENDER</b>	Total to DBE (dollar amount)			Total to DBE (number)		
		Women	Men	Total	Women	Men	Total
11	Black American	\$ -	\$ -	\$ -	0	0	0
12	Hispanic American	\$ -	\$ -	\$ -	0	0	0
13	Native American	\$ -	\$ -	\$ -	0	0	0
14	Asian-Pacific American	\$ -	\$ -	\$ -	0	0	0
15	Subcontinent Asian Americans	\$ -	\$ -	\$ -	0	0	0
17	Non-Minority	\$ -	\$ -	\$ -	0	0	0
17	<b>TOTAL</b>	\$ -	\$ -	\$ -	0	0	0

### Payments Made this Reporting Period

		A	B	C	D	E	F
C	<b>PAYMENTS ON ONGOING CONTRACTS</b>	Total Number of Contracts	Total Dollars Paid	Total Number of Contracts with DBEs	Total Payments to DBE firms	Total Number of DBE firms Paid	Percent to DBEs
18	Prime and subcontracts currently in progress	5	\$ 31,927.99	0	\$ -	0	0.00%

		A	B	C	D	E
D	<b>TOTAL PAYMENTS ON CONTRACTS COMPLETED THIS REPORTING PERIOD</b>	Number of Contracts Completed	Total Dollar Value of Contracts Completed	DBE Participation Needed to Meet Goal (Dollars)	Total DBE Participation (Dollars)	Percent to DBEs
19	Race Conscious	0	\$ -	\$ -	\$ -	#DIV/0!
20	Race Neutral	13	\$ 240,572.19	\$ -	\$ -	0.00%
21	Totals	0	\$ 240,572.19	\$ -	\$ -	0.00%

22 Submitted by: Cayla Hill	23. Signature:	24. Phone Number: 831-420-2581
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# Attachment B

## UNIFORM REPORT OF DBE COMMITMENTS/AWARDS AND PAYMENTS

### FTA Section

\*\*Please refer to the instruction sheet for directions on filling out this form\*\*

1	Submitted to (check only one)	<input type="checkbox"/> FHWA	<input type="checkbox"/> FAA	<input checked="" type="checkbox"/> FTA - Recipient ID Number 1622
2	Grant Number(s) (FTA Recipients):			
3	Federal Fiscal year in which reporting period falls:	FFY22	4. Date This Report Submitted:	6/1/2022
5	Reporting Period:	<input checked="" type="checkbox"/> Report due for period Oct 1-Mar 31		<input type="checkbox"/> Report due for period April 1-Sep 30
6	Name and address of Recipient:	Recipient or subrecipient completing this form		
7	Annual DBE Goal(s):	Race Conscious Projection: 0.00%	Race Neutral Projection: 2.65%	OVERALL Goal: 2.65%

### Awards/Commitments this Reporting Period

		A	B	C	D	E	F	G	H	I
A	<b>AWARDS/COMMITMENTS MADE DURING THIS REPORTING PERIOD</b> (Total contracts and subcontracts committed during this reporting period)	Total Federal Share Dollars	Total Number	Total to DBEs (dollars)	Total to DBEs (number)	Total to DBEs/Race Conscious (dollars)	Total to DBEs/Race Conscious (number)	Total to DBEs/Race Neutral (dollars)	Total to DBEs/Race Neutral (number)	Percentage of total dollars to DBEs
8	Prime contracts awarded this period (Standard Agreements)	\$ 79,430.91	7	\$ -	0			\$ -	0	0%
9	Subcontracts awarded/committed this period (3rd Party Contracts)	\$ -	0	\$ -	0	\$ -	0	\$ -	0	0%
10	<b>TOTAL</b>			\$ -	0	\$ -	0	\$ -	0	0.00%

		A	B	C	D	E	F
B	<b>BREAKDOWN BY ETHNICITY &amp; GENDER</b>	Total to DBE (dollar amount)			Total to DBE (number)		
		Women	Men	Total	Women	Men	Total
11	Black American	\$ -	\$ -	\$ -	0	0	0
12	Hispanic American	\$ -	\$ -	\$ -	0	0	0
13	Native American	\$ -	\$ -	\$ -	0	0	0
14	Asian-Pacific American	\$ -	\$ -	\$ -	0	0	0
15	Subcontinent Asian Americans	\$ -	\$ -	\$ -	0	0	0
17	Non-Minority	\$ -	\$ -	\$ -	0	0	0
17	<b>TOTAL</b>	\$ -	\$ -	\$ -	0	0	0

### Payments Made this Reporting Period

		A	B	C	D	E	F
C	<b>PAYMENTS ON ONGOING CONTRACTS</b>	Total Number of Contracts	Total Dollars Paid	Total Number of Contracts with DBEs	Total Payments to DBE firms	Total Number of DBE firms Paid	Percent to DBEs
18	Prime and subcontracts currently in progress	8	\$ 169,651.23	0	\$ -	0	0.00%

		A	B	C	D	E
D	<b>TOTAL PAYMENTS ON CONTRACTS COMPLETED THIS REPORTING PERIOD</b>	Number of Contracts Completed	Total Dollar Value of Contracts Completed	DBE Participation Needed to Meet Goal (Dollars)	Total DBE Participation (Dollars)	Percent to DBEs
19	Race Conscious	0	\$ -	\$ -	\$ -	#DIV/0!
20	Race Neutral	2	\$ 137,133.77		\$ -	0.00%
21	Totals	0	\$ 137,133.77		\$ -	0.00%

22 Submitted by: Cayla Hill	23. Signature:	24. Phone Number: 831-420-2581
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# Attachment C

UNIFORM REPORT OF DBE COMMITMENTS/AWARDS AND PAYMENTS										
FTA Section										
**Please refer to the instruction sheet for directions on filling out this form**										
1	Submitted to (check only one)	<input type="checkbox"/> FHWA	<input type="checkbox"/> FAA	<input checked="" type="checkbox"/> FTA - Recipient ID Number 1622						
2	Grant Number(s) (FTA Recipients):									
3	Federal Fiscal year in which reporting period falls:	FFY22			4. Date This Report Submitted:			12/1/2022		
5	Reporting Period:	<input checked="" type="checkbox"/> Report due for period Oct 1-Mar 31			<input checked="" type="checkbox"/> Report due for period April 1-Sep 30			<input type="checkbox"/> FAA annual report due Dec 1		
6	Name and address of Recipient:	Recipient or subrecipient completing this form								
7	Annual DBE Goal(s):	Race Conscious Projection: 0.00%			Race Neutral Projection: 2.65%			OVERALL Goal: 2.65%		
Awards/Commitments this Reporting Period										
A	AWARDS/COMMITMENTS MADE DURING THIS REPORTING PERIOD <small>(Total contracts and subcontracts committed during this reporting period)</small>	A	B	C	D	E	F	G	H	I
		Total Federal Share Dollars	Total Number	Total to DBEs (dollars)	Total to DBEs (number)	Total to DBEs/Race Conscious (dollars)	Total to DBEs/Race Conscious (number)	Total to DBEs/Race Neutral (dollars)	Total to DBEs/Race Neutral (number)	Percentage of total dollars to DBEs
8	Prime contracts awarded this period (Standard Agreements)	\$ 1,047,774.94	22	\$ -	0	\$ -	0	\$ -	0	0%
9	Subcontracts awarded/committed this period (3rd Party Contracts)	\$ -	0	\$ -	0	\$ -	0	\$ -	0	0%
10	<b>TOTAL</b>			\$ -	0	\$ -	0	\$ -	0	0.00%
B	BREAKDOWN BY ETHNICITY & GENDER	A	B	C	D	E	F			
		Total to DBE (dollar amount)			Total to DBE (number)					
		Women	Men	Total	Women	Men	Total			
11	Black American	\$ -	\$ -	\$ -	0	0	0			
12	Hispanic American	\$ -	\$ -	\$ -	0	0	0			
13	Native American	\$ -	\$ -	\$ -	0	0	0			
14	Asian-Pacific American	\$ -	\$ -	\$ -	0	0	0			
15	Subcontinent Asian Americans	\$ -	\$ -	\$ -	0	0	0			
17	Non-Minority	\$ -	\$ -	\$ -	0	0	0			
17	<b>TOTAL</b>	\$ -	\$ -	\$ -	0	0	0			
Payments Made this Reporting Period										
C	PAYMENTS ON ONGOING CONTRACTS	A	B	C	D	E	F			
		Total Number of Contracts	Total Dollars Paid	Total Number of Contracts with DBEs	Total Payments to DBE firms	Total Number of DBE firms Paid	Percent to DBEs			
18	Prime and subcontracts currently in progress	13	\$ 201,579.22	0	\$ -	0	0.00%			
D	TOTAL PAYMENTS ON CONTRACTS COMPLETED THIS REPORTING PERIOD	A	B	C	D	E				
		Number of Contracts Completed	Total Dollar Value of Contracts Completed	DBE Participation Needed to Meet Goal (Dollars)	Total DBE Participation (Dollars)	Percent to DBEs				
19	Race Conscious	0	\$ -	\$ -	\$ -	#DIV/0!				
20	Race Neutral	15	\$ 377,705.96	\$ 377,705.96	\$ -	0.00%				
21	Totals	0	\$ 377,705.96	\$ 377,705.96	\$ -	0.00%				
22	Submitted by: Cayla Hill			23. Signature:			24. Phone Number: 831-420-2581			

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**DATE:** January 27, 2023  
**TO:** Board of Directors  
**FROM:** Wondimu Mengistu, Capital Planning and Grants Program Manager  
**SUBJECT:** **CONSIDER ADOPTING A RESOLUTION THAT APPROVES THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT ZERO-EMISSION BUS ROLLOUT PLAN AND AUTHORIZES THE CEO/GENERAL MANAGER TO SUBMIT THE ZEB ROLLOUT PLAN TO THE CALIFORNIA AIR RESOURCES BOARD IN ACCORDANCE WITH THE INNOVATIVE CLEAN TRANSIT REGULATION**

**I. RECOMMENDED ACTION**

**That the Board of Directors adopt a resolution that approves the METRO Zero-Emission Bus Rollout Plan and authorizes the CEO/General Manager to submit the ZEB Rollout Plan to the California Air Resources Board in accordance with the Innovative Clean Transit Regulation.**

**II. SUMMARY**

- At its September 25, 2015 meeting, the Santa Cruz Metropolitan Transit District (METRO) Board of Directors (Board) adopted its first Electric Bus Implementation Strategy authorizing METRO to pursue grant funding to deploy electric buses.
- At its May 19, 2017 meeting, the Board adopted a resolution to set a goal for achieving a fully zero-emission fleet by 2040 and to support a fleet management plan that phases out the purchase of Compressed Natural Gas (CNG) buses by 2030.
- On December 14, 2018, the California Air Resources Board (CARB) passed the Innovative Clean Transit (ICT) regulation, which set a goal of fully transitioning all bus fleets in the state to Zero Emission Buses (ZEBs) by 2040. This regulation requires transit agencies to submit a rollout plan detailing their plans to transition their fleets to ZEBs.
- On June 28, 2019, METRO entered into a contract with the Center for Transportation and the Environment (CTE) to develop a ZEB Transition Plan and Renewable Energy Analysis, and to assist METRO staff with a ZEB Rollout Plan.
- Pursuant to the ICT, the Zero Emission Bus Rollout Plan must be approved by the METRO's Board of Directors through the adoption of a resolution prior to submission to CARB by July 1, 2023.

- On March 25, 2022, the Board of Directors (Board) adopted a resolution which approved METRO ZEB Rollout Plan and authorizes the CEO/General Manager to submit the ZEB Rollout Plan to CARB in accordance with ICT regulation.
- Staff has updated METRO ZEB Rollout Plan (Attachment B) and is requesting the Board adopt the resolution (Attachment A) which approves the updated METRO ZEB Rollout Plan and authorizes the CEO/General Manager to submit the ZEB Rollout Plan to CARB in accordance with ICT regulation.

### **III. DISCUSSION/BACKGROUND**

At its September 25, 2015 meeting, the Board authorized METRO to begin pursuing grant funding to deploy electric buses and adopted its first Electric Bus Implementation Strategy, which documented a favorable technological, regulatory, operating and financial environment for ZEB deployment, and proposes a timeline to implement ZEBs incrementally, beginning with the first acquisition in 2016.

At its May 19, 2017 meeting, the Board adopted a resolution setting a goal of 2040 to attain a 100% ZEB fleet and phasing out the purchase of Compressed Natural Gas (CNG) buses after 2030. The resolution also states Board support for the FY2017 - FY2040 Fleet Management Plan, which outlines METRO's detailed vehicle-specific plan for transitioning the fleet to all ZEBs.

On December 14, 2018, CARB adopted its ICT regulation which requires all transit agencies designated as a small transit agency to transition their bus fleet to all ZEBs beginning in 2026. Under the new regulation, CARB will require METRO's new bus purchases to be a minimum of 25% ZEBs beginning in 2026 and ramping up to 100% of future bus purchases in 2029, with the goal of transitioning the state's entire transit fleet to 100% ZEBs by 2040. METRO is also required to submit a board-approved ZEB Rollout Plan to CARB that describes their plan to transition to a 100% zero emission fleet by 2040 with specific required components by July 1, 2023.

At its June 28, 2019 meeting, the Board authorized the CEO/General Manager to enter into a sole source contract with CTE for Zero Emission Bus Deployment and Transition Planning. Since then, CTE has provided assistance in the deployment of METRO's first four ZEBs, ZEB Transition Plan, and a ZEB Rollout Plan.

At its March 25, 2022 meeting, the Board adopted a resolution (Attachment A) which approved METRO ZEB Rollout Plan and authorizes the CEO/General Manager to submit the Rollout Plan to CARB in accordance with the ICT regulation. Since then, METRO developed a ZEB Implementation Plan (Attachment D) to support METRO's facility and operational transition to a ZEB fleet. The Plan presents an early opportunity to jump start construction of facilities and infrastructure modifications or upgrades, including a hydrogen fueling station, and maintenance facilities, to purchase, deploy and maintain hydrogen fuel cell electric buses (FCEB). At the October 14, 2022 special meeting of the Board, staff also presented the Board with various transition scenarios that included infrastructure

and the challenges or risks METRO needs to consider to fully transition its fleet by 2037. The presentation laid out the bus delivery schedule and METRO's sources of funding to achieve this transition.

The updated ZEB Rollout Plan (Attachment C) outlines a path for METRO to transition the bus fleet to ZEB by 2037, three years earlier than the target set by the ICT Regulation.

1. **ZEB Rollout Plan Fleet Procurement Approach:** METRO will begin to purchase FCEBs in 2023-2024 to achieve the duty cycles of longer routes and blocks with larger energy demands. METRO intends to continue to transition its fleet to ZEB through both BEBs and FCEBs. METRO will continue to procure FCEBs in subsequent years, eventually achieving a 100% ZEB fleet by 2037. The procurement schedule assumes that if more funds become available, METRO will attempt to accelerate its zero-emission bus procurement timeline. Attachment B shows METRO's projected procurement schedule, which supports a realistic timeline for infrastructure buildout, considers route achievability, and maintains vehicles through the end of their useful life.
2. **Facilities and Infrastructure Modifications:** Anticipated infrastructure required to accommodate METRO's fleet transition as laid out in the ZEB Rollout Plan includes two major phases of buildout of a hydrogen fueling station, with the first phase supporting a 85 FCEB capacity at Judy K Souza Operations Facility (JKS). The proposed hydrogen fueling station at JKS has an explicit goal of enabling METRO to convert 100% of its fleet serving Watsonville's Historically Disadvantaged Communities (HDCs) to ZEBs by 2027. Currently, METRO's facilities are not adequate in size to support the full build out of infrastructure to support BEBs (charging cabinets, dispensers, and associated utility equipment). In contrast, the infrastructure required for FCEBs (storage tanks, dispensers, etc.) can all be contained within the existing JKS facility. METRO is proactively exploring several options in order to adapt BEBs, including a facility in South County.

The Rollout Plan is intended as a living document and a snapshot in time, and will be updated annually by METRO with those updates submitted to CARB. METRO will continue to analyze the facility program and will engage the Board for advice and policy guidance on the various potential approaches.

METRO ZEB Rollout Plan complies with CARB's ICT regulation. Pursuant to the ICT, the ZEB Rollout Plan must be approved by the METRO Board of Directors through the adoption of a resolution prior to submission to CARB by July 1, 2023.

Staff is requesting the Board adopt a resolution (Attachment A), which approves METRO's updated ZEB Rollout Plan and authorizes the CEO/General Manager to submit the updated ZEB Rollout Plan to CARB in accordance with the ICT regulation.

#### **IV. STRATEGIC PLAN PRIORITIES ALIGNMENT**

The actions taken in this report tie to METRO's Financial Stability, Stewardship and Accountability and State of Good Repair.

#### **V. FINANCIAL CONSIDERATIONS/IMPACT**

Since the ZEB Rollout Plan is a document intended to communicate all required planning before the purchase requirements of the ICT commence, it has no immediate funding impact. However, transitioning to a ZEB fleet will require significant capital investment in the procurement of vehicles and in fueling and charging infrastructure and will require modification of existing METRO facilities to accommodate ZEB buses in the future.

#### **VI. CHANGES FROM COMMITTEE**

None

#### **VII. ALTERNATIVES CONSIDERED**

No alternatives were considered. The development of the METRO's ZEB Rollout Plan is a requirement by CARB and the ICT regulation.

#### **VIII. ATTACHMENTS**

**Attachment A:** Resolution approving the Santa Cruz Metropolitan Transit District updated ZEB Rollout Plan and authorizing the CEO/General Manager to submit the ZEB Rollout Plan to the California Air Resources Board in accordance with the Innovative Clean Transit regulation

**Attachment B:** Santa Cruz Metropolitan Transit District Zero-Emission Bus Rollout Plan

**Attachment C:** METRO ZEB Implementation Plan

Prepared by: Wondimu Mengistu, Capital Planning and Grants Program Manager

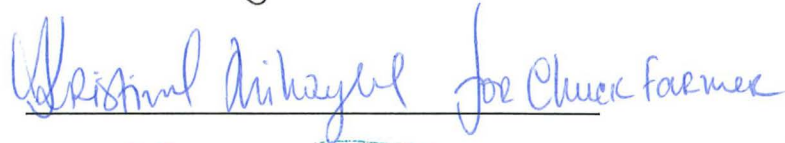
**IX. APPROVALS**

John Urgo, Planning  
& Development Director



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Approved as to fiscal impact:  
Chuck Farmer, CFO



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Michael Tree, CEO/GM



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# Attachment A



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

Resolution No. \_\_\_\_\_

On the Motion of Director: \_\_\_\_\_

Duly Seconded by Director: \_\_\_\_\_

The Following Resolution is Adopted: \_\_\_\_\_

### RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO) APPROVING THE METRO UPDATED ZERO-EMISSION (ZEB) ROLLOUT PLAN AND AUTHORIZING THE CEO/GENERAL MANAGER TO SUBMIT THE UPDATED ZEB ROLLOUT PLAN TO THE CALIFORNIA AIR RESOURCES BOARD

**WHEREAS**, the Santa Cruz Metropolitan Transit District (METRO) has been a national leader in supporting sustainable, reduced or zero emissions revenue transit vehicles; and

**WHEREAS**, on September 25, 2015, METRO Board of Directors (Board) adopted its first Electric Bus Implementation Strategy authorizing METRO to pursue grant funding to deploy electric buses; and

**WHEREAS**, on December 14, 2018, the California Air Resources Board (CARB) passed the Innovative Clean Transit (ICT) regulation, which set a goal of fully transitioning all bus fleets in the state to Zero Emission Buses (ZEBs) by 2040; and

**WHEREAS**, Title 13 of the California Code of Regulation § 2023 (13 CCR § 2023.1 through 2023.11) requires all public transit agencies to gradually transition their bus fleet to zero-emission technologies; and

**WHEREAS**, METRO's ZEB Rollout Plan must be submitted to CARB by July 1, 2023; and

**WHEREAS**, METRO staff recommends Board approval of the updated ZEB Rollout Plan and authorization of the CEO/General Manager to submit the updated ZEB Rollout Plan to CARB, with the understanding that the Rollout Plan is intended as a living document, and any future updates will also be submitted to CARB.

**NOW THEREFORE, BE IT RESOLVED** that the Board of Directors METRO approves the updated ZEB Rollout Plan and authorizes the CEO/General Manager to submit the updated ZEB Rollout Plan, and any other required documents or instruments, to CARB, in accordance with the ICT Regulations.

# Attachment A

**PASSED AND ADOPTED** by the Board of Directors of the Santa Cruz Metropolitan Transit District this 27<sup>th</sup> Day of January 2023 by the following vote:

**AYES:** Directors -

**NOES:** Directors -

**ABSTAIN:** Directors -

**ABSENT:** Directors -

**APPROVED**

---

Larry Pageler, Board Chair

**ATTEST**

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Michael Tree  
CEO/General Manager

**APPROVED AS TO FORM:**

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Julie Sherman  
General Counsel

**10.10A.2**



# Attachment B



## SANTA CRUZ METROPOLITAN TRANSIT DISTRICT ZERO-EMISSION BUS ROLLOUT PLAN

SUBMITTAL DATE  
Month Day, [YEAR]

Created by Santa Cruz Metropolitan Transit District  
with assistance from  
the Center for Transportation and the Environment



# Attachment B

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Section A: Transit Agency Information

Santa Cruz Metropolitan Transit District (METRO) provides bus and paratransit service throughout Santa Cruz County, California, serving approximately 273,213 people in the service area. METRO’s service territory spans (or is contained within) the Monterey Bay Air Resources District within the North Central Coast Air Basin. To maintain transit service for these communities, METRO operates a maximum of 85 buses annually.

METRO is headquartered at 110 Vernon, Santa Cruz, CA 95060. For more information on METRO, contact Wondimu Mengistu, Capital Planning and Grants Program Manager at 831-420-2580 or Wmengistu@scmtd.com.

<b>1. Transit agency’s name</b>		Santa Cruz Metropolitan Transit District	
<b>2. Mailing address</b>		<b>Number, street:</b>	110 Vernon Street
		<b>City, County, Zip:</b>	Santa Cruz, CA 95060
<b>3. Name of transit agency’s air districts</b>		Monterey Bay Air Resources District	<b>4. Name of Transit agency’s air basin(s)</b> North Central Coast Air Basin
<b>5. Total number of buses in Annual Maximum Service</b>		100	<b>6. Population of the urbanized area transit agency is serving as last published by the Census Bureau before 12/31/17</b> 273,213
<b>7. Contact information of the general manager, chief operating officer, or equivalent</b>		<b>A: Contact name</b>	Michael Tree
		<b>B: Title</b>	CEO/General Manager
		<b>C: Phone number</b>	831-420-2501
		<b>D: Email</b>	Mtree@scmtd.com
<b>8. Is your transit agency part of a Joint Group (13 CCR § 2023.1(d)(3))?</b>		<b>Yes</b> <input type="checkbox"/>	<b>No</b> <input checked="" type="checkbox"/>

Santa Cruz METRO ICT Zero-Emission Bus Rollout Plan  
Prepared by CTE and METRO

# Attachment B

## Section B: Rollout Plan General Information

- 1. Does your transit agency's Rollout Plan have a goal of full transition to zero-emission technologies by 2040 that avoids early retirement of conventional transit buses (13 CCR § 2023.1(d)(1)(A))?**

METRO's Rollout Plan will enable the agency to fully transition its bus fleet to zero-emission by 2037, which is three years ahead of the deadline set in the Innovative Clean Transit (ICT) Regulation. All buses will operate for their expected useful life to avoid early retirement of any vehicle. Starting in 2023-2024, all new fixed route vehicle purchases will be zero-emission buses (ZEB). Since each bus will operate for their entire useful life of 12-14 years, the last Compressed Natural Gas (CNG) buses purchased will dictate the year in which the fleet is fully transitioned to zero-emission. Any fixed route CNG bus purchases beyond 2023 will delay the transition.

- 2. The ICT regulation requires 100% ZEB purchase in 2029. Conventional transit buses that are purchased in 2028 could be delivered in or after 2029. Please explain how your transit agency plans to avoid potential early retirement of conventional buses in order to meet the 2040 goal.**

METRO has committed to purchasing the required percentage of zero-emission buses as required by the ICT. All procurements are planned in corresponding end-of-life years for its historical fleets of diesel and CNG buses. METRO will begin to purchase fuel cell electric buses (FCEB) in 2023-2024 to achieve the duty cycles of longer routes and blocks with larger energy demands than the current battery electric bus (BEB) achievable ranges on the market allow. Keeping the traditional, non-zero-emission vehicles in service until their 14-year end of life allows METRO the time to build infrastructure and acquire enough FCEBs to support the more demanding routes.

- 3. When did your transit agency's board or governing body approve the Rollout Plan?**
  - a. Rollout Plan's approval date**
  - b. Resolution number (optional)**
  - c. Is a copy of the board approved resolution attached to the Rollout Plan submitted to CARB (13 CCR § 2023.1(d) (2))?** (Yes/No) (required)

This Rollout Plan was approved by Santa Cruz Metropolitan Transit District on January, 2023 via [RESOLUTION NUMBER]. A copy of the board approved resolution is attached to the Rollout Plan as {SECTION NAME/NUMBER}.

- 4. Please provide contact information for CARB to follow up on details of the Rollout Plan, if needed.**
  - a. Contact name:** Michael Tree
  - b. Title:** CEO
  - c. Phone Number:** 831-426-6080
  - d. Email:** [Mtree@scmttd.com](mailto:Mtree@scmttd.com)

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## 5. Who has created the Rollout Plan?

This Rollout Plan was created by METRO with assistance from the Center for Transportation and the Environment (CTE).

### Section C: Technology Portfolio

#### 1. What type(s) of zero-emission bus technologies does your transit agency plan to deploy through 2040? (13 CCR § 2023.1(d)(1)(B))

METRO provides bus and paratransit service throughout Santa Cruz County, California, providing more than 246,191 trips a year. With a fleet of approximately 100 buses, METRO operates 24 bus lines, carrying approximately 5,045,972 passengers annually. METRO operates four transit centers in Santa Cruz County: Santa Cruz Metro Center (located in downtown Santa Cruz), Cavallaro Transit Center (located in Scotts Valley), Capitola Mall Transit Center (located in Capitola), and Watsonville Transit Center (located in Watsonville). METRO recently took delivery of four BEBs into their fleet, with 2 of the BEBs operating on the newly established Watsonville Circulate and 2 BEBs the remaining vehicles operate on various routes throughout the METRO service area. METRO is also scheduled to receive five additional BEBs in 2023.

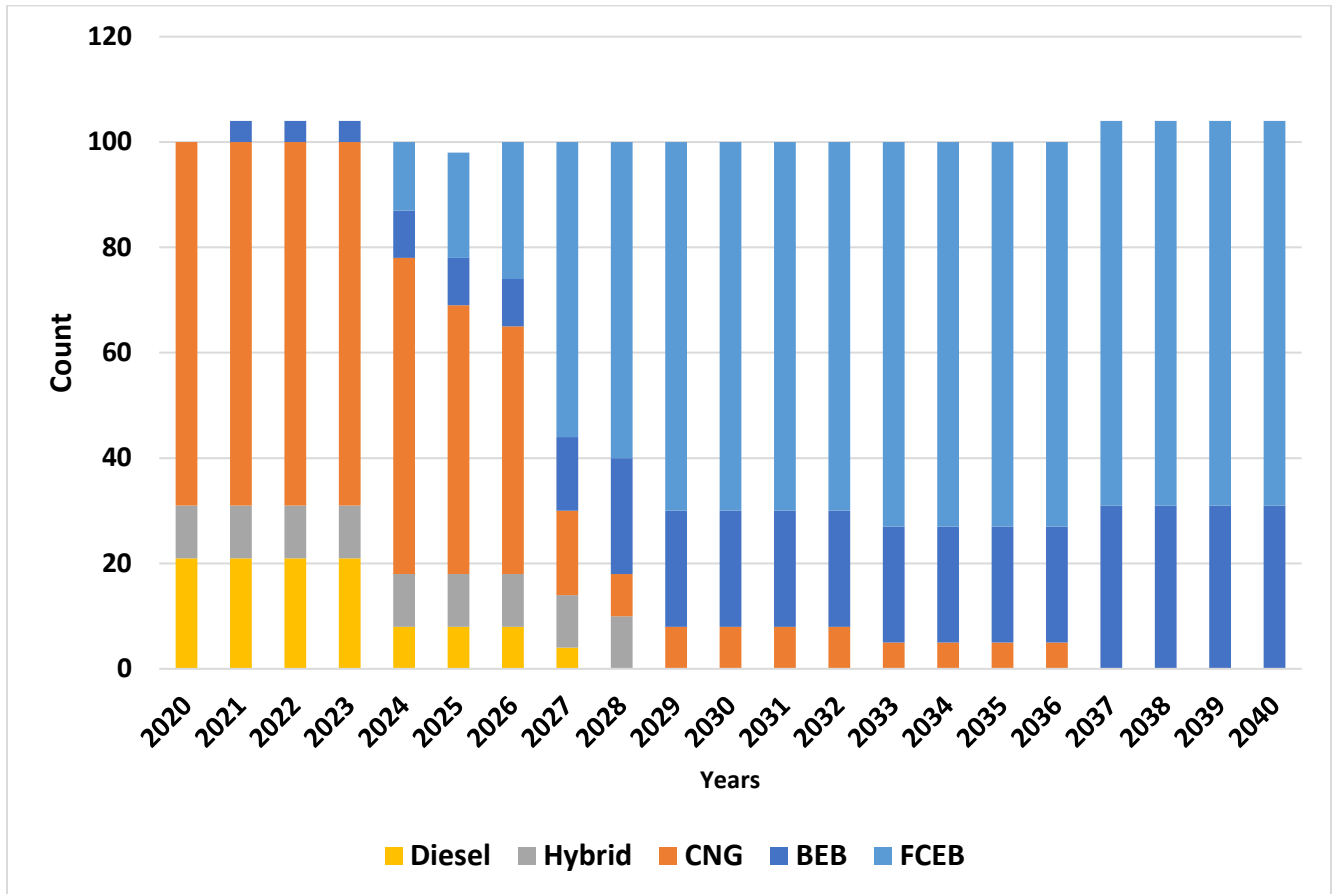
METRO intends to continue to transition their fleet to zero-emission through both BEBs and FCEBs. Figure 1 shows METRO's projected procurement schedule that supports a realistic timeline for infrastructure build, considers route achievability, and maintains vehicles through the end of their useful life.

As detailed in Figure 1, METRO's transition to ZEBs began in 2021 with the deployment of 4 BEBs. Between 2023 and 2029, METRO will begin procuring FCEBs. By 2030, more than a half of METRO's fleet will be ZEB. With FCEB delivery scheduled in 2024-2025, this will allow METRO time to plan and deploy the required hydrogen fueling infrastructure as well as prepare operations and maintenance teams in receiving and supporting this new technology.

METRO will begin to purchase FCEBs in 2023-2024 to achieve the duty cycles of longer routes and blocks with larger energy demands. METRO intends to continue to transition its fleet to ZEB through both BEBs and FCEBs. METRO will continue to procure FCEB's in subsequent years, eventually achieving a 100% ZEB fleet by 2037. The procurement schedule assumes that if more funds become available, METRO will attempt to accelerate its ZEB procurement timeline. If more funds become available, METRO intends to accelerate the ZEB procurement timeline.

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**Figure 1: METRO’s Fleet Composition Over 20-Year ZEB Transition Period**



## Section D: Current Bus Fleet Composition and Future Bus Purchases

- 1. Please complete Table 1 with information on each individual bus in your current bus fleet.** Please identify the fuel type of each individual conventional bus as diesel, compressed natural gas (CNG), liquefied natural gas (LNG), diesel hybrid (dHEB), gasoline hybrid (gHEB), propane, or gasoline. For zero-emission technologies, identify the fuel type as hydrogen or electricity and indicate which charging technology (depot, wireless, and/or on-route) will be used. Bus types include standard, articulated, over-the-road, double decker and cutaway buses.

METRO’s fleet currently consists of 69 CNG buses, 21 diesel buses, 10 hybrids buses, and 4 battery electric buses. Table 1 is representative of the METRO’s fleet as of January 2023. It lists vehicles that are routinely operated in service, as well as a supporting contingency fleet.

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**Table 1: Individual Bus Information for Current Bus Fleet**

Bus Series	Number of Buses	Engine Model Year	Bus Model Year	Fuel Type	Bus Type
9800	9	1998	1998	Diesel	New Flyer Standard 35 Foot
9800	8	1998	1998	Diesel	New Flyer Standard 40 Foot
2200	14	2007	2002	CNG	New Flyer Standard 35 Foot
2200	10	2007	2002	CNG	New Flyer Standard 40 Foot
2300	4	2002	2002	Diesel	New Flyer Articulated 60 Foot
2600	2	2019	2006	CNG	New Flyer Standard 40 Foot
2800	13	2008	2008	CNG	New Flyer Standard 40 Foot
1000	5	2011	2011	CNG	New Flyer Standard 40 Foot
1200	11	2012	2012	CNG	New Flyer Standard 40 Foot
1300	6	2013	2013	CNG	New Flyer Standard 35 Foot
4200	10	2014	2014	Hybrid	GILLIG Standard 40 Foot
1600	3	2016	2016	CNG	New Flyer Standard 40 Foot
1900	5	2019	2019	CNG	GILLIG Standard 40 Foot
0320/0420	4	2020	2020	Depot charged	Proterra 660kWh 40 Foot

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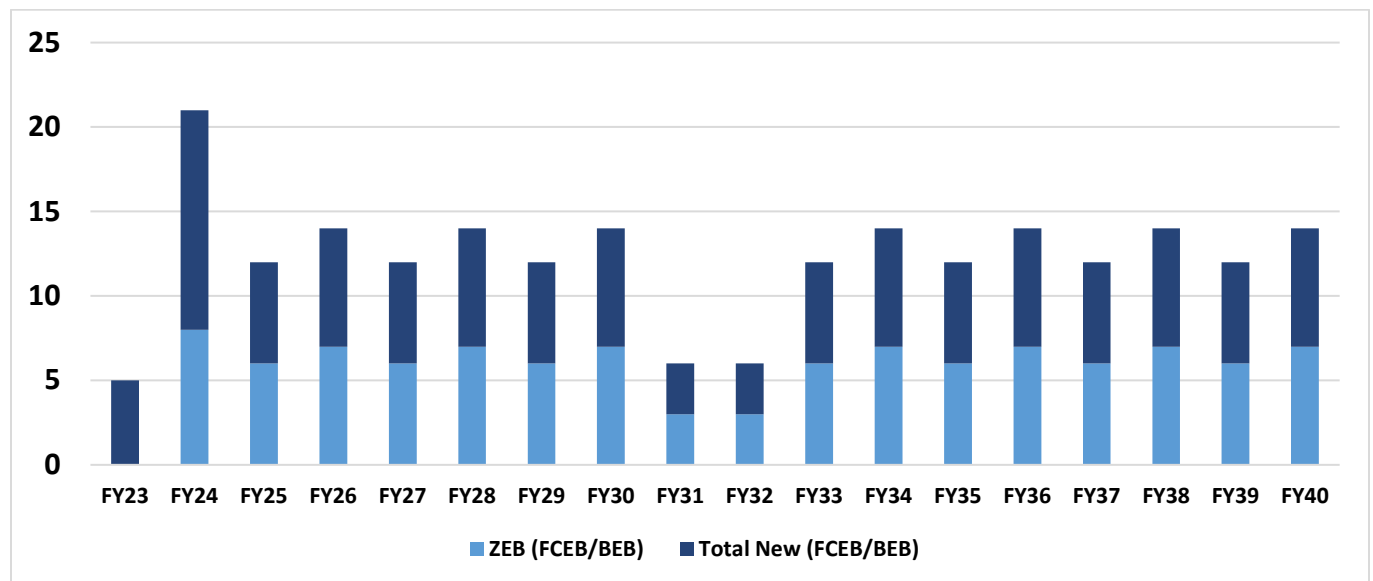
- Please complete Table 2 regarding expected future bus purchases, including the number of buses in total expected to be purchased or leased in the year of purchase. Identify the number and percentage of zero-emission buses of the total bus purchases each year, as well as bus types and fuel types. Identify the same type of information for purchases of conventional buses. Bus types include standard, articulated, over-the-road, double decker and cutaway buses. For zero-emission technologies, please identify the fuel type as hydrogen or electricity and the type of charging technology (depot, wireless, and/ or on-route). For conventional technologies, identify the fuel type as diesel, compressed natural gas (CNG), liquefied natural gas (LNG), diesel hybrid (dHEB), gasoline hybrid (gHEB), propane, or gasoline. (13 CCR § 2023.1(d)(1)(D))**

As described in Section C Technology Portfolio, METRO intends to transition their current fleet composition to a mixed fleet of both BEBs and FCEBs. Figure 2 presents METRO’s projected schedule of bus purchases. This schedule allows METRO to maintain the same level of service and achieve the energy demands of the current regular service. It also reflects the 14-year life span of the current fleet and the first ZEB replacement cycle which takes place in 2036 when the initial 4 Proterra BEBs will be replaced.

As show in Figure 2, beginning in 2023-2024, all new fixed route vehicle purchases will be zero-emission buses (ZEB). METRO intends to continue to transition its fleet to ZEB through both BEBs and FCEBs. METRO will continue to procure FCEB’s in subsequent years, eventually achieving a 100% ZEB fleet by 2037. The procurement schedule assumes that if more funds become available, METRO will attempt to accelerate its ZEB procurement timeline..

As previously stated, METRO’s current purchase schedule is based on available grant funding. If more funding becomes available METRO will look for opportunities to move up the transition timeline. Table 2 provides a breakdown of each annual purchase and associated ZEBs. It also includes the anticipated phasing of the required hydrogen fueling infrastructure.

**Figure 2: METRO’s Projected Annual Bus Procurements**





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**Table 2: METRO's Projected Annual Bus ZEB Procurement Details**

Timeline (Year)	Total Number of Buses to Purchase	Number of ZEB Purchases	Percentage of Annual Bus Purchases	ZEB Bus Type(s) / ZEB Fuel Type(s)	Number of Conventional Vehicles
2021	--	--	--	4 BEB	--
2023	5	5	100%	5 BEB	--
2024	13	13	100%	13 FCEB	--
2025	6	6	100%	6 FCEB	--
2025 : Phase 1 Hydrogen Fueling Infrastructure					
2026	7	7	100%	7 FCEB	--
2027	6	6	100%	6 FCEB	--
2028	7	7	100%	7 FCEB/BEB	--
2029	6	6	100%	6 FCEB/BEB	--
2030	7	7	100%	7 FCEB	--
2031	3	3	100%	3 FCEB	--
2033	7	7	100%	7 FCEB/BEB	--
2034	6	6	100%	6 FCEB/BEB	--
2035	7	7	100%	7 FCEB	--
2036	6	6	100%	6 FCEB/BEB	--

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2037	7	7	100%	7 FCEB	--
2038	6	6	100%	6 FCEB	--
2039	7	7	100%	7 FCEB	--
2040 : Phase 2 Hydrogen Fueling Infrastructure					
2040	6	6	100%	6 FCEB	--

- 3. Following the same bus purchase timeline as identified in Table 2, please identify in Table 3 the required operational range your future zero-emission buses should have to be able to serve in your fleet. Please provide the estimated cost of each bus with that required operational range.**

The price shown in Table 3 reflects the price of the 40' New Flyer FCEB on the California state contract, because at this time it is the only 40' FCEB option currently listed on the contract.

Table 3 reflects METRO's historic configurable options costs and the state tax. Table 3 also lists the required operational range needed from a ZEB for METRO's operations.

**Table 3: Estimated Costs and Range Requirements of Future ZEB Purchases**

	Cost Requirements			Range Requirement	
	Average Bus Base Price from CA State Contract	Estimated Cost of Configurable Options	Tax	Estimated Total Cost *	METRO's Required Operational Range
40' FCEB	\$1,015,000	\$88,000	3.5%	\$1,489,050	285 miles

\*2021 pricing shown. The general expectation is that FCEB prices will fall, although there is not enough information to make a confident projection in future pricing.

- 4. Is your transit agency considering converting some of the conventional buses in service to zero-emission buses (13 CCR § 2023.1(d)(1)(E))?**

No.

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## Section E: Facilities and Infrastructure Modifications

- 1. Please complete Table 5 with names, locations, and main functions of transit agency divisions or facilities that would be involved in deploying and maintaining zero-emission buses.** *Please limit the facilities to bus yards and facilities with maintenance, fueling, and charging functions, and exclude other operational functions like training centers, information and trip planning offices, and administrative buildings. Please identify which facility(ies) require construction, infrastructure modifications, or upgrades to support your transit agency's long-term transition to zero-emission technologies and the estimated timeline for such an upgrade. Please also specify the type(s) of infrastructure planned in each division or facility and provide their service capacities (e.g., en-route high-power charging system to deploy 20 BEB in 2025). (13 CCR § 2023.1(d)(1)(C)).*

METRO currently has one facility, at Judy K Souza Operations Facility (JKS) that includes a service lane, a CNG fueling station, parking, 4 BEB charging stations with conduit ready for an addition 6 charging stations. The parking available to METRO is not sufficient to house its entire fleet, with about 10% of the fleet being required to park at the maintenance facility across the street from JKS.

The proposed hydrogen fueling station at JKS has an explicit goal of enabling METRO to convert 100% of its fleet serving Watsonville's Historically Disadvantaged Communities (HDCs) to ZEBs by 2027. Anticipated infrastructure required to accommodate METRO's fleet transition as laid out in the ZEB Rollout Plan includes two major phases of buildout of a hydrogen fueling station, with the first phase supporting a 85 FCEB capacity at JKS. Currently, METRO's facilities are not adequate in size to support the full build out of infrastructure to support BEBs (charging cabinets, dispensers, and associated utility equipment). In contrast, the infrastructure required for FCEBs (storage tanks, dispensers, etc.) can all be contained within the existing JKS facility. METRO is proactively exploring several options in order to adapt BEBs, including a facility in South County.

The potential South County Facility will serve as the base of operations for buses currently deadheading from Santa Cruz to Watsonville to conduct local service in South County. The South County Facility has the potential to significantly improve operational efficiency and ZEB feasibility through reduced deadheading.

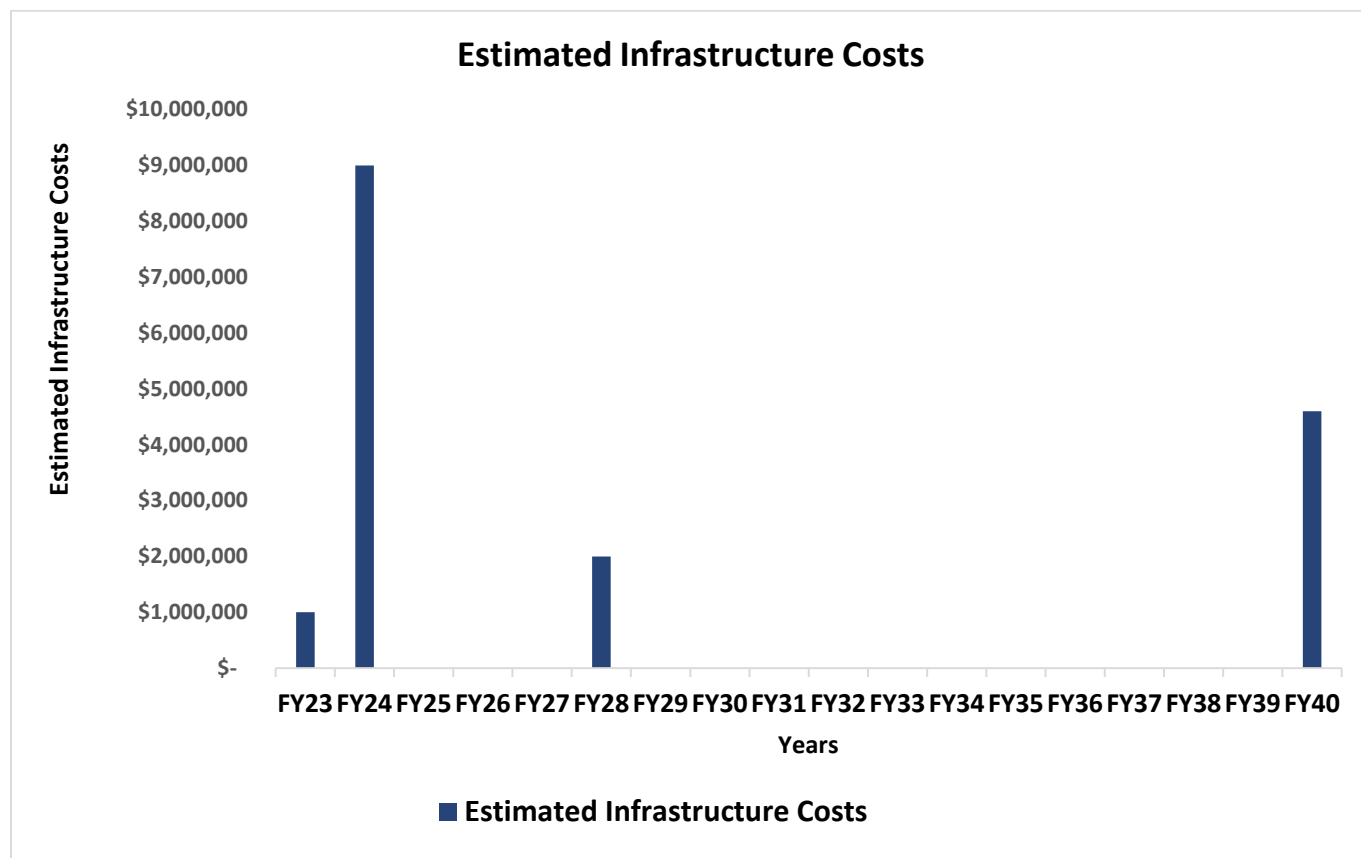
Figure 3 reflects the anticipated infrastructure required to accommodate METRO's fleet transition. The infrastructure builds are planned to support the buses identified in the Figure 2 procurement schedule. Each infrastructure project cost is associated with the project year in the Figure 3 timeline and the related procurements of the vehicles that require that phase of infrastructure development. Hydrogen infrastructure costs include maintenance bay upgrades for H2 detection, ventilation systems, and the build-out of a hydrogen fueling station, including design, construction, and equipment installation costs. For planning purposes, CTE assumed two

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major phases of build out of the hydrogen fueling station. For cost estimation purposes, an 85 FCEB capacity was assumed for first phase. The estimated FCEB fleet size will remain below 85 buses until the planned purchase of additional FCEBs beyond 2040, requiring an upgrade to the station to support the increased throughput demand. This phased approach serves to optimize system efficiency and reduce operating costs.

METRO has 11 maintenance bays that are currently CNG compliant; METRO assumes each maintenance bay will cost \$136,000 to upgrade gaseous fuel detection and ventilation systems to comply with the requirements for hydrogen facilities, totaling to \$1,496,000 in maintenance facility upgrades. Hydrogen storage and dispensing capacity is assumed to be 85 FCEBs. Since METRO plans to have under 85 FCEBs until 2040, the build out of the hydrogen station is phased, with an initial build in 2024-2025 to support the first FCEBs and an expansion planned in 2040 to support the additional FCEBs scheduled for procurement that year. The first phased build is estimated to cost \$9M while the second phase is estimated to be \$2M for the charging infrastructure and \$4.6M, including all storage, compression, and dispensing equipment.

**Figure 3: METRO’s Estimated Annual Infrastructure Costs**



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**Table 5: Facilities Information and Construction Timeline**

Division/Facility Name	Address	Main Function(s)	Type(s) of ZEB Infrastructure	Service Capacity	Needs Upgrade?
JKS Facility	1200 River St, Santa Cruz, CA 95060	Bus Storage, Fueling and Daily Service	Electric Charging Depot and Planned Hydrogen Fueling Station	Entire Fleet	Yes, planned hydrogen fueling infrastructure installation
METRO Maintenance Facility	171 Vernon , Santa Cruz, CA 95060	Bus Maintenance and Storage	Planned hydrogen detection system	Entire Fleet	Yes, planned hydrogen detection system
South County Facility	TBD	Bus Storage, Fueling and Daily Service	TBD	TBD	No.

- 1. Regarding the information provided in Table 5, please explain the types of necessary upgrades or infrastructure modifications each facility or division needs to support your transit agency’s long-term transition to ZEB. Please also provide the specification of each infrastructure in the related facility or division before and after the upgrades or modifications.**

JKS will require a hydrogen station including storage, compression, maintenance facility upgrades and dispensers to support up to 85 FCEBs. The METRO Maintenance Facility will require upgrades to gaseous fuel detection and ventilation systems to comply with the requirements for supporting hydrogen vehicles. These upgrades will apply to all 11 bays at the facility.

- 2. Do you expect to make any modifications to your bus parking arrangements? Explain the modifications and why they are needed.**

Yes. METRO has been working with CTE to develop conceptual layouts of charging/fueling infrastructure and used those preliminary analyses to quantify the parking impact of such infrastructure. METRO’s current bus parking layout, accommodating 68 buses in striped parking spaces, and 15 in the drive lanes for a total of 83 buses. METRO has enough room for 67 FCEBs to be parked in striped spaces, and 10 buses in the drive lanes, for a total of 77 buses. This net loss of 6 parking spaces indicates that large-

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scale FCEBs fueling infrastructure is likely to impact parking capacity at METRO.

**3. Do you expect to need additional parking spaces for completing the transition to zero-emission technologies? Explain why.**

No, METRO does not need additional parking spaces for completing their transition. METRO plans to park 6 buses at METRO’s Maintenance Facility.

**4. In Table 6, please identify the propulsion system of all buses that will be dispatched from the facilities identified in Table 5.**

**5. Please identify the electric utilities in your transit agency’s service area.**

METRO provides transit service within PG&E service territories.

**Table 6: NOx-Exempt Area and Electric Utilities’ Territories**

Division/Facility Name	Type(s) of Bus Propulsion Systems Dispatched	Located in NOx-Exempt Area?	Name(s) of Electric Utility in Service Area
<b>JKS</b>	Diesel, CNG, BEB, FCEB	No	PG&E

*Note: The ICT regulation defines "NOx Exempt Areas" (13 CCR § 2023(b)(39)) as the following counties and air basins: Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, Eastern Kern (the portion of Kern County within the Eastern Kern Air Pollution Control District), Glenn, Humboldt, Inyo, Lake, Lassen, Mariposa, Mendocino, Modoc, Mono, Monterey, Nevada, Northern Sonoma (as defined in title 17, California Code of Regulations, section 60100(e)), Plumas, San Benito, San Luis Obispo, Santa Barbara, Santa Cruz, Shasta, Sierra, Siskiyou, Northern Sutter (the portion of Sutter County that is north of the line that extends from the south east corner of Colusa County to the southwest corner of Yuba County), the portion of El Dorado County that is within the Lake Tahoe Air Basin (as defined in title 17, California Code of Regulations, section 60113), the portion of Placer County that is East of Highway 89 or within the Lake Tahoe Air Basin, Trinity, Tehama, Tuolumne, and Yub*

## Section F: Providing Service in Disadvantaged Communities

**1. Does your transit agency serve one or more disadvantaged communities, as listed in the latest version of CalEnviroScreen?**

**a. If yes, please describe how your transit agency is planning to deploy zero-emission buses in disadvantaged communities (13 CCR § 2023.1(d)(1)(F)).**

**b. Please complete Table 7 with the estimated number of zero-emission buses your transit agency is planning to deploy in disadvantaged communities and the estimated timeline.**

METRO provides service to one unique disadvantaged community (DAC). METRO’s Phase I ZEB Implementation Plan has an explicit goal of converting 100% of its fleet serving Watsonville’s DAC to ZEBs by 2027. The current METRO fleet serves the DAC with nine

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routes, which are shown in the map provided in Appendix A.

Since 2021 METRO has deployed two BEB buses in Watsonville for a Circulator route; this route provides frequent service to desirable destinations in Watsonville between noon and 7:45pm. The new the Zero-Emission Watsonville Circulator Project is funded by the California Department of Transportation’s Low Carbon Transit Operations Program (LCTOP). The new route is designed to reduce the number of riders using intercity buses for local trips and increase the number of transit passengers by providing more frequent service to desirable destinations in Watsonville between 10am and 8pm daily. The route will continue to serves one of the lowest income communities in METRO’s service area. The project would not only supplant the greenhouse gas emissions from a fossil fueled bus, but it would also provide additional service in an area of the county with a high proportion of transit users. METRO will offer free fares to the public to encourage ridership and promote public transportation through a one-year pilot program.

Due to the difficulty in assigning specific future bus procurements to routes, and with respect to METRO’s needs to frequently arrange and adapt service, the Expected Year of First ZEB Deployment is indicative of when METRO expects to deploy and house ZEBs. Because the end date of METRO’s transition is to be determined there is not a definite date for completion of route electrification at this time.

**Table 7: Service in Disadvantaged Communities**

METRO Route	Expected Year of First ZEB Deployment	Year of Complete Route Electrification/Fueling Infrastructure	Location of Disadvantaged Community By Census Tract Number
<b>69A</b>	2027	2025	6053010101 6087110400 6087110300
<b>69W</b>	2027	2025	6053010101 6087110400 6087110300
<b>71</b>	2027	2025	6053010101 6087110400 6087110300
<b>72</b>	2027	2025	6053010101 6087110400 6087110300
<b>72W</b>	2027	2025	6053010101 6087110400 6087110300

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<b>75</b>	2027	2025	6053010101 6087110400 6087110300
<b>75S</b>	2027	2025	6053010101 6087110400 6087110300
<b>79</b>	2027	2025	6053010101 6087110400 6087110300
<b>91</b>	2027	2025	6053010101 6087110400 6087110300
<b>Watsonville Circulator</b>	2021	2021-2024	6053010101 6087110400 6087110300

*Note: The ICT regulation defines the "CalEnviroScreen" (13 CCR § 2023(b)(10)) as a mapping tool that is developed by the Office of Environmental Health Hazard Assessment (OEHHA) at the request of the California Environmental Protection Agency (CalEPA) to identify California's most pollution-burdened and vulnerable communities based on geographic, socioeconomic, public health, and environmental hazard criteria. The CalEnviroScreen is available for public use at <https://oehha.ca.gov/calenviroscreen>.*



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## Section G: Workforce Training

- 1. Please describe your transit agency's plan and schedule for the training of bus operators and maintenance and repair staff on zero-emission bus technologies (13 CCR § 2023.1(d)(1)(G)).**

METRO plans to implement ZEB training programs for bus operators, mechanics, utility maintenance workers, and supervisors on an annual basis, including new operator training and the State Mandated Annual Refresher Training (SMART).

Training courses include Operator Refresher Training, New Operator Training, Bus Familiarization, and Bus Refresher Training. The annual training programs reach approximately 160 operators, 21 Transit Service Delivery (TSD) Supervisors, 2 Trainers and 1 TSD Superintendents in the Transit Service Delivery department. In the Maintenance divisions, annual trainings prepare 21 Mechanics, 9 Utility Personnel, 2 Maintenance Supervisors, 1 Senior Account Manager, and the Fleet Maintenance Manager. Trainings encompass all propulsion technologies at METRO.

The in-house curriculum includes New Bus Training, which incorporates pre-trip inspections, door operations, emergency equipment operations, steering, operational concerns, DMV pre-trip, bus components, and other portions of the bus functions and operations across bus technologies. Maintenance trainings are also an important element of a bumper-to-bumper technical training curriculum for mechanics, utility workers, and supervisors. These trainings focus on preventive maintenance requirements, hazards related to high voltage, personal protective equipment, component training, and charging and fueling source training.

METRO also takes advantage of trainings from manufacturers of ZEB equipment, whether it is the bus, charge management software, or charging equipment. OEM trainings provide critical information on operations and maintenance aspects specific to the equipment model procured. Additionally, many procurement contracts include train-the-trainer courses through which small numbers of agency staff are trained and subsequently train agency colleagues. This method provides a cost-efficient opportunity to provide widespread agency training on new equipment and technologies.

# Attachment B

## Section H: Potential Funding Sources

- 1. Please identify all potential funding sources your transit agency expects to use to acquire zero-emission technologies (both vehicles and infrastructure) (13 CCR § 2023.1(d)(1)(H)).**

METRO is prepared to pursue funding opportunities at the federal, state, and local level, as necessary and as available.

METRO is exploring federal grants through the following funding programs: Federal Transit Administration's (FTA) Urbanized Area Formula program; discretionary grant programs such as the Bus and Bus Facilities (B&BF) program, Low or No Emission Vehicle Deployment Program (LoNo), and Better Utilizing Investments to Leverage Development (BUILD) grant; and other available federal discretionary grant programs.

METRO will also seek funding from state resources through grant opportunities including but not limited to Senate Bill 1 State of Good Repair (SGR), Transit and Intercity Rail Capital Program (TIRCP), Low Carbon Transit Operations Program (LCTOP) funding, the California Energy Commission's Clean Transportation Program as well as Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) for bus purchases when available.

## Section I: Start-up and Scale-up Challenges

- a. Please describe any major challenges your transit agency is currently facing in small scale zero-emission bus deployment. How might CARB assist you to overcome these challenges? Please share your recommendations.**

Currently, METRO is not facing any major challenges to ZEB deployment.

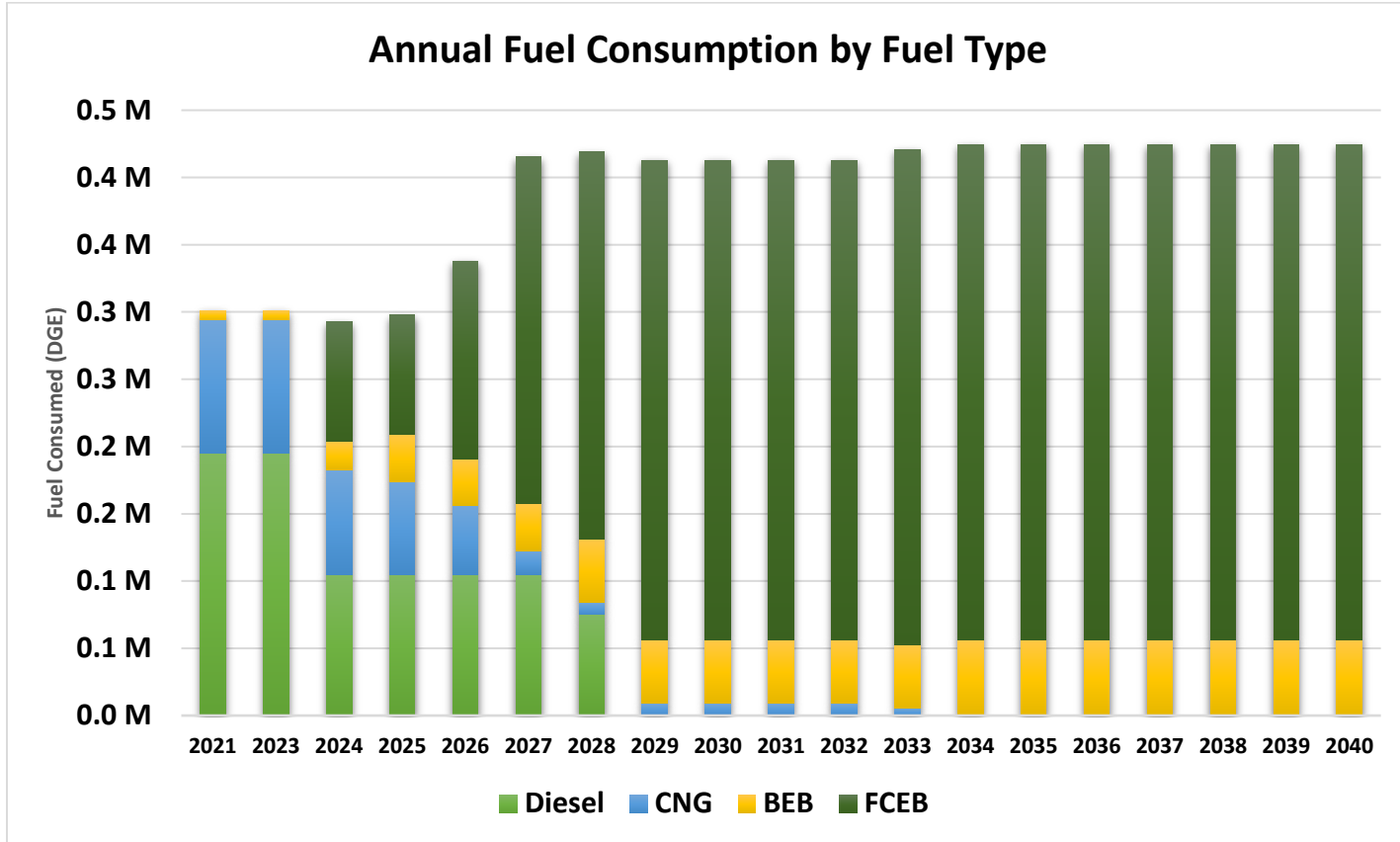
- b. Please describe any challenges your transit agency may face in scaling up zero-emission bus deployment. How might CARB assist you to overcome these challenges? Please share your recommendations.**

Challenges can arise with any new propulsion technology, its corresponding infrastructure, or in training operators and maintenance staff. While not all challenges can be foreseen, nearly all transit agencies must contend with the cost hurdles posed by these new zero-emission technologies. The current market cost of ZEBs is between \$750,000 and \$1,200,000, which is about \$250,000 to \$700,000 more costly than traditional diesel buses. METRO will seek financial support to cover the incremental cost of ZEBs from the resources discussed in Section H.

Costs of required fueling infrastructure and fueling operations for ZEB technologies pose another hurdle for transit agencies transitioning to zero-emission service. The combined METRO's Estimated Annual Fuel Consumption by Fuel Type are shown in Figure 4.

# Attachment B

**Figure 4:** METRO’s Estimated Annual Fuel Consumption by Fuel Type



Continued support for the capital cost of this new infrastructure is imperative, but creating cost efficiencies for fueling operations cannot be overlooked. For alternative fuels such as hydrogen, support for hydrogen supply chains and increasing economies of scale on the production side will ultimately benefit transit agencies deploying and planning for FCEBs.

Beyond cost hurdles, transit agencies must also ensure that available zero-emission technologies can meet basic service requirements of the agency’s duty cycles. The applicability of specific zero-emission technologies will vary widely among service areas and agencies. As such, it is critical that transit agencies in need of technical and planning support have access to these resources to avoid failed deployment efforts. Support in the form of technical consultants and experienced zero-emission transit planners will be critical to turning Rollout Plans into successful deployments and tangible emissions reductions.

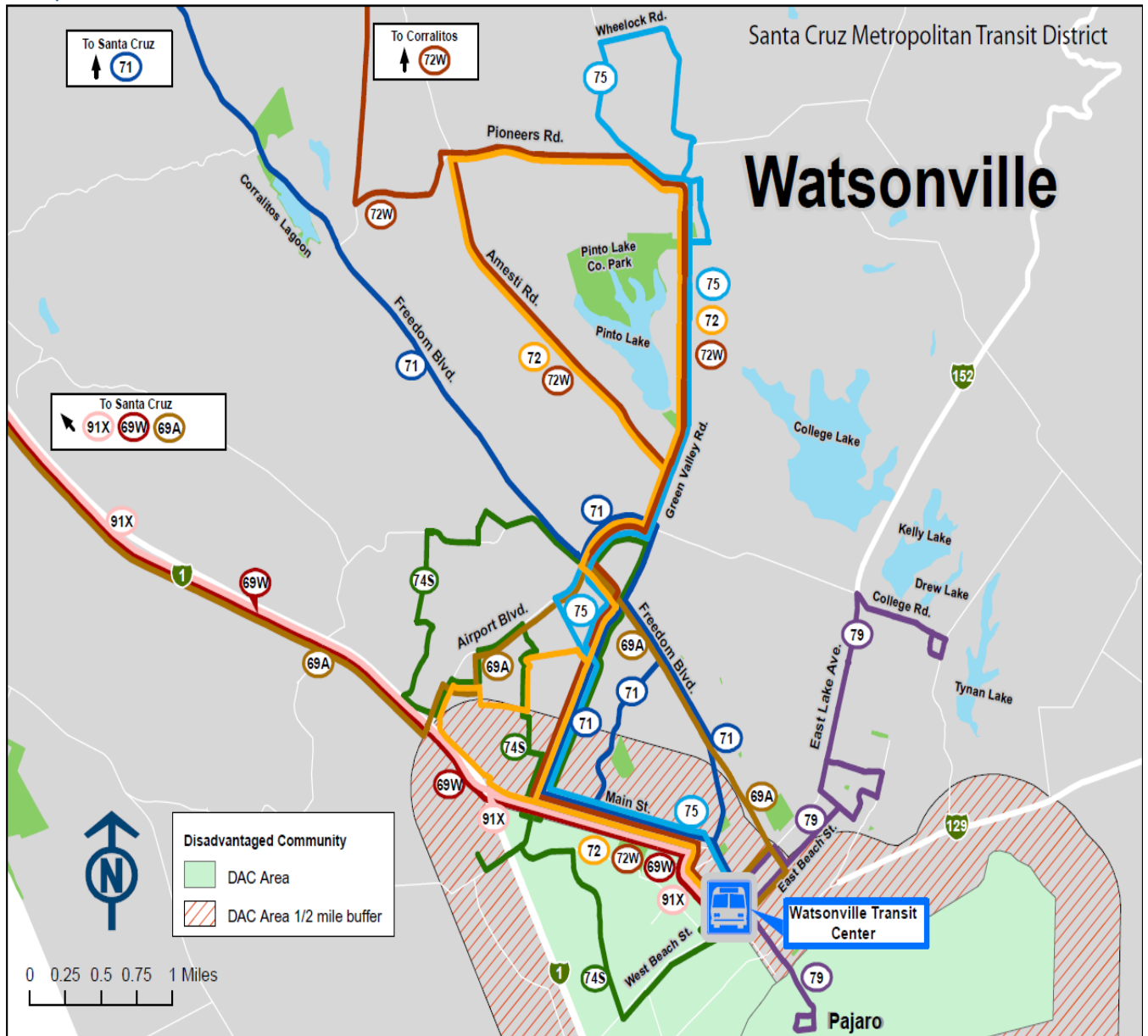
CARB can support METRO by ensuring continued funding for the incremental cost of zero-emission buses, as well as infrastructure funding and legislative support. These support activities should emphasize proper transition and deployment planning and should not preclude hiring

## Attachment B

consultants to ensure best practices and successful deployments. Availability and the price of hydrogen, both renewable and not, continue to be an affordability challenge that can be allayed by legislation subsidizing renewable fuel production.

# Attachment B

## Appendix A: METRO Disadvantaged Community and Low-Income Service Map



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# Santa Cruz METRO's Zero-Emission Bus Implementation Plan

# Zero-Emission Bus (ZEB) Implementation Plan

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- **PHASE 1 – Deploy 2 ZEB’s on new circulator route in Watsonville – fall 2021**
- **PHASE 2 – Convert 100% of the fleet serving Watsonville to ZEB by 2027**
  - Currently served by battery electric buses (BEBs), Compressed Natural Gas (CNG) and Diesel as needed
  - Will transition to a mix with hydrogen fuel cell electric buses (FCEBs) until full fleet serving Watsonville is ZEB
- **PHASE 3 – Fully transitioned fleet to ZEB by end of 2037**
  - Projected to be a mixed fleet with FCEBs and BEBs – Predominately FCEBs focus



# Bus Cost Comparison as of October 2022

## 40 Foot Bus

	Electric	Hydrogen	CNG
Cost	\$1,200,000	\$1,350,000	\$830,000
Rebates:			
VW Grant	180,000	400,000	0
Fed Rebate	45,000	45,000	0
State Rebate (5.3%)	63,600	71,550	0
Subtotal	288,600	516,550	0
<b>Total Cost to Metro</b>	<b>\$911,400</b>	<b>\$833,450</b>	<b>\$830,000</b>

**Original Cost for Hydrogen is \$520,000 more than CNG**

**\$3,450 Per Bus for Hydrogen after Rebates over CNG**

## Actic Bus

	Electric	Hydrogen	CNG
Cost	\$1,400,000	\$1,600,000	\$1,000,000
Rebates:			
VW Grant	180,000	400,000	0
Fed Rebate	45,000	45,000	0
State Rebate (5.3%)	74,200	84,800	0
Subtotal	299,200	529,800	0
<b>Total Cost to Metro</b>	<b>\$1,100,800</b>	<b>\$1,070,200</b>	<b>\$1,000,000</b>

**Hydrogen \$600k more than CNG**

**After \$530k in Rebates, Hydrogen only \$70k more than CNG**

\* Possible CCCE funding will be available for Battery Electric and Hydrogen Fuel Cell not reflected above

## Process to Zero-Emission Buses

---

- Strategy to convert to ZEB started soon after Michael arrived
- Three scenarios were looked at in the process:
  1. All CNG until 100% phase out in FY2029
  2. Gradual increase in ZEB buses until phase out in FY2029
  3. All new purchases going forward are ZEB buses except the 5 Artic's
- The same number of buses purchased per year was used in all three scenarios
- Results:
  1. Total financial spending through FY2040 varied between \$130M to \$140M with scenario 1 above being \$130M
  2. However, the cost to METRO is \$1.9M lower under scenario 3 due to the rebates and external funding available for ZEB

# Bus Delivery Schedule

	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35	FY36
<b>Buses</b>														
Hydrogen		8	6	7										
Electric	5													
ZEB *				6	7	6	7	3	3	3	6	7	6	7
Actic CNG		5												
<b>Total New Buses</b>	5	13	6	7	6	7	6	7	3	3	6	7	6	7
Buses Beyond Life	29	2	8	15	6				3	3	14	6	4	6
<b>End of Year Beyond Life</b>	24	13	15	23	23	16	10	3	0	0	8	7	5	4

- Bus Schedule contemplates a start of 8 FCEBs with a steady 6 to 7 buses each year afterwards.
- Strategy is to smooth the future buying of buses and move away from the historical process of buying when METRO receives a grant to help spread the delivery of buses and streamline the financial costs.

\* ZEB is either full BEBs or FCEBs. ZEB type will be determine at a future date

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THE BOARD OF DIRECTORS PROUDLY PRESENTS THIS

# CERTIFICATE OF APPRECIATION

To

## MICHAEL MILLER BUS OPERATOR

FOR THE COMPLETION OF 25 YEARS OF SERVICE  
BETWEEN 1998 AND 2023

GIVEN THIS 27TH DAY OF JANUARY 2023

*Jay Payne*  
\_\_\_\_\_  
CHAIR, BOARD OF DIRECTORS

*Michael Miller*  
\_\_\_\_\_  
CEO / GENERAL MANAGER

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

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

### **RESOLUTION OF APPRECIATION FOR THE SERVICES OF CATALINO VASQUEZ AS MECHANIC II FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**

**WHEREAS**, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

**WHEREAS**, the provision of public transportation service requires a competent, dedicated workforce, and

**WHEREAS**, METRO, requiring an employee with expertise and dedication, appointed Catalino Vasquez to serve in the position of Mechanic II, and

**WHEREAS**, Catalino Vasquez served as a member of the Fleet Maintenance Department of METRO for the time period of May 7, 2004 to December 21, 2022, and

**WHEREAS**, Catalino Vasquez provided METRO with dedicated service and commitment during the time of his employment, and

**WHEREAS**, Catalino Vasquez served METRO with distinction, and

**WHEREAS**, the service provided to the residents of Santa Cruz County by Catalino Vasquez resulted in reliable, quality public transportation being available in the most difficult of times, and

**WHEREAS**, during the time of Mr. Vasquez's service, METRO improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

**WHEREAS**, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by Catalino Vasquez.

**NOW, THEREFORE, BE IT RESOLVED**, that upon his retirement as Mechanic II, the Board of Directors of METRO does hereby commend his efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, the METRO staff and all of the residents of Santa Cruz County.

**BE IT FURTHER RESOLVED**, that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

**PASSED AND ADOPTED** this 27<sup>th</sup> Day of January 2023 by the following vote:

**AYES:** Directors -

**NOES:** Directors -

**ABSTAIN:** Directors -

**ABSENT:** Directors -

Approved:  
Larry Pageler, Board Chair

\_\_\_\_\_

Attest:  
Michael Tree  
CEO/General Manager

\_\_\_\_\_

Approved as to form:  
Julie Sherman, General Counsel

\_\_\_\_\_





**DATE:** January 27, 2023  
**TO:** Board of Directors  
**FROM:** John Urgo, Planning & Development Director  
**SUBJECT:** YOUTH RIDE FREE PILOT PROGRAM

**I. RECOMMENDED ACTION**

**That the Board of Directors approve a twelve-month Youth Ride Free pilot program beginning March 1, 2023 through March 1, 2024, waiving METRO fares for regular service for K-12 youth.**

**II. SUMMARY**

- The Santa Cruz Metropolitan Transit District (METRO) has a goal of increasing transit ridership to seven million trips within the next five years.
- Youth under the age of 18 currently comprise 9.7% of METRO boardings (2019 On-Board Survey) yet are 19% of Santa Cruz County residents, suggesting room for growth in this demographic.
- Eliminating fares for K-12 youth would encourage transit ridership, expand access to opportunities and resources for youth, and lower the economic burden for those who use transit by economic necessity.
- Staff estimates the financial impact of a twelve-month Youth Ride Free pilot program for K-12 youth to be between \$68,900 (using FY22 youth farebox data) and \$245,833 (using FY19 youth farebox data).

**III. DISCUSSION/BACKGROUND**

In recent years, the concept of fare free transit in one form or another has been gaining momentum in California at the State Legislature and among transit agencies statewide. These programs have typically targeted youth in an effort to encourage mode shift in the short term and build lifelong transit riders. Given that public transit is the most efficient and equitable way for large numbers of people to access opportunities and resources, removing barriers to its use is critical to reducing car dependence and achieving climate goals. For those who use transit because of economic necessity, fare free programs also serve equity goals. But for agencies like METRO that rely on farebox revenue, fare free transit requires sustainable funding sources to move beyond the short-term pilot stage.

In 2022, Legislators considered three different pathways to advance some form of fare free transit: a short-lived proposal from Governor Gavin Newsom to provide free transit to all Californians for three months; Assemblymember Holden's AB 1919, which, as amended, would have allowed transit agencies to opt in to providing fare free transit to youth 25 years or younger but which was ultimately vetoed by Governor Newsom, citing concerns over funding sources; and Senator Josh Newman's SB 942, which makes it easier for transit agencies to use Low Carbon Transit Operations Program (LCTOP) funds for fare free and reduced fare programs.

In recent years, a number of transit agencies in California have implemented both pilot and permanent free fare for youth programs:

- In 2021, the Orange County Transportation Authority (OCTA) began offering free rides to all youth ages six to 18. In 2022, OCTA made the program permanent and plans to use LCTOP funds to help backfill the loss in fare revenue.
- In July 2021, Santa Rosa CityBus launched an 18-month pilot program providing free fares for K-12 youth. As of today, youth ridership is exceeding 125 percent of pre-pandemic levels and continuing to trend upward, according to the agency.
- The Sacramento Regional Transit District (SacRT) launched its RydeFreeRT program in October 2019, providing fare free transit for youth in grades K-12. Within the first three months of launch, student ridership increased 127 percent. A study released by the University of Texas in 2021 found that the RydeFreeRT program achieved multiple key goals to increase transit ridership and school attendance. The study also demonstrated a statistically significant decrease in automobile usage, especially for those who used to get a car ride to and from school.
- In 2021, the San Francisco Municipal Transportation Agency expanded its Free Muni for Low- and Moderate-Income Youth to all youth 18 years and younger, regardless of household income level and eliminated the application and proof of payment requirements.
- Many transit agencies in Los Angeles, San Diego and the San Francisco Bay Area are planning to launch similar programs in coming months.

Given the success of these programs and the numerous studies that have documented a link between exposure to transit at an early age and continued use in adult years, METRO seeks to implement a twelve-month Youth Ride Free pilot program for youth in grades K-12 beginning in March 2023. The intent of this

program is to support METRO's goal of increasing transit ridership to seven million trips within the next five years, expand access to opportunities and resources for youth, and support equity goals by eliminating the fare burden for youth, many of whom come from low-income households. Youth under the age of 18 currently comprise 9.7% of METRO boardings (2019 On-Board Survey). However, 19% of Santa Cruz County residents – 51,327 persons – are under 18 years of age, suggesting room for growth in this demographic.

The Youth Ride Free pilot program would allow youth in grades K-12 to ride local METRO service fare free anywhere and anytime METRO operates (Highway 17 excluded). To support ease of use and implementation during the pilot year, METRO does not plan to require a specific fare card or special documentation in order to ride:

- Youth grades 9-12 would be asked to show a student ID when boarding the bus.
- Youth grades 8 and under may be asked to identify their grade level or the school they attend to the driver. If the school provides a student ID then the student should show the ID to the driver upon boarding.
- Youth grades 9-12 without a student ID may acquire a special pass from their school or at the Pacific Station Customer Service Window with a valid proof of age document (specific details to be worked out).

Staff will conduct outreach to all school districts within Santa Cruz County beginning in February to request assistance in notifying the public of the program. Additional outreach will be conducted including email notifications to METRO stakeholder groups and through METRO's social media channels.

Besides the anticipated fare revenue loss, there is the potential that if the Youth Ride Free program results in ridership that requires additional buses or drivers, METRO may face pressure to reallocate service from other areas or increase service at a time when the industry is facing an acute labor shortage. METRO is not planning, nor does it have the resources, to expand service at this time. Staff does not anticipate significant service impacts during the pilot year: local ridership remains 35% below pre-COVID levels, meaning there is available capacity at most times of the day. Furthermore, without improving service, transit demand is not likely to increase, as it is not primarily cost that keeps riders from transit but convenience and availability. The exception may be specific local school-focused trips; however, these are limited to a small number of trips on Routes 35, 40, 41, 42 and 74S. Increased incidence of school field trips, particularly in the summer, may also impact operations and school districts are reminded to contact METRO ahead of time to coordinate group travel. Finally, the Reimagine

METRO/Comprehensive Operational Analysis will provide ample opportunity to analyze current school service and plan for future needs.

At the end of the pilot year staff will analyze ridership and fare revenue loss and recommend to the Board whether to continue the program or not.

#### **IV. STRATEGIC PLAN PRIORITIES ALIGNMENT**

The Youth Ride Free pilot program would align with the following Strategic Priorities:

- Service Quality and Delivery
- Strategic Alliances and Community Outreach
- Financial Stability, Stewardship & Accountability

#### **V. FINANCIAL CONSIDERATIONS/IMPACT**

Based upon ridership and on-board survey data, staff estimates the Youth Ride Free pilot program would incur between \$68,900 and \$245,833 in lost fare revenue. The former number is the more likely estimate and is calculated using FY22 youth farebox data, while the latter is calculated using FY19 (pre-COVID) data. METRO has sufficient operating reserves to cover the loss of revenue in FY23 and the remaining months of the pilot program can be budgeted in FY24.

Staff will look to identify sustainable funding sources to move beyond the short-term pilot stage. Given the recent change in legislation, a number of California transit agencies are using or planning to use LCTOP funds to cover losses in fare revenue from free fare pilots. METRO receives around \$1 million annually in LCTOP funds. In FY22, these funds were committed to operation of the free fare, zero-emission Watsonville Circulator but LCTOP funding in future years could be dedicated to the Youth Ride Free program. Other sources could include funding from local jurisdictions, such as cities, the County, or school districts. SacRT, for example, partnered with local institutions to fund its RydeFreeRT program; SFMTA/Muni received a \$2 million appropriation from the City of San Francisco; and the San Diego Metropolitan Transit System (MTS) is partnering with the County of San Diego and SANDAG on a formal year-long pilot program allowing youth 18 and under to ride free.

The Youth Ride Free program is explicitly targeted at K-12 youth so as not to jeopardize METRO's existing funding agreements with the University of California Santa Cruz and Cabrillo College, which collectively represent over 50% of METRO's farebox recovery and nearly 10% of METRO's total operating revenue.

**VI. CHANGES FROM COMMITTEE**

N/A

**VII. ALTERNATIVES CONSIDERED**

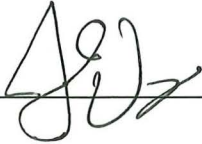
The Board could direct staff not to implement the Youth Ride Free pilot program. This would avoid the anticipated fare revenue loss and the potential operational challenges associated with increased demand. Staff does not recommend this option as the loss in fare revenue is small relative to METRO's overall operating budget, and the benefits associated with supporting increased ridership, lowering the economic burden of taking transit for low-income youth, and building future transit riders outweigh the costs. In addition, recent changes in legislation make it easier to use state funding sources such as LCTOP to cover revenue loss from free fare programs. For example, METRO could program one year of LCTOP funds to cover four years of the Youth Ride Free program in future years. Staff also does not anticipate significant operational challenges during the pilot year given that ridership is still well below pre-COVID levels. Should such challenges arise, staff will need to communicate clearly to students and parents that METRO does not have the ability to operate additional service at this time. The Reimagine METRO/Comprehensive Operational Analysis will provide ample opportunity to evaluate future school-focused needs.

**VIII. ATTACHMENTS**

None.


**IX. APPROVALS**

John Urgo, Planning &  
Development Director



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Approved as to fiscal impact:  
Chuck Farmer, CFO



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Michael Tree, CEO/General Manager



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## MAC Report to the SCMTD Board, January 27, 2023

Compiled by outgoing MAC Chair, James Von Hendy

### Introduction

This report summarizes the MAC meetings of August 17, 2022 and October 19, 2022.

In the second half of 2022 the MAC continued its commitments to represent the needs and requests of SCMTD ridership and to serve Santa Cruz Metro itself. We strongly appreciate how SC Metro continues to strive to provide public transit service to SC county.

### Communications to the Metro Advisory Committee

The second half of 2022 was quiet in this regard. Though some MAC members had individual conversations with members of the public, the MAC committee itself did not receive letters or requests from the public.

### Communications From the Metro Advisory Committee

In the April 20, 2022 MAC meeting, the MAC passed a motion that Chair Von Hendy write a welcome letter from the committee to incoming CEO/General Manager, Michael Tree. In the August 17, 2022 MAC meeting, Chair Von Hendy reported that the requested letter was posted on 5/5/2022, and included an invitation to CEO/General Manager Michael Tree to attend the MAC meetings.

### Update on Information Technology Systems (ITS)

This is a regularly occurring MAC agenda item, from Isaac Holly, IT and ITS Director.

At the August 17, 2022 meeting, Director Holly reported that Metro continues to be pleased with our new vendor, Clever Systems, but that due to supply chain issues, beta testing of the system is delayed.

At the October 19, 2022 meeting, Director Holly reported that beta testing was successfully completed, and he expected full implementation on all buses sometime in February 2023.

### COVID-19 Update

Since COVID this has been a regularly occurring MAC agenda item.

At the August 17, 2022 MAC meeting, Dawn Crummié, HR Director, reported 81 positive cases, with the BA/BA% variants most prevalent since April. Metro continued with weekly testing, and encouraged voluntary contact tracing and continued masking.

At the October 19, 2022 meeting, positive cases were down dramatically.

### Santa Cruz County Fair, September 14-18, 2022

At the August 17 MAC meeting, Margo Ross, COO indicated that as in past years, SCMTD would have a presence at the fair with an opportunity for the public to tour the most recently acquired busses. In addition, Metro would once again extend bus service to and from the fair.

At the October 19, 2022 MAC meeting Margo Ross reported on the success of the Metro's tent and activities, including a Wheel of Fortune game, SCMTD swag, and free bus passes.

## Service Planning Updates

This is a regularly occurring MAC agenda item, presented by John Urgo, Planning and Development Director.

At both the August 17 and October 19 meetings, Director Urgo was able to point to generally increased ridership, though overall ridership remains below pre-COVID levels, with the Highway 17 route still down significantly, at about 50% of pre-COVID levels. In August UCSC ridership was below expectation, though it was expected to increase once the fall classes commenced. In October, Director Urgo said ridership was up 65 to 70% for the quarter.

In the August MAC meeting, Director Urgo apologized that he had not addressed updates to Braille Bus Stop signage. He and MAC member Veronica Elsea agreed to work together on the issue. At the October meeting Director Urgo and MAC member Elsea again agreed to work together on the issue.

At both the August and October meetings, Director Urgo said the Pacific Station lobby remains closed to the public. In the October meeting, MAC member Elsea expressed concern about the closure given the possibility of cold and inclement weather.

In the August meeting, Director Urgo outlined Fall schedule changes, indicating service cuts were necessary because of a lack of available drivers. Changes were not yet implemented but would affect routes 20, 91X, and 4. Route 22 was to be cut entirely, slack picked up by Route 20. In related news, however, Director Urgo said a large class for new operators had started.

In the October meeting, Director Urgo fielded a request MAC Chair Von Hendy brought up for a couple of passengers on the Highway 17 express who requested that in the afternoon commute times, all Highway 17 busses stop at the Calaveras Transit Center in Scotts Valley, because if trains were late in San Jose Diridon Station, riders who parked at Scotts Valley and missed the Highway 17 bus that made the Scotts Valley stop would have to wait an hour more for the next bus. Director Urgo indicated that change could not be made because of scheduling in Santa Cruz,

Chair Von Hendy also raised passenger complaints about the unreliability of the TVM (ticket vending machine) at the Calaveras Transit Center, Director Urgo explained that the vendor would not be repairing or upgrading the TVM, but that with the new options for ticket purchase via mobile phones, he expects regular riders will use that system and hopefully all the TVMs currently in use would eventually go away.

## Establish and Approve the Metro Advisory Committee 2023 Meeting Schedule

At the October 17 meeting, Chair Von Hendy proposed a meeting schedule for the 2023 MAC meetings as follows: 2/15/23, 4/19/23, 8/16/23, and 10/18/23. Motion to approve was made and seconded, and role call was unanimous in favor.

## Elect the Metro Advisory Committee Chair and Vice Chair for 2023

At the October 17 meeting, the last order of business was the nomination and election of the MAC Chair and Vice Chair for 2023. Jessica de Wit was nominated and elected unanimously as Chair, and Joseph Martinez was nominated and re-elected for another term as Vice Chair.



# VERBAL PRESENTATION

## CEO ORAL REPORT / COVID-19 UPDATE

Michael Tree

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# **NEWS CLIPS**

**December 17, 2022 – January 27, 2023**

**SANTA CRUZ  
COUNTY  
ARTICLES**

**From:** [Santa Cruz METRO Transit District](#)  
**To:** [Donna Bauer](#)  
**Subject:** METRO Launches 'One Ride at a Time' to Protect Environment  
**Date:** Friday, January 20, 2023 4:33:41 PM

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This message came from outside your organization.

~ Please exercise caution when clicking links or opening attachments. ~

## **METRO Launches 'One Ride at a Time' to Grow Ridership, Protect Environment**

*Buses Wrapped in Wildlife Photos by Frans Lanting to Be Unveiled Jan. 21*

Santa Cruz, CA (Jan. 13, 2023): Santa Cruz Metropolitan Transit District (METRO) is delighted to launch One Ride at a Time, an innovative campaign to showcase the environmental benefits of transit, encourage bus ridership and protect Santa Cruz County's extraordinary natural resources.

Beginning in January, every ride on a METRO bus donates to our partners in protecting the environment, the Monterey Bay National Marine Sanctuary Foundation and the Bay of Life Fund.

"METRO's mission is to provide environmentally sustainable transportation to Santa Cruz County," said Larry Pageler, METRO Board Chair. "With One Ride at a Time, we aim to increase ridership and solidify METRO as the region's environmentally smart transportation choice while supporting organizations making a difference in our community."

One Ride at a Time is made possible by a partnership between METRO, Santa Cruz County Regional Transportation Commission (SCCRTC), Monterey Bay National Marine Sanctuary Foundation, Bay of Life Fund, and renowned photographer-writer team Frans Lanting and Chris Eckstrom.

To promote the campaign, METRO will release pairs of buses wrapped with Lanting's iconic images of the Monterey Bay from the Bay of Life Project. By the end of 2024, about 30 wrapped buses will be traveling throughout Santa Cruz County and featuring inspiring images of whales, sea otters, mountain lions, redwoods and more.

The first pair of bus wraps will be unveiled Jan. 21, coinciding with the opening weekend of Lanting and Eckstrom's Bay of Life Exhibition at the Santa Cruz Museum of Art & History. (Information about the exhibit is available at [santacruzmah.org/exhibitions/bay-of-life](http://santacruzmah.org/exhibitions/bay-of-life).)

"We are delighted to collaborate with METRO and to put our images from *Bay of Life* to work protecting our precious Monterey Bay environment one ride at a time," Lanting and Eckstrom said.

To participate, bus riders must create an account on the online ridesharing portal administered by the Santa Cruz County Regional Transportation Commission (SCCRTC)'s GO Santa Cruz County program ([scmtd.org/gosantacruz](http://scmtd.org/gosantacruz)), or through the Commute Tracker app ([scmtd.org/ctsetup](http://scmtd.org/ctsetup)). Once enrolled, riders will use the portal to log their bus trips, earning 10 points for each trip with a maximum of two rides per day that count towards point accruals. When a rider reaches 250 points, or 25 rides, they can use the portal to select one of our nonprofit partners to receive a \$10 donation. Riders can also see the greenhouse gas emissions reductions they've made by riding public transit and compete against each other to see who can make the biggest impact.

To heighten the campaign and emphasize the importance of protecting the Monterey Bay, METRO will inform the community about the conservation and education efforts of the Monterey Bay National Marine Sanctuary Foundation and the Bay of Life Fund are making to promote protection of the species and landscapes pictured on the buses. Transit center displays, interior bus signage and interactive content on its website will teach riders about the programs their donations support.

“Everyone who lives, works, and plays in this region is a steward to one of the planet’s treasures of biodiversity,” said Ginaia Kelly, chapter director of the Monterey Bay National Marine Sanctuary Foundation. “We are honored to team up with METRO on One Ride at a Time because this campaign gives people an opportunity to protect our Monterey Bay with their everyday transportation choices.”

The Monterey Bay National Marine Sanctuary Foundation is the local non-profit partner and chief advocate for NOAA’s Monterey Bay National Marine Sanctuary and is the local chapter of the National Marine Sanctuary Foundation. Its mission is to leave a thriving sanctuary to future generations by protecting wildlife and habitats, raising sanctuary visibility, and inspiring the public to be its stewards.

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Working together with transportation partners, the SCCRTC obtains and distributes funding, including voter-approved measure D funds, to maintain the existing transportation network as well as prepare for the transportation needs of the next generation. The SCCRTC keeps residents, business, and visitors moving wherever they want to go and however they choose to get there. For more information, visit [sccrtc.org](http://sccrtc.org).



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**From:** [Santa Cruz METRO Transit District](#)  
**To:** [Donna Bauer](#)  
**Subject:** METRO Thanks Transit Drivers Who Supported Evacuation Efforts  
**Date:** Friday, January 20, 2023 4:02:53 PM

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## **Santa Cruz METRO Thanks Transit Drivers Who Supported Evacuation Efforts**

*Evacuations via free rides on buses and ParaCruz vans were completed in coordination with County of Santa Cruz Emergency Operations Center*

JAN. 20, 2023 —SANTA CRUZ, CA— Santa Cruz METRO today hailed its drivers who stepped up to provide free transportation for evacuees during the historic series of devastating “atmospheric river” storms in January. Evacuations took place in North County and South County in flood- and mudslide-prone areas adjacent to nearby streams, sloughs, rivers and hillsides impacted by the CZU Lightning Fires of 2020.

“METRO is grateful to our drivers who navigated challenging weather and road conditions to assist with several important evacuations,” METRO CEO/General Manager Michael Tree said. “Successful evacuations require a high level of inter-agency collaboration and trust. METRO is proud to have played a role as a community partner during the disaster.”

On Jan. 4, when potential flooding on the San Lorenzo River and road closures threatened the YMCA Camp Campbell in Boulder Creek, Santa Cruz METRO drivers supported evacuation efforts by transporting approximately 215 students and staff via six trips on 40-foot METRO buses. The evacuees were transported to Scotts Valley Community Center and over Highway 17 to the St. Clare School in Santa Clara.

Also on Jan. 4, drivers for one METRO Highway 17 Express bus and one ParaCruz van were dispatched to evacuate approximately 39 residents and staff from the Willowbrook Residential Care facility to the Santa Cruz Bible Church. The evacuation took place after dark and as a storm moved into the San Lorenzo Valley, knocking out power during the evacuation. After the evacuation order was lifted two days later, residents were transported back to the Willowbrook Residential Care facility.

“Our skilled and dedicated drivers are the reason why METRO was able to transport local evacuees to safety,” said Santa Cruz METRO Board Chair Larry Pageler. “We appreciate that they were ready to support their community on a moment’s notice, despite the challenging driving conditions due to the storms.”

On Jan. 9, when the Pajaro River threatened to flood the surrounding community, three ParaCruz drivers were dispatched to the Salvation Army in Watsonville to transport approximately 20 unhoused residents to the County’s emergency shelter at the Santa Cruz County Fairgrounds.

METRO also temporarily expanded ParaCruz service to provide free transportation 24-hours a day for residents in evacuation zones. ParaCruz, a shared-ride service, typically provides door-to-door public transit for people with a temporary or permanent physical, cognitive or psychiatric disability that prevents them from making some or all their trips on METRO’s fixed route bus system.

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**From:** [Danielle Glagola](#)  
**Subject:** METRO's One Ride at a Time Campaign  
**Date:** Thursday, January 19, 2023 4:56:24 PM  
**Attachments:** [ORAT News Release 011323FINAL.pdf](#)  
[image001.png](#)  
[image002.png](#)  
[METRO\\_ORAT\\_OneSheet.pdf](#)  
[METRO\\_MountainLion.pdf](#)  
[METRO\\_ORAT\\_HumpbackWhale.pdf](#)

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Hello Everyone,

METRO and our partners are excited to give you the first sneak peek into *One Ride at a Time*, an innovative campaign to showcase the environmental benefits of transit, encourage bus ridership and protect Santa Cruz County's extraordinary natural resources.

Beginning in January, every ride on a METRO bus donates to our partners in protecting the environment, the Monterey Bay National Marine Sanctuary Foundation and the Bay of Life Fund.

One Ride at a Time is made possible by partnerships between METRO, Santa Cruz County Regional Transportation Commission (SCCRTC), Monterey Bay National Marine Sanctuary Foundation, Bay of Life Fund, and renowned photographer-writer team Frans Lanting and Chris Eckstrom.

To promote the campaign, METRO will release pairs of buses wrapped with Lanting's iconic images of the Monterey Bay from *Bay of Life: From Wind to Whales*. By the end of 2024, about 30 wrapped buses will be traveling throughout Santa Cruz County and featuring inspiring images of whales, sea otters, mountain lions, redwoods and more.

As part of this sneak peek, METRO will be unveiling our first pair of bus wraps (graphics attached) outside of Lanting and Eckstrom's Bay of Life exhibit at the Santa Cruz Museum of Art & History this Friday and Saturday.

METRO also plans to hold a press event in spring 2023 to officially launch this campaign to the community.

To learn more about this groundbreaking campaign we encourage you to visit [scmtd.com/onerideatatime](https://scmtd.com/onerideatatime). I've also attached the press release, campaign overview, and images of our first buses being wrapped this week.

Thank you,

**Danielle Glagola**  
**Marketing, Communications & Customer Service Director**  
**(831) 420-2550**  
[Santa Cruz METRO](#)

For Immediate Release  
Date: Jan. 13, 2023  
Contact: Danielle Glagola  
(831) 420-2550  
[dglagola@scmttd.com](mailto:dglagola@scmttd.com)



**METRO Launches 'One Ride at a Time' to Grow Ridership, Protect Environment**  
*Buses Wrapped in Wildlife Photos by Frans Lanting to Be Unveiled Jan. 21*

Santa Cruz, CA (Jan. 13, 2023): Santa Cruz Metropolitan Transit District (METRO) is delighted to launch One Ride at a Time, an innovative campaign to showcase the environmental benefits of transit, encourage bus ridership and protect Santa Cruz County's extraordinary natural resources.

Beginning in January, every ride on a METRO bus donates to our partners in protecting the environment, the Monterey Bay National Marine Sanctuary Foundation and the Bay of Life Fund.

"METRO's mission is to provide environmentally sustainable transportation to Santa Cruz County," said Larry Pageler, METRO Board Chair. "With One Ride at a Time, we aim to increase ridership and solidify METRO as the region's environmentally smart transportation choice while supporting organizations making a difference in our community."

One Ride at a Time is made possible by a partnership between METRO, Santa Cruz County Regional Transportation Commission (SCCRTC), Monterey Bay National Marine Sanctuary Foundation, Bay of Life Fund, and renowned photographer-writer team Frans Lanting and Chris Eckstrom.

To promote the campaign, METRO will release pairs of buses wrapped with Lanting's iconic images of the Monterey Bay from the Bay of Life Project. By the end of 2024, about 30 wrapped buses will be traveling throughout Santa Cruz County and featuring inspiring images of whales, sea otters, mountain lions, redwoods and more.

The first pair of bus wraps will be unveiled Jan. 21, coinciding with the opening weekend of Lanting and Eckstrom's Bay of Life Exhibition at the Santa Cruz Museum of Art & History. (Information about the exhibit is available at [santacruzmah.org/exhibitions/bay-of-life](http://santacruzmah.org/exhibitions/bay-of-life).)

"We are delighted to collaborate with METRO and to put our images from *Bay of Life* to work protecting our precious Monterey Bay environment one ride at a time," Lanting and Eckstrom said.

To participate, bus riders must create an account on the online ridesharing portal administered by the Santa Cruz County Regional Transportation Commission (SCCRTC)'s GO Santa Cruz County program ([scmttd.org/gosantacruz](http://scmttd.org/gosantacruz)), or through the Commute Tracker app ([scmttd.org/ctsetup](http://scmttd.org/ctsetup)). Once enrolled, riders will use the portal to log their bus trips, earning 10 points for each trip with a maximum of two rides per day that count towards point accruals. When a rider reaches 250 points, or 25 rides, they can use the portal to select one of our nonprofit partners to receive a \$10 donation. Riders can also see the greenhouse gas emissions reductions they've made by riding public transit and compete against each other to see who can make the biggest impact.

To heighten the campaign and emphasize the importance of protecting the Monterey Bay, METRO will inform the community about the conservation and education efforts of the Monterey Bay National

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The Santa Cruz County Regional Transportation Commission (SCCRTC) is committed to delivering a full range of safe, convenient, reliable, and efficient transportation choices for the community. With a focus on long-term sustainability, the SCCRTC provides transportation services, planning, and funding for all travel modes.

From projects that improve safety and traffic flow on highways, to pothole and sidewalk repair on local streets; from new and improved bicycle lanes and sidewalks, to support of public transit and paratransit services; from maintaining the existing transportation network to constructing projects that move more people; from help finding a carpool partner, to assisting stranded motorists — the SCCRTC proactively addresses transportation needs in our community.

Working together with transportation partners, the SCCRTC obtains and distributes funding, including voter-approved measure D funds, to maintain the existing transportation network as well as prepare for the transportation needs of the next generation. The SCCRTC keeps residents, business, and visitors moving wherever they want to go and however they choose to get there. For more information, visit [sccrtc.org](http://sccrtc.org).



# Protecting Our Monterey Bay, One Ride at a Time



**Santa Cruz Metropolitan Transit District (METRO) is delighted to launch One Ride at a Time, an innovative campaign to showcase the environmental benefits of transit, encourage bus ridership and protect Santa Cruz County's extraordinary natural resources.**

Our home, the Monterey Bay region, is the hottest hotspot for biodiversity in North America, according to the Nature Conservancy. Its dynamic confluence of land and sea creates unique ecosystems and supports iconic wildlife from secretive mountain lions to majestic blue whales.

**Beginning in January 2023, every ride on a METRO bus donates to our partners in protecting the environment:** the Monterey Bay National Marine Sanctuary Foundation and the Bay of Life Fund.

One Ride at a Time is made possible by a partnership between METRO, Santa Cruz County Regional Transportation Commission (SCCRTC), Monterey Bay National Marine Sanctuary Foundation, Bay of Life Fund, and renowned photographer-writer team Frans Lanting and Chris Eckstrom.

**We invite you to join us in protecting our Monterey Bay, one ride at a time!**

## **Why METRO Is Leading This Campaign**

Established in 1968, METRO'S mission is to provide environmentally sustainable transportation to Santa Cruz County. METRO directly operates county-wide, fixed-route and Highway 17 commuter service, with connections to Santa Clara County and Monterey Salinas Transit at our Watsonville Transit Center. The agency also operates ParaCruz paratransit service. Today METRO operates a fleet of 94 buses on at least 24 fixed-routes and 32 paratransit vehicles.

Every ride on a METRO bus takes cars off the road, significantly reduces greenhouse gas emissions, and supports economic opportunity and quality of life in our community. Moving into the future, METRO strives to meet the following goals:

- Increase transit ridership to 7 million trips annually within the next five years
- Transition to a zero-emissions fleet with a mix of hydrogen and electric vehicles
- Increase affordable housing at METRO-owned transit centers to 175 units in the next 10 years.

One Ride at a Time is an opportunity to not only educate the public about the benefits of public transit and the unique natural resources of the Monterey Bay but also inspire people to take action.

The goal is to increase ridership and establish METRO as the environmentally smart transportation choice for Santa Cruz County while supporting organizations making a difference in our community.

**The beautifully wrapped One Ride at a Time buses will remind people of the positive impact they make every time they choose transit over a personal vehicle.**

To read more about METRO's strides toward increasing bus ridership and transitioning to a zero-emissions fleet, visit [scmtd.com](https://scmtd.com).

## Two Ways to Join Us

### Desktop

1. To participate, create an account on [scmtd.com/gosantacruz](https://scmtd.com/gosantacruz) the online ridesharing portal administered by SCCRTC's GO Santa Cruz County program.
2. Once enrolled, use the portal to log your bus trips, earning 10 points for each trip with a maximum of two rides per day that count towards point accruals.
3. When you reach 250 points, or 25 rides, you can use the portal to select one of our non-profit partners to receive a \$10 donation.
4. You can also see the greenhouse gas emissions reductions you've made by riding public transit and compete against other riders to see who can make the biggest impact.

### Mobile

1. Download the Commute Tracker app from the app store or Google Play store.
2. Setup your account and select CRUZ511.org.
3. Follow the prompts to allow Commute Tracker to automatically log your trips by turning on location tracking.
4. When you reach 250 points, or 25 rides, you can select a nonprofit partner to receive a \$10 donation.

For more help setting up Commute Tracker, visit: [scmtd.com/ctsetup](https://scmtd.com/ctsetup)

## Building Momentum

To promote this campaign, METRO will release pairs of buses wrapped with Frans Lanting's iconic images of the Monterey Bay from the Bay of Life Project. The result will be roughly 30 fully wrapped buses traveling throughout Santa Cruz County and featuring inspiring images of whales, sea otters, mountain lions, redwoods and more.

To heighten the campaign and emphasize the importance of protecting our Monterey Bay, METRO will inform the community about the conservation and education efforts that the Monterey Bay Sanctuary Foundation and the Bay of Life Fund are making to promote protection of the species and landscapes pictured on the buses. Transit center displays, interior bus signage and interactive content on our website will teach riders about the programs their donations support.

The first pair of bus wraps will be unveiled in January 2023 coinciding with the opening of Lanting and Eckstrom's Bay of Life Exhibition at the Santa Cruz Museum of Art & History.

Throughout 2023, METRO will support the campaign with advertising, social media, and community outreach events at places like the Monterey Bay National Marine Sanctuary Exploration Center and others, featuring the wrapped buses and Lanting's powerful photos.

## Our Partners



[scmtd.com](https://scmtd.com)



**Monterey Bay**  
National Marine  
Sanctuary Foundation

[montereybayfoundation.org](https://montereybayfoundation.org)



**BAY OF LIFE**  
FUND

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ONE RIDE AT A TIME



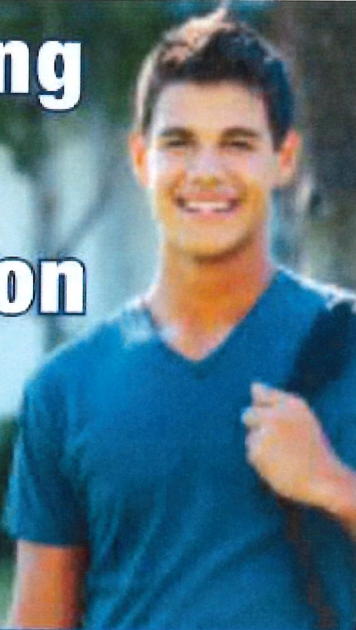
scmttd.com



ONE RIDE AT A TIME



# 2023 Spring Semester Registration is OPEN!



**Cabrillo College**



Apply & Register using the code.

***Classes Begin January 30<sup>th</sup>***

***Registration Open for All New and Returning Students until February 1<sup>st</sup>***

- Student debt accumulated from Spring 2018–Spring 2022 is forgiven when you enroll for spring semester
- Cabrillo will cover your Transportation Fee! Enroll for spring semester and get a **METRO** pass for FREE!
- Student grants and grocery gift cards available to students who qualify
- Students must stay enrolled through week 12 of spring semester



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## **Santa Cruz County RTC backs purchase of Aptos property**

BY PK HATTIS

1/19/23

SANTA CRUZ >> The Santa Cruz County Regional Transportation Commission will soon have a new set of keys.

Commissioners recently approved the purchase of a property at 7992 Soquel Drive in Aptos near the Aptos Village Square shopping center. The move was meant to help the commission carry forward with Phase 3 of its Highway 1 Auxiliary Lanes and Bus on Shoulder project, stretching 1.75 miles from State Park Drive to Freedom Boulevard.

In addition to improving the highway's auxiliary lanes and bus on shoulder facilities in both directions, the project scope also includes development of Coastal Rail Trail Segment 12 which is about 1.25 miles and extends from State Park Drive to just south of the Rio Del Mar overhead structure.

According to the staff report, the right-of-way needs are for the Rail Trail component specifically, including a 16-foot wide trail segment that is currently planned for placement next to the inland side of the tracks winding through a portion of the property. After the property was posted for sale late last year for \$1.19 million, the commission instructed its staff to inspect the property and explore an acquisition to help facilitate forthcoming right of way needs.

"Project studies and environmental analysis up to this point is proposing that side of the tracks because of the least amount of environmental and property impacts overall," said Transportation Commission Senior Engineer Sarah Christensen. "This property went on the market in November of last year and the (Regional Transportation Commission) was able to move quickly and made an offer."

A few members of the public did share concerns with the commission that one building on the property known as the "rice house" is listed as an historic resource, but Christensen clarified there are no plans to interfere with that structure.

"The (Regional Transportation Commission) does not plan to modify or demolish or relocate this historic rice house and any future modification to the building will be subject to the section of county code regarding preservation of historic resources," she said, adding that a few storage sheds on the property will be taken down.

To help close the purchase, the commission plans to utilize \$1.2 million from its 2016 Measure D active transportation category funds and the decision passed with a unanimous vote at its Jan. 12 meeting.

“Given the fact that we’ve got cash on hand in the active transportation fund to acquire the property it makes sense to proceed,” said 1st District Santa Cruz County Supervisor and chair of the Transportation Commission Manu Koenig. “Ultimately, even after the demolition of storage sheds we’ll be able to create an asset here that is of higher value than when we began.”

### **Funding wins**

The decision to purchase the property also came on the heels of a funding win that will bolster efforts to complete the same project in Aptos.

Commission Executive Director Guy Preston said the U.S. Department of Transportation recently awarded it \$30 million to the Watsonville-Santa Cruz Multimodal Corridor Program, which was created by the commission in partnership with Santa Cruz Metro and Caltrans.

The money will help partially fund key components of the 1.75-mile project including design, right-of-way and construction for auxiliary lane, bus-on-shoulder and Rail Trail Segment 12.

“Obtaining federal funding provides affirmation that our corridor is of national significance which is expected to facilitate securing future state and federal grants,” Preston said. The draft environmental document for the project in Aptos is scheduled for release in February and the final project design will be decided once environmental review is complete.

# Santa Cruz Sentinel

## Santa Cruz County Offers Shelter For The Storm



A cyclist tries to keep the rain at bay Wednesday morning while pedaling on River Street in Santa Cruz. (Shmuel Thaler — Santa Cruz Sentinel)

By Jessica A. York

January 11, 2023

**SANTA CRUZ** — As tens of thousands of local residents have faced ordered evacuations in the past two weeks, a series of emergency shelters throughout Santa Cruz County have mobilized to offer needed respite.

In addition to support from the American Red Cross Central Coast, nearly 100 county employees not already assigned to emergency response as part of their job were assigned temporarily to help out where needed in the past two weeks — largely helping to operate the shelters, Santa Cruz County spokesperson Jason Hoppin said.

Hoppin characterized the use of five Santa Cruz County-run sites, with more than 1,000 available beds, as “extremely light” for most nights, maxing out at about 140 clients on a single night.

“It’s our responsibility to the community to make this shelter available. When we do evacuations and go around to people’s homes and make them aware of this, most people look for a more comfortable place to go than a congregate shelter,” Hoppin said. “But, on the chance that there is something that should occur, we don’t want to be caught flat-footed. We want to be sure that these beds are available.”

On Wednesday, however, the situation began to change, according to Hoppin. Generally, the site with the highest usage, Hoppin said, had been at the 300-space Santa Cruz County Fairgrounds site, due to its proximity to earlier large-scale South County evacuations in neighborhoods adjacent to the Pajaro River. Late Wednesday afternoon, the fairgrounds shelter was nearing 200 people, due to the morning's Monterey County evacuation orders, he said.

While city and county officials considered scaling back most sites for the calmer weather forecast for Thursday night, the next atmospheric river-based storm system to arrive in time for the weekend will likely necessitate shelter resummptions. In addition to the county-run sites, the cities of Capitola and Santa Cruz have each opened smaller-scale shelter sites. Santa Cruz's shelter, reopened Sunday night at the Freight Building at Depot Park, had a capacity of about 26 individuals, but was prepared to arrange free transportation to alternative shelter sites through the Santa Cruz Metro, said city spokesperson Erika Smart.

"It's definitely being utilized and I also think that it's been a good opportunity to connect some people with other resources that are out there in the community, be it medical-health resources, Housing Matters, and other options as well, for future use, not just for bad weather," Smart said of the shelter.

As of Wednesday afternoon, Santa Cruz was preparing to shut down its shelter Thursday morning, then reopen as needed for the weekend, Smart said. For the latest updates on county shelter openings, visit [co.santa-cruz.ca.us/OR3/ShelterInformation.aspx](http://co.santa-cruz.ca.us/OR3/ShelterInformation.aspx).

Evan Morrison, whose nonprofit program The Free Guide was called on to operate the Santa Cruz shelter, said the shelter had been drawing heavily from the homeless community. Some of those showing up at the shelter are looking for supplies and resources, which his experienced staff has been able to offer, Morrison said.

"Everything I'm getting, and I haven't been there the whole time they've been opened, is that people are pretty darn positive and grateful to be there," Morrison said.

### **Emergency shelter options**

- Santa Cruz County Fairgrounds, JJ Crosetti Building and Harvest Hall, 2601 E. Lake Ave., Watsonville
- Cabrillo College, cafeteria and gymnasium, 6500 Soquel Drive, Aptos.
- Scotts Valley Community Center, 370 Kings Village Road, Scotts Valley.
- Jade Street Community Center, 4400 Jade St., Capitola.
- Freight Building at Depot Park, 119 Center St., Santa Cruz.

*Source: [co.santa-cruz.ca.us/OR3/ShelterInformation.aspx](http://co.santa-cruz.ca.us/OR3/ShelterInformation.aspx).*



Santa Cruz County Friends of the Rail & Trail (FORT) tagged you in a post.

**Santa Cruz County Friends of the Rail & Trail (FORT)**

January 11 at 11:29 AM

Attention Santa Cruz!

It's important we share this post with our community to raise awareness about [Santa Cruz METRO Transit District](#) and their ParaCruz service.

Need to evacuate and don't have a ride? ParaCruz is here for YOU! ☐

If you or somebody you know is in need of assistance please call ParaCruz Customer Service at (831) 425-4664 or dial 711 for CRS Hearing & Speech Impaired Services to arrange pick-up.

Stay safe out there!

9:37



r/santacruz  
u/ThePolarBadger · 42m

My car broke down at the river street intersection 30 min ago and a bus driver stopped his route, got out and gave me a push start in the rain. God bless the SC metro workers.

Vote 4 Share Award



MrBensonhurst · 39m

You should file a commendation!

... Reply 11



segajon · 27m

I second this!

... 2



ThePolarBadger OP · 24m

I will! Wish I had gotten his name or bus number

... 2



MrBensonhurst · 23m

If you describe the general area and time they can probably figure it out from the block sheet.

... 3

Add a comment



## ParaCruz Evacuation Assistance Available (831) 425-4664


Santa Cruz METRO Transit District sent this bulletin at 01/09/2023 10:16 AM PST

Need to evacuate and don't have a ride? ParaCruz is here for YOU!

If you or someone you know is currently living in an evacuation zone, Santa Cruz METRO's ParaCruz service is offering FREE transportation. Passengers can bring a carry-on of necessary items. Service dogs are welcome.

If you are in need of assistance with evacuations, please call ParaCruz Customer Service at (831) 425-4664 or dial 711 for CRS Hearing & Speech Impaired Services to arrange pick-up. ParaCruz is ready to assist with any further evacuations and customer service is available 24/7.

Find out if you're currently in an evacuation zone: <https://community.zonehaven.com>

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**To:** [Danielle Sims](#)  
**Subject:** (Santa Cruz METRO Transit District): Santa Cruz Police tagged you on Facebook  
**Date:** Monday, January 09, 2023 5:07:23 PM

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Santa Cruz Police tagged you in a post.



**Santa Cruz Police**

January 9 at 5:07 PM

Thank you [Santa Cruz METRO Staff & Drivers | People Behind the Scenes](#)  
Help Transport Santa Cruz Community Members in Evacuation Zones  
[#GoodPeopleDoingGood](#) [#MuchRespect](#)

Need to evacuate and don't have a ride? ParaCruz is here for YOU!

If you or someone you know is currently living in an evacuation zone, Santa Cruz METRO's ParaCruz service is offering FREE transportation. Passengers can bring a carry-on of necessary items. Service dogs are welcome.

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Find out if you're currently in an evacuation zone:

<https://community.zonehaven.com/>

You can now tag your friends in your status or post. Type @ and then type the friend's name. For example: "Had lunch with @John Smith."

Learn more about [tagging on Facebook](#).



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# San Francisco Examiner



## Storm damage to Santa Cruz County upwards of \$15 mil

• [By Margaret Hetherwick | Examiner Staff Writer](#)

Jan 5, 2023 Updated Jan 9, 2023



Rough seas are causing major destruction along the California coastline during the bomb cyclone.  
[Photo by Circe Denyer](#)

The National Weather Service issued a flood warning for the entire Northern California coastline Thursday morning, which will be in effect until 4 p.m. same day. Those in affected areas should minimize travel near areas with low elevation.

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### Scale of the Cyclone

Storms sweeping through the Bay Area this week have struck Santa Cruz County like a ton of bricks.

It's beyond flooding and felled trees — high winds and runoff have caused rough ocean waters, and waves are slamming into beachside infrastructure with destructive results.

Large chunks of debris from the swollen San Lorenzo River have piled onto Cowell's Beach in front of the Santa Cruz Beach Boardwalk. Surfline estimates that waves will be between 25-30 feet at more exposed breaks over the next few days.

Upstream, almost 40 roads were closed as of 1 p.m. on Thursday, the vast majority of which were due to emergencies inland. Highway 9, the main connecting road to the county's mountain communities, was shut down "with no estimate of reopening", according to California Highway Patrol.

The historic wharf in Capitola was split in two by wind-whipped waves, isolating the businesses on the far end of the dock. Other waterfront buildings, including the town's iconic colorful bungalows, were flooded out as another local river, Soquel Creek, surged into homes along its banks.

Many seaside communities just south of Santa Cruz, like Capitola, Rio del Mar, Seacliff and parts of Aptos have seen flooding from the Pacific ocean into town. Even the "Ghost Ship" in Aptos, a ship made of cement, was dislodged by the storm, and the Aptos pier was pulverized.

The county was still reeling from the storm on Dec 30 and 31 before Wednesday's storm hit. The Board of Supervisors declared the destruction a local disaster on Jan 3, with damages estimated to be at least \$10 million.

Annie Puckett, administrative analyst for the county, said that damages are now over \$15 million.

At 1 p.m. Wednesday, the Santa Cruz County Sheriff's office issued an evacuation order for several zones throughout the county ahead of the bulk of the storm. Most were away from the coast in less accessible areas, like agricultural or mountain communities, with a high danger of falling trees and mudslides.

Following the order, people began fleeing to higher ground. Roads began to close as slides, washouts and fallen vegetation impacted travel. The Santa Cruz Metro reportedly evacuated six buses worth of children from a YMCA summer camp in the Santa Cruz Mountains.

The county established five shelter sites — three in Santa Cruz proper, one in Capitola and one in Watsonville. On Wednesday night, KRON4 reported that the shelter in downtown Santa Cruz was packed: officials said "emergency overnight shelter at the Civic is almost at full capacity with 80 people utilizing the space and resources."

As of 12 p.m. Thursday, evacuation orders for areas in Watsonville were lifted. Three shelter sites remain open, one from each municipality. Only the Capitola shelter is restricted to city residents. Puckett said at the moment, shelters are not fully occupied.

"For most zones that were previously evacuated, the risk of flood has subsided at this time, and individuals who evacuated to shelters are transitioning back to their homes."

The Santa Cruz Sheriff's department turned its attention toward areas exposed to the ocean.

"There is currently a tidal surge threatening low-lying coastal areas. Due to large waves and high tides along the coastline, there is a threat to the safety of those residents," said Jim Hart, Santa Cruz sheriff-coroner, in a press release. "If you can evacuate safely, please do so immediately. If you are unable to evacuate, please shelter in place, move away from ocean facing windows."

On Wednesday, Gavin Newsom authorized the state National Guard to assist with recovery efforts during the storm. At about 2 p.m. Thursday, four officers and two high water vehicles arrived on site to assist the Santa Cruz Police Department.

Adjacent counties San Mateo and Monterey did not fare much better. More updates on other counties to follow.

## **Safety Information: Santa Cruz County**

To view the evacuation status of an area, [click here](#) or visit [zonehaven.com](http://zonehaven.com).

The Santa Cruz Metro has begun offering free transportation for all residents under evacuation order via its fleet of ParaCruz vehicles. SC Metro stipulated in a press release that any person living in evacuation areas may schedule a ride with ParaCruz to assist with getting to a safe location.

"Evacuees can bring any necessary carry-on items. Priority will be given to evacuees over regular scheduled appointments," Those with mobility impairments, in other words. "All ParaCruz customers have been notified of delayed pickup times due to evacuation pickups."

Click here for sandbag distribution locations. Be sure to call ahead to make sure the center has sandbags in stock and has tenable roads.

The Santa Cruz County emergency page has evacuation information and a list of shelters.

[mhetherwick@sfexaminer.com](mailto:mhetherwick@sfexaminer.com)



### **Santa Cruz up to \$30 million in damages - 'for roads alone'**

*Since the rains began on New Year's Eve last week, the deluge in Santa Cruz County has compounded into a natural disaster*

### **Molly Hetherwick**

Margaret is a general assignment reporter for The Examiner.

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🚧 We're preparing for an emergency closure of the N/B # 2 lane on Hwy 1 s/of River Street due to removal of this log jam at the freeway over-crossing, as the San Lorenzo River continues to rise.



8:41 AM · Jan 9, 2023



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On campus at UC Santa Cruz, the housing development for students with families, or Family Student Housing, has been without power since 8 a.m. Monday. Students and other on-campus staff were advised to shelter in place. In-person classes were cancelled Monday and Tuesday.

Dining halls and libraries around campus held restricted hours Monday evening, but reopened for business as usual on Tuesday at 9 a.m.

On-campus transit will spotty Tuesday, according to a UC press release. The university's buses began running modified service from the base of campus to a large parking lot on the west side and the Santa Cruz METRO will only operate on the east side of campus.

The on-campus clinic closed Monday and will operate all services remotely until further notice.

Grade schools around the county, both public and charter, have closed in both Santa Cruz and Pajaro Valley Unified. Reach out to your child's school for more information.



News

By [Ricardo Tovar](#)

Published [January 7, 2023](#) 12:34 PM

# Santa Cruz County receives \$30 million for multimodal projects



Highway 1 Bus on Shoulder & Auxiliary Lanes



Segment 12 Coastal Rail Trail



Rapid Bus Stops



Soquel Drive Multimodal



SCCRTC

SANTA CRUZ COUNTY, Calif. (KION-TV)- The Santa Cruz County Regional Transportation Commission and Caltrans, and Santa Cruz Metropolitan Transit District

announced that the county had received \$30 million in Mega Grant funding to help with RTC's Watsonville-Santa Cruz Multimodal Corridor Program projects.

This funding will assist with the Highway 1 bus on the shoulders and auxiliary lanes from Freedom Boulevard to State Park Drive and Segment 12 of the Coastal Rail Trail Project.

The grant will partially fund the design, right-of-way, and construction components (\$25.2 million). It will also fund four new zero-emission buses for METRO (\$4.8 million).

"This grant award is proof that the Infrastructure Investment and Jobs Act is working for Santa Cruz County by providing necessary funding for our project," said RTC Executive Director Guy Preston. "Obtaining federal funding provides affirmation that our Corridor is of national significance, which is expected to facilitate securing future State and Federal grants. This multimodal project aligns with our shared goals of climate action, healthy communities, safety, and equity."

This grant is for the final phase of the three-phase auxiliary lane and bus-on-shoulder operational improvement program along 7.5 miles of Highway 1. The county says this project should create new multimodal transportation options that improve the quality of life for Santa Cruz County residents and visitors alike.

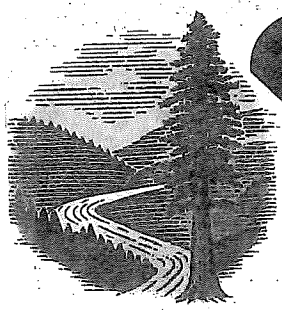
"We are very pleased to have received this award which will help us achieve our goal of providing an efficient multimodal transportation system in Santa Cruz County. This project will prove to be a major benefit to pedestrians, bus riders, and bicyclists," said acting Caltrans District 5 Director Sara von Schwind.



**Ricardo Tovar**







# PRESS BANNER

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JANUARY 6, 2023

## SANTA CRUZ COUNTY SAW MAJOR CHANGES IN 2022



**BRUCE  
McPHERSON**  
County  
Supervisor

As I reflect on 2022, it's difficult to imagine another year that brought as much change to Santa Cruz County in terms of policymaking and planning. As we continued recovering from the CZU Fire and Covid-19 pandemic, the Board of Supervisors completed a number of critical actions in 2022 that had been many years in the making. We also saw major investments in transportation and infrastructure that will continue to develop in 2023. Let's start there.

The Santa Cruz County Regional Transportation Commission worked for more than two years with Caltrans,

the County, METRO, the San Lorenzo Valley Unified School District and hundreds of SLV residents to evaluate and develop the comprehensive Highway 9 Complete Streets Plan. Passed by voters in 2016, Measure D set aside \$10 million for priority transportation projects along the corridor, including \$1 million toward initial work and matching grant funding for the southern entrance to the SLV Schools Complex. All five agencies participated in preliminary engineering, traffic analysis and a feasibility and needs assessment for improving the circulation in front of the campus and within the complex, as well as the bicycle and walking facilities in the surrounding neighborhoods. Measure D also earmarked \$5 million

→ *Changes, 11*

# NEW CHALLENGES AHEAD

*Changes, from page 2*

to build the Highway 17 Wildlife Crossing, which broke ground in 2022 and will provide safe passage for wildlife under Highway 17 near Laurel Road, which bridges two habitat areas.

Other priority projects in 2022 included the Boulder Creek Complete Streets Improvements to construct new sidewalks, update existing infrastructure and improve crosswalks with bulb-outs for enhanced pedestrian safety, as well as the proposed expansion of County Service Area 7, which provides sewer service to parts of Boulder Creek. I want to thank Congressman Anna Eshoo, who represented the San Lorenzo Valley for 20 years before her district was redrawn last year, for embedding in the 2023 federal budget \$1.5 million for the Boulder Creek transportation project and \$2 million to further explore the sewer expansion.

In 2022, my office continued to work with the San Lorenzo Valley Water District on planning for a potential consolidation with Big Basin Water District. I'm also proud that our County organized the purchase of Watsonville Community Hospital — a critical public health resource for our entire region, not just for South County — and returned it to public ownership. And it was an honor to welcome residents into the newly renovated Boulder Creek Branch Library.

All of these initiatives came as the Board of Supervisors approved the first major update in 30 years to our General Plan and Local Coastal Program, better known as the Sustainability Update, which guides land use in the unincorporated area and includes a modernization of County Code regarding housing, transportation and environmental justice, among other issues. We also approved an ordinance allowing for Tiny Homes on Wheels and passed the County's Climate Action and Adaptation Plan, the cornerstone of which is Central Coast Community Energy (CCCE), which my office led the way in founding more than five years ago.

Now the largest geographical community choice energy agency among the 20 established in California, and one of the largest by load, number of customers and budget, CCCE has 33 County and City members covering five counties on the Central Coast and we serve 95% of customers with clean en-

ergy rates well below PG&E. By 2030, we expect 100% of the electricity provided by CCCE to be renewable, which is 15 years before the State mandate to achieve zero-emissions energy sources.

Lastly, 2022 also brought big changes for the Board of Supervisors itself. On Dec. 13, we bid farewell to Supervisors Ryan Coonerty and Greg Caput, who represented District 3 and District 4, for eight years and 12 years, respectively. It was my pleasure to serve with both of them, and I wish them and their families the very best in the years to come.

At our first meeting of the Board in 2023 we will welcome two new members: Supervisor Justin Cummings for District 3 and Supervisor Felipe Hernandez for District 4, both of whom I look forward to working with on issues facing Santa Cruz County. I also am excited to partner with the City of Santa Cruz's first directly elected Mayor Fred Keeley, with whom I served in the Legislature, as well as our new Assemblymember Gail Pellerin.

2023 will no doubt bring new challenges and opportunities, and as always, if my office can be of assistance, please contact us at [fifth.district@santacruzcounty.us](mailto:fifth.district@santacruzcounty.us) or 831-454-2200.

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*Bruce McPherson is the Fifth District Supervisor for the County of Santa Cruz, including the San Lorenzo Valley and parts of the cities of Santa Cruz and Scotts Valley. His views are his own and not necessarily those of the Press Banner.*

**From:** [Facebook Mentions](#)  
**To:** [Danielle Sims](#)  
**Subject:** (Santa Cruz METRO Transit District): Martha Victoria Vega tagged you on Facebook  
**Date:** Friday, January 06, 2023 7:47:40 PM

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## Facebook

### Martha Victoria Vega

January 6 at 7:41 PM

Thank you EVERYONE who came to help out our community. It was beautiful to see everyone United for our Pajaro Valley. Special dedication to those who responded to the scene and worked behind the scenes on Saturday, December 31 on New Years Eve and I thank you from the bottom of my heart.

♥

New Year's Eve:

I appreciate all of you, especially Mayor [Eduardo Montesino](#) and Mayor [Ari Parker](#) for your leadership and [Daniel Dodge Jr](#) who made me aware of the situation in the County area (East Lake /Holoan / College Rd). Grateful to [RAMON GOMEZ North County Fire District Director](#), Supervisor [Greg Caput](#), Supervisor [Felipe Hernandez](#), CAO [Carlos Palacios](#), UnderSheriff Chris Clark who responded to address the county. City Council [Casey Clark](#) who responded with all hands on deck and we saw each other at Fire Station #1. Grateful to [Santa Cruz Regional 9-1-1](#), I know called dispatch ([German Flores](#)) reporting flood on Bridge St / Cereze, Lincoln, Riverside, Elm St and reporting we needed bags and more sand at Fire Station #1. ♥ Much love to you [Tamara Vides](#) and ALL the wonderful [City of Watsonville - City Gov't](#) staff who responded with compassion on New Years Eve and New Years Day to help our community.

After the Flood and Storm Preparation:

Know you ARE all appreciated. Everyone, all city, county, non-profit

organizations, school [Pajaro Valley Unified School District](#) staff, [Santa Cruz METRO Transit District](#) providing transportation for victims in flood areas, [Raymon Cancino](#), [MariaElena DelaGarza](#), [Maria Hernandez-Cervantes](#), [Ivan](#)

Cervantes, Community Action Board of Santa Cruz County, Inc., Cabrillo College Federation of Teachers, Daniel Dodge Sr, Nahara Villalobos, Fabian Carlos Leonor, Maura Carrasco Leonor, Denise Brazil transporting sand to victims, City Council Maria Orozco, City Council Vanessa Quiroz-Carter, City Council Kristal Salcido, Former Mayor Oscar Rios, City Manager René Mendez, John Moreno, and all those who I might have not mentioned here. You all know who you are and you are appreciated.

We have shut down operations at the self-serve sandbag station at Fire Station 1 (115 2nd St.). Watsonville residents can still access pre-filled sandbags at Ramsay Park.

We want to thank our volunteers and city staff who have worked tirelessly to make thousands of sandbags available to our community and our community-based organizations that have played a critical role in helping our residents!

Residents with questions can call our City Hotline at 831-768-3038 from 8AM-5PM, Monday-Friday.

Ñ

Hemos cerrado las operaciones en la estación de bolsas de arena de autoservicio en la Estación de Bomberos 1 (115 2nd St.). Residentes de Watsonville aún pueden acceder a bolsas de arena precargadas en Ramsay Park.

¡Queremos agradecer a nuestros voluntarios y al personal de la ciudad que han trabajado incansablemente para que miles de sacos de arena estén disponibles para nuestra comunidad y nuestras organizaciones comunitarias que han desempeñado un papel importante para ayudar a nuestros residentes!

Residentes que tengan preguntas pueden llamar a nuestra línea directa de la Ciudad al 831-768-3038 de 8AM- 5PM de lunes a viernes.

[View on Facebook](#)

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## YMCA Camp Campbell evacuated to Scotts Valley

By: DREW PENNER

January 6, 2023



Santa Cruz METRO sent six buses to Scotts Valley to collect students from two East Bay schools and pupils from Silicon Valley who needed to be evacuated from a science camp at the YMCA location in Boulder Creek Wednesday afternoon, authorities said. (Courtesy of Santa Cruz Metro)

About 170 students were evacuated from a science camp at the YMCA location in Boulder Creek Wednesday afternoon.

The remote camp is only accessible by a small bridge that authorities worried could fail in the stormy weather.

Students from Silicon Valley and the East Bay were taken from the Camp Campbell site to the Scotts Valley Community Center starting around 2:30pm, a spokesperson for Santa Cruz METRO said.

Things had gotten a bit hectic in the San Lorenzo Valley earlier in the week, with some trees and wires down, but emergency activity had calmed down by Wednesday, said Tyler Dawson, a firefighter with the Ben Lomond Fire Protection District.

“It’s been pretty mellow today,” he said around 2:15pm Wednesday. “It’s supposed to be picking up here around 5 o’clock.”

But further up the river valley, an evacuation of children—down Highway 9 and back to Silicon Valley—was underway.

METRO sent six buses to collect students from two Albany-area schools and pupils from the San Jose region, said Danielle Glagola, a Santa Cruz METRO spokesperson.

Though the public transit buses had been on standby the previous night, this was the first time METRO actually needed to evacuate a group, she said.

The call came in for the YMCA camp operation around 11am, she added.

“They’re currently packing their bags to load onto the buses,” she said, just before 2:30pm. “They’re going to be taken to the community center.”

The evacuation was coordinated by the Emergency Operations Center.

Mary Ann Lobalbo, a program coordinator with Santa Cruz County Recycling & Trash Services, said the Scotts Valley Community Center had been designated a Temporary Evacuation Point until 10pm for Wednesday and Thursday.

She was prepared to host the children if need be. Their field trip was supposed to last until Friday, she added.

“We were going to entertain them,” she said, as the students filed off the buses lugging sleeping bags, Minecraft backpacks and tablets slung over their shoulders around 4pm. “This is the last group I think.”

The Scotts Valley Branch Library was also ready to take in the children.

Neither plan would be necessary, as the students were quickly whisked over the hill in coach and METRO buses.



Wilson Wu arrives in Scotts Valley after his first-ever camp volunteer experience was cut short by stormy weather. (Drew Penner/Press Banner)  
Some parents had driven to Scotts Valley to collect their sons and daughters themselves.

Winnie Nie, from Cupertino, didn't see her 15-year-old son Wilson Wu at first.

Her Homestead High School teen was volunteering at the camp, which had begun Monday, she said, noting he'd never had the chance to do something like this before.

"This is the first time," she said. "It's a very special experience for him, because he's in 10th grade."

When he texted her about the evacuation, she reached out to school officials who told her things were under control.

"They said the children are very safe," she said, admitting she was a little nervous at first.

A woman wearing clothing with a Cornell Elementary School logo got off the bus and asked Nie to help organize the kids into a line, which she did.

Soon enough, Wu—in good spirits—appeared, and the mother and son headed on their way.

Michael Tree, METRO's general manager, said the transit authority had been working around the clock to make sure it was prepared for just such an event.

"We were happy to help," he said.

At press time, METRO had begun an evacuation of 35 residents plus four staff members from an adult long-term care facility in Ben Lomond.

They were headed from Willowbrook Residential Care to Santa Cruz Bible Church on Frederick Street as the rains began to pound harder.



1/5/23

Hi Everyone,

I'm sure yesterday was a challenging time for most of you, whether professionally or personally, but I wanted to send out a **BIG THANK YOU** to all of you for your efforts in assisting our community. METRO stepped up in a big way in not only providing regular service during inclement weather but also in providing evacuation assistance as well as assisting with sand bag preparation. All of your hard work really made a difference to the people of this county and further established METRO as a key community partner. As essential workers I can understand that it may be difficult to focus on work while dealing with environmental situations but your dedication to METRO and the people of our community really shined through yesterday and is much appreciated.

As you may have heard, METRO did assist with several evacuation requests yesterday. One of which included evacuating 215 students from Boulder Creek and 39 people from a residential care facility in Ben Lomond. I have included some links below on those stories so you can see how much all of your work was appreciated.

As we gear up for the next storm system expected to arrive Saturday I also wanted to let you know that ParaCruz will continue to offer free evacuation pickups throughout the weekend. If you or anyone is need of a ride due to an evacuation please call the ParaCruz line 24/7 at (831) 425-4664. Thank you Ops, ParaCruz, and Customer Service for your diligent dedication.

Additionally, if you would further like to assist our community, the county is still requesting volunteers to help with storm preparations and support. Please email [scvolunteercenter.org](mailto:scvolunteercenter.org) for details.

Lastly, for more storm resources please visit the county website, <https://www.santacruzcounty.us/OR3/Emergency.aspx> and please keep your manager informed if you need any assistance from METRO.

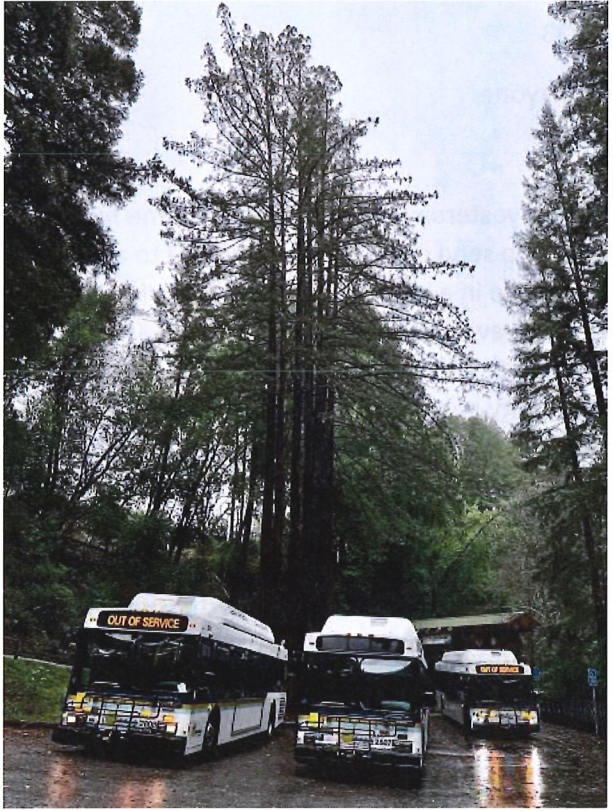
Thank you and take care,

**Danielle Glagola**

**Marketing, Communications & Customer Service Director**

**(831) 420-2550**

[Santa Cruz METRO](#)






Sylvia Luna

Watsonville City Center · Now ·



Shout out to our Santa Cruz Metro ParaCruz drivers who have been available and will continue to be available this evening in helping anyone who needs to be safely transported out of their homes to a safe location. Thank you for helping our seniors and our most vulnerable members of our community. ❤️

 33 Neighbors

 Like



**Phyllis Dias** · Peace Hill



Thank you Bob!!

2h

Like

Reply

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**David Curtis** · Green Valley



Metro ParaCruz [\(831\) 425-4664](tel:8314254664)

2h

Like

Reply

Share



**Leah Rose** · Airport Blvd



Heroes, thank you.

2h

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Reply

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**Joe Escobar** · Seaview Ranch



Bus Operator here , we have operators on standby all day 24 hours during this emerge... [See more](#)

58m



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**Michelle Sanchez** · Crestview



Thank you Leo

6m

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# Weather Underground

*Ron Brackett*

*Published: January 5, 2023*

## 200 Children Evacuated From Camp

About 200 children were evacuated from a science camp in Boulder Creek Wednesday after officials became concerned that a small bridge leading to the camp could collapse.

The bridge crosses the San Lorenzo River.

The Santa Cruz County Sheriff's Office told KSBW [the children were loaded onto](#) Santa Cruz Metro buses and returned to their homes.



## **Kids science camp in Boulder Creek evacuated due to potential bridge collapse**

Updated: 12:34 AM PST Jan 5, 2023

**BOULDER CREEK, Calif. —**

Wednesday afternoon, before the atmospheric river hit the Santa Cruz Mountains, hundreds of kids had to be evacuated.

Approximately 200 children from the Bay Area were evacuated from a science camp in Boulder Creek by Santa Cruz Metro buses.

The children were evacuated due to concerns that the small bridge leading to their camp, which is located over the San Lorenzo River, could potentially collapse, the Santa Cruz County Sheriff's Office said. The children were sent back home.

According to the Sheriff's Department, there have been no reports of major hazards, flooding or injuries as of 4:30 p.m. However, as a precaution, the sheriff's office and local agencies are going door to door to evacuate those who may be in danger.



## CBS SF Bay Area

# Group of over 200 school children evacuated from YMCA camp in Boulder Creek

Story by CBS San Francisco

Jan 4

**B**OULDER CREEK -- A group of over 200 school children were evacuated from a YMCA science camp in Boulder Creek on Wednesday due to the approaching storm, authorities said.



Boulder Creek Fire Department CBS© Provided by CBS SF Bay Area

The chief at the Boulder Creek Volunteer Fire Department and other Santa Cruz County Emergency Operations Center officials coordinated the evacuation of the

kids from San Jose and Albany from Camp Campbell in a remote area of Boulder Creek off Highway 9, which is currently closed.

Authorities realized that having the children in an area likely to see major storm impacts was unwise and decided to evacuate them out of the area.

The Santa Cruz Metro Transit District assist with the evacuation ahead of the storm's arrival. The children were taken to Metro Scotts Valley Transit Center and were then transferred to Scotts Valley Community Center to await pickup from their schools in Albany and San Jose, a Metro Transit spokesperson confirmed.

The children were never in any immediate danger, authorities said.



# CBS

## Group of over 200 school children evacuated from YMCA camp in Boulder Creek

January 4, 2023 / 8:16 PM / CBS San Francisco

BOULDER CREEK -- A group of over 200 school children were evacuated from a YMCA science camp in Boulder Creek on Wednesday due to the approaching storm, authorities said.



Boulder Creek Fire Department CBS

The chief at the Boulder Creek Volunteer Fire Department and other Santa Cruz County Emergency Operations Center officials coordinated the evacuation of the kids from San Jose and Albany from Camp Campbell in a remote area of Boulder Creek off Highway 9, which is currently closed.

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The children were never in any immediate danger, authorities said.

First published on January 4, 2023 / 8:16 PM

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SENTINEL

SANTA CRUZ COUNTY

# County digs in ahead of winter storm

BY JESSICA A. YORK

[JYORK@SANTACRUZSENTINEL.COM](mailto:JYORK@SANTACRUZSENTINEL.COM)

SANTA CRUZ >> The region was given much of Wednesday to quietly prepare for a heavy winter rainstorm forecast to soak the area late in the day and into Thursday.

At midday, the city of Santa Cruz followed the example of Watsonville, opening its emergency shelter and warming center at the Santa Cruz Civic Auditorium. As the rain and wind began to briefly pick up speed in the morning, City Councilmember Sonja Brunner was on site prior to the shelter's opening, assessing the need for volunteers to help mobilize the effort in the coming days.

Meanwhile in South County, the rain held off for at least the first half of the day while blue skies mingled with rain clouds. Watsonville launched its two emergency sites — an overnight shelter at Cesar Chavez Middle School and a day center at Ramsey Park — Tuesday evening after issuing mandatory evacuation orders for several neighborhoods.

With 50 cots set up in the school's auditorium and more waiting in the wings, 17 individuals stayed over in the shelter's first night, according to shelter lead Kathy Nuñez.

At Ramsey Park, volunteers from county-based organizations continued for a second day to fill sandbags destined for evacuees and for home delivery to seniors unable to get out to sand-filling stations. Similar sandbag-filling stations were opened at fire stations and other locations throughout the county on Tuesday and Wednesday.

On top of evacuation warnings, the Sheriff's Office Wednesday issued evacuation orders for multiple areas near creeks and rivers, including Soquel Village and areas near Corralitos and Salsipuedes creeks that saw flooding over the weekend.

At least six state parks in Santa Cruz County closed in advance of the storm, according to a notice on the state parks website. The list of closures included Wilder Ranch State Park, Natural Bridges State Beach, Lighthouse Field State Beach, The Forest of Nisene Marks, New Brighton State Beach and Sunset State Beach. Soquel Demonstration Forest also was noticed as closed to all activity, including hiking and cycling, for an undetermined period, due to downed trees and mudslides on trail and park access roads.

The status of the state parks' closures will be reevaluated Friday.

In Boulder Creek, the YMCA Camp Campbell evacuated more than 150 students from multiple Bay Area school districts that were taking part in its Outdoor Science School this week. According to officials waiting to greet the students, who had been transported to Scotts Valley by Santa Cruz Metro buses, the decision to evacuate the camp was made out of an abundance of caution by the students' respective school districts, in coordination with Santa Cruz County authorities. The camp was not under an evacuation order or advisory at the time.

According to a representative for Santa Cruz Metro, the carrier is evacuating a senior facility in north Felton just off Highway 9 in between San Lorenzo Valley High School and Highlands Park. They are evacuating 35 seniors plus four staff members to the Santa Cruz Bible Church on Frederick Street.

While severe rain storms held off for much of Wednesday throughout the county, Sentinel weather observers reported about an inch of rainfall. Reports included 1.17 inches in Ben Lomond, 0.90 inches in Happy Valley and 0.65 inches in Soquel.

Heavy wind gusts and downed trees affecting powerlines contributed to power outages throughout the day. According to Pacific Gas & Electric outage maps, more than 5,000 customers were affected at the outage peak, around 3 p.m.



## METRO's Paracruz Service is Available to Help Evacuate Residents

Santa Cruz METRO Transit District sent this bulletin at 01/04/2023 03:36 PM PST

### **Santa Cruz METRO's Paracruz service is available to help evacuate residents**

Are you currently located in an evacuation zone and need transportation assistance to relocate?

With heavy rain forecasted throughout the county, evacuation orders are being issued and residents in need of transportation services can depend on Santa Cruz METRO's ParaCruz service. Find out if you're located in an evacuation zone by accessing the [Zone Haven website](#).

Any person living in evacuation areas will now have access to schedule a ride with ParaCruz to assist with getting to a safe location. Evacuees can bring any necessary carry-on items. Priority will be given to evacuees over regular scheduled appointments. All ParaCruz customers have been notified of delayed pickup times due to evacuation pickups.

This is a temporary expansion of service for ParaCruz, a shared-ride service that typically provides door-to-door public transportation for people who have a temporary or permanent physical, cognitive or psychiatric disability that prevents them from making some or all their trips on METRO's fixed route bus system.

Rides are scheduled in advance, and frequently include picking up and dropping off other customers along the way. Residents can call ParaCruz Customer Service at (831) 425-4664 or dial 711 for CRS Hearing & Speech Impaired Services to arrange pick-up.

Bus service is expected to continue its regular service and any weather-related impacts affecting bus routes can be accessed on the [Santa Cruz METRO website](#). Santa Cruz METRO's bus schedule can be accessed in [Winter Headways](#).

 SHARE

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**Alyssa Goard**

6d · 🌐

Anyone who lives in Santa Cruz County & needs to evacuate during this storm can schedule a free ride from ParaCruz [Santa Cruz METRO Transit District](#)

by calling (831) 425-4664

[NBC Bay Area #CAwx](#)

### **Santa Cruz METRO ParaCruz Service now offering free transportation to help relocate evacuees**

*Metro's ParaCruz service is ready to support storm-related evacuations throughout the county*

JAN. 4, 2023 —SANTA CRUZ, CA— With heavy rain forecasted throughout Santa Cruz County, evacuation orders are being issued and residents in need of free transportation services can depend on Santa Cruz METRO's ParaCruz service.

Any resident living in an evacuation area can schedule a ride with ParaCruz. This is a temporary expansion of service for ParaCruz, a shared-ride service that typically provides door-to-door public transportation for people who have a temporary or permanent physical, cognitive or psychiatric disability that prevents them from making some or all their trips on METRO's fixed route bus system.

Evacuees can bring any necessary carry-on items. Priority will be given to evacuees over regular scheduled appointments. All ParaCruz customers have been notified of delayed pickup times due to evacuation pickups.

Rides are scheduled in advance, and frequently include picking up and dropping off other customers along the way. Residents can call ParaCruz Customer Service at (831) 425-4664 or dial 711 for CRS Hearing & Speech Impaired Services to arrange pick-up. Service animals are permitted on ParaCruz.

Bus service is expected to continue its regular schedule. Any weather-related impacts affecting bus routes can be accessed on the [Santa Cruz METRO website](#). Santa Cruz METRO's bus schedule can be access in [Winter Headways](#).

# Mass Transit

## CA: Newsmaker 2022 | Santa Cruz RTC brings passenger rail to forefront after Measure D defeat

In what will be remembered as one of the most heated ballot initiative contests in Santa Cruz County history, voters made their voices heard in decisive fashion this summer when it came to the future of the Branch Rail corridor.

By PK Hattis

Jan. 4, 2023

**Source** Santa Cruz Sentinel, Calif. (TNS)

Dec. 30—SANTA CRUZ — In what will be remembered as one of the most heated ballot initiative contests in Santa Cruz County history, voters made their voices heard in decisive fashion this summer when it came to the future of the Branch Rail corridor.

After months of contentious debate, the Measure D Greenway Initiative was overwhelmingly defeated in the June 7 primary election by a difference of nearly 36,000 votes. When the final ballots were tallied, the "no" votes came out on top with 56,342 (or 73%), while the "yes" votes came to 20,616 (or 26%).

The initiative aimed to amend the county's General Plan — a long-term planning document that outlines land use and development in unincorporated county regions — to favor the establishment of a multi-use trail in place of the 32-mile rail line connecting both ends of the county.

Current plans place a trail next to the rail line and organizers in opposition to the initiative such as No Way Greenway said keeping this plan in place is key to pursuing future transportation possibilities in the county, including an exploration of passenger rail service.

But even if the initiative had passed, it wouldn't have guaranteed that Greenway's vision would come to fruition, according to a county analysis. The rail line stretching from Watsonville to Davenport has been owned by the Santa Cruz County Regional Transportation Commission since 2012 and ultimately its 12 commissioners get to decide what vision to pursue for the corridor.

"I'm very optimistic that we can have electric passenger rail service in this county and it will make a huge environmental and convenience difference for people," longtime Regional Transportation Commissioner Mike Rotkin recently told the Sentinel, adding that he was "pleased" with the election outcome but not totally surprised.

One commissioner decidedly not pleased with the outcome is Manu Koenig, who strongly supported the Greenway vision during the campaign. Still, he believed the message from voters was clear.

"I think the vote on Measure D means people aren't ready to give up on the rail option yet," said Koenig, who chairs the commission and also represents the 1st District on the Santa Cruz County Board of Supervisors. "It's important to honor the will of the people and do as much as we can to provide more information."

In that regard, most commissioners are in agreement.

The RTC recently agreed to spend \$3.8 million to partially fund a "concept report" for a 22-mile electric passenger rail project from Watsonville to Santa Cruz. The early-phase study —estimated for completion within 24 months —will gather information through public outreach, assessment of existing rail infrastructure and environmental conditions, initial ridership modeling and a right-of-way investigation, among other things. Subsequent preconstruction phases of the project that will help define the scope of its work but are not yet funded include preliminary engineering and environmental documentation and initial right-of-way services.

While Koenig voted to approve initial funding for the concept report, he believes it and other studies that follow are likely to show that Santa Cruz and electric passenger rail are incompatible for financial, environmental and logistical reasons. Commissioner Randy Johnson, who was the sole vote against pursuing the concept report, goes a step further and has already outright declared that he doesn't see a "bright future" for rail in Santa Cruz or even the region more broadly.

Other commissioners such as Rotkin have instead embraced a realistic optimism. He said he is open to changing his stance depending on information uncovered in forthcoming reports, but added that "the fatal flaw in rail is yet to appear to me."

"The rest of the world is totally invested and engaged in this kind of train service and I don't see why we can't make it work in America," Rotkin said. "We made it work first before everybody else and for a bunch of complex reasons destroyed that system over the years and I'm very optimistic we can bring it back."

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Visit the Santa Cruz Sentinel (Scotts Valley, Calif.) at [www.santacruzsentinel.com](http://www.santacruzsentinel.com)

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## **Watsonville Issues Mandatory Evacuation Orders For Flood Prone Neighborhoods**

By: Johanna Miller

January 3, 2023

**WATSONVILLE**—Mandatory evacuation orders have been issued for Watsonville neighborhoods with a high risk of flooding during this Wednesday’s storm, which is said to hit the region early tomorrow morning.

City officials urge residents who live within this map’s blue-shaded area to evacuate tonight. Choosing not to evacuate puts you and your family at risk and will delay rescue operations, they said.

Watsonville City Council member Jimmy Dutra said in a video posted to Facebook that officials are currently going door-to-door asking people in the senior villages to evacuate.

“We cannot guarantee that our emergency services can get to you if you decide to stay behind,” he said. “I know this is a very emotional time for people, but we want you to be safe.”

An overnight shelter has opened at Cesar Chavez Middle School (440 Arthur Road). This site will serve as the central location to accommodate residents.

Ramsay Park (1301 Main St.) will serve as a meeting place for residents to get information on available services. There will be limited onsite services.

For those who need transportation services, Lift Line and Santa Cruz METRO will be available to assist. Call **831-688-9663** for information.

Sandbags are still being filled and distributed by Public Works and nonprofit volunteer teams. Currently bags are available at Joyce-McKenzie Park (500 Joyce Court). Supply is limited, and officials are trying to prioritize residents of high-risk areas.

WEATHER

## New storm system to strike Wednesday

Official disaster declaration coming before end of week



Crews work to clear a large logjam in the San Lorenzo River at the Highway 1 bridge in Santa Cruz on Monday following Sunday's powerful storm. SHMUEL THALER — SANTA CRUZ SENTINEL

BY PK HATTIS

1/3/2023

SANTA CRUZ >> Santa Cruz County is still reeling from the impacts of an intense storm system that struck New Year's weekend, but local officials say things are likely to get worse before they get better.

Another system of equal or greater intensity is poised to strike the region Wednesday, bringing heavy rainfall and intense winds to saturated soils and loose tree roots.

Dave Reid, director of the county's Office of Response, Recovery and Resilience told the Sentinel Monday that a disaster declaration bringing additional funding and recovery resources to the county is imminent and will be declared before the end of the week. He said the scale of the storm damage has already "exceeded our capacity financially to address."

To make matters worse, Reid said the local tide forecast is also predicting unfavorable conditions. "The storm is scheduled to hit us at its most intense through Wednesday's evening hours and Thursday morning and the tide is rising through that whole time period," he said.

What this means is that low-lying areas in the coastal zone such as those neighboring Soquel and Aptos creeks and the San Lorenzo River are at increased risk of flooding due to tidal factors. As a result, residents could be subject to "proactive evacuations" in the coming days for their own safety and the safety of first responders.

"The last thing we want to do is evacuate somebody at 2 a.m. or have them wake up to a dangerous or flooding situation in the middle of the night," Reid said.

Regions in the Santa Cruz Mountains such as Ben Lomond that received a whopping 7.45 inches of rain Saturday could see an additional 8-10 inches from the coming storm with an added wind factor.

National Weather Service meteorologist Brian Garcia said 50-70 mph winds are expected in high-elevation areas within the county, which will lead to downed branches and trees.

"We've essentially gone from having tree roots being in really firm ground to essentially being rooted in almost porridge at this point, the soils have become so saturated," Garcia said. "There are so many potentialities with this system now that we're adding wind onto it. It just went from bad to worse."

Garcia deemed the storm a "Pineapple Express" system, which is a moisture-laden stream in the atmosphere loaded up from the Hawaiian Islands and pushed toward northern regions as part of the natural weather flow. He said the warm water allows for a higher moisture content that is responsible for the exceptionally voluminous rainfall potential.

"Know your hazards. Prepare for worst case scenario and as best you can, put yourself in the safest position possible as we get into Wednesday and through Wednesday night," Garcia said.

## **Ongoing recovery**

Meanwhile, regional officials remain hard at work attempting to recover from the previous storm as they prepare for what's ahead.

A portion of northbound Highway 1 in Santa Cruz remained closed Monday as Caltrans crews worked to clear a wall of debris accumulating against one of the San Lorenzo River bridge over crossings. The agency deployed a crane to remove some of the massive logs that were blocking the flow of water and work is expected to continue overnight and into Tuesday.

Similarly, Reid said the county is working to clear a number of obstructions along Soquel Creek that may have contributed to the flooding in Soquel Village this past weekend.

Further north, a portion of Highway 9 from Bear Creek Road to Riverdale Boulevard was reopened with one-way reversing traffic control after debris was removed from the roadway following a landslide. Still, a lower section of the highway remained closed after 100-foot-tall trees shifted in the wet soil and are leaning across the roadway.

Several South County regions have also experienced some recent flooding including sections near Salsipuedes and Corralitos creeks. California Highway Patrol and State Parks Rescue responded to a stranded driver that was attempting to cross flooded waters at Paulsen Road in Watsonville. According to a statement posted on the Highway Patrol's social media page, the driver was able to get out safely.

"We can't stress enough, the dangers of traveling through flooded roadways," the statement reads. "If you see flooded roadways, turn around, don't drown."

## **Safety tools**

The county has built a preparedness and recovery resource page at [santacruzcounty.us/OR3/DisasterResources.aspx](http://santacruzcounty.us/OR3/DisasterResources.aspx). The page lists outage maps, road closures, local rain totals, survival tips and more.

Reid recommended community members register their cell phones for emergency notifications at [scr911.org](http://scr911.org) and download the "code red" app. NOAA All Hazards Weather Radios are also key, as they can receive emergency notifications when the power is out or there is no phone reception.

Watsonville also announced Monday that it had activated its emergency operations center ahead of the coming storm. Resources in the works include:

- More than 100 tons of sand on its way to two sandbag stations at 115 2nd St. and Ramsay Park.
- Heavy-duty equipment has been requested from local companies to help quicken the cleaning and recovery effort.
- Ramsay Park and other locations are being prepared to serve as shelters in case of evacuations.
- Pre-filled sandbags will be taken to the senior community and local nonprofits are helping with senior outreach efforts and resource distribution.

## **County Storm Central: The latest on the winter storms, swell damage**

By Wallace Baine, Max Chun, Mark Conley, Tamsin McMahon, Christopher Neely, Hillary Ojeda, Will McCahill, Fernando Haro Garcia

Source: Lookout Santa Cruz

JAN 3, 2023 | 6:23 PM



A man surveys stormy seas Monday from the jetty in Capitola.  
(Kevin Painchaud / Lookout Santa Cruz)

***Storm Central keeps you updated as we watch, wait and assess. Check back here as Lookout correspondents reach out across the county and stay close to the county's emergency operations centers to bring you the latest through the day.***

### **Where we stand on Wednesday**

**Wednesday, Jan. 11, at 6:45 a.m.** —Another round of rain was making its way into Santa Cruz County as Wednesday dawned, with forecasts calling for as much as 2 additional inches in certain areas.

That came after a dry Tuesday afternoon saw evacuation orders reduced to warnings in some parts of the county, though evacuation orders were still in place in a few spots, including along the Pajaro River in Watsonville.

The Pajaro River levee was set for some emergency repairs Wednesday after showing signs of seepage amid the recent deluge. Work was to take place on an earthen section of the levee in an agriculture area more than a mile upstream from the confluence of the Pajaro River and Salsipuedes Creek.

Some schools in the Pajaro Valley Unified School District affected by evacuation warnings were to remain closed Wednesday, and the San Lorenzo Valley Unified School District, after originally planning to resume classes, told families late Tuesday that its schools would also remain closed amid downed trees and other logistical issues. Other county school districts, including Santa Cruz City Schools, were on track for regular instruction.

In-person instruction was also set to resume Wednesday at UC Santa Cruz, where power was restored Tuesday. However, with some UCSC faculty and students facing obstacles including accessibility and power, the school asked instructors whose classes are scheduled to meet on Wednesday to contact their students with their current plans, and asked students to monitor their email for updates from instructors.

Tuesday also brought a visit California Gov. Gavin Newsom, who toured areas of Capitola Village and Seacliff State Beach. Newsom lauded the Biden administration for its commitment to aiding the state as a whole but said it was too early for details on local recovery efforts.

“All that’s being assessed. All that will be determined,” he said of who might pay for repairs to wharves battered by last week’s high surf. Once damage assessments have been made, and federal and state funds have been collected, “then we’ll be able to make a much sounder judgment and assessment of what we actually will deliver.”



Felton Grove rides along the San Lorenzo River, which has hit flood stage on multiple occasions since New Year’s Eve.  
(Christopher Neely / Lookout Santa Cruz)

And with floodwaters receding along the San Lorenzo River, residents in the Felton Grove neighborhood waded into cleanup efforts with varying degrees of optimism.

“I love this place, I love the neighborhood. In the summer, the water is crystal clear and it’s a magical place to be. But, man, there is a total flip side,” longtime resident Ron Oliveira told Lookout’s Christopher Neely. “Brother, after 20 years and four floods, it’s just, like, enough.”

### **Previous updates**

#### **FROM TUESDAY, JAN. 10**

**Many Santa Cruz County schools resume classes Wednesday, though SLV, some Pajaro Valley schools to remain closed**

**Tuesday, Jan. 10, at 8:32 p.m.** — The Pajaro Valley Unified School District will open most of its schools Wednesday, after closing many campuses because of storms. But several PVUSD schools impacted by ongoing evacuation warnings will remain closed.

In a letter to families Tuesday afternoon, the San Lorenzo Valley Unified School District said its schools would remain closed Wednesday.

“Although it was our intent to open schools tomorrow, Wednesday, January 11, 2023, the trees that fell across Highway 9 by El Solyo Heights took out power to our tri-campus and several other areas around the schools,” the letter read. “In addition, that event also closed Highway 9 from El Solyo Heights to the high school entrance.”

Santa Cruz City Schools will have regular instruction Wednesday. Scotts Valley Unified School District has remained open this week and plans to continue with classes on Wednesday. Soquel Union Elementary School District Superintendent Scott Turnbull said all of the district’s schools will be open on Wednesday.

**Pajaro River levee system to undergo emergency repairs Wednesday after showing signs of seepage**



Flooded fields that run along East Lake Avenue in Watsonville on Monday.  
(Kevin Painchaud / Lookout Santa Cruz)

**Tuesday, Jan. 10, at 8:26 p.m.** — The County of Santa Cruz said late Tuesday that it would carry out emergency repairs to the Pajaro River levee system, which was showing signs of seepage after more than a week of heavy rains.

The stretch of river that runs through Watsonville has continued to steadily rise since Monday and measured over 31 feet Tuesday afternoon after more storms swept through Santa Cruz County.

#### **Seacliff State Beach remains closed after suffering “catastrophic damage” to pier, seawall and campground**



The closed and damaged pier at Seacliff State Beach in Aptos on Tuesday, January 10, 2023.  
(Kevin Painchaud/Lookout Santa Cruz)

**Tuesday, Jan. 10, at 8 p.m.** — Seacliff State Beach remained closed to the public after “catastrophic damage” to its campground from ocean swells that destroyed a seawall and wiped out 63 campsites and 26 hookup sites.

“We’ve lost so much pavement and underground utilities there. More than half the seawall is gone in there,” said Chris Spohrer, district superintendent for the Santa Cruz District of California State Parks.

The day-use side of the park suffered significant damage to its seawall, as well as damage to the promenade, Spohrer said. On Tuesday, state parks workers were placing heavy rock on areas of the promenade where the seawall had been crushed by large waves.

Recent storms also destroyed half of the pier at Seacliff and left the remaining sections “severely damaged,” he said. He didn’t have an estimate for the cost to repair the damage, but said the agency expected at least a portion of the money to be reimbursed by the Federal Emergency Management Agency (FEMA).



California State Parks Santa Cruz District Superintendent Chris Spohrer at Seacliff State Beach on Tuesday.  
(Kevin Painchaud / Lookout Santa Cruz)

Spohrer warned that forecasts were calling for another large, western swell to hit the area Friday during a period of reasonably high tide, a dangerous combination responsible for the original damage to the state beach last week.

State Park officials were asking the public to stay away from the park given the damage, temporary fencing and work by crews operating heavy machinery to stabilize and area.

“Being honest, we’re having a lot of people come down already and we’re trying to manage that, but we are asking for the public’s cooperation to stay away because of the dangers and because it impedes our ability to do the work down here,” Spohrer said.

He said park officials would assess whether some areas of the park may be able to reopen to public use on the weekend.

— *Kevin Painchaud*

### **County officials, law enforcement estimate more than \$28 million in damages from storms through Jan. 7**



An aerial photo of a landslide that closed Highway 9 at Ben Lomond on Monday.  
(Kevin Painchaud / Lookout Santa Cruz)

**Tuesday, Jan. 10, at 7:48 p.m.** — Unincorporated areas of the county received more than \$28 million in damages from storms between Dec. 30 and Saturday, Jan. 7, said Dave Reid, director of the Santa Cruz County Office of Response, Recovery and Resilience. The estimates so far don’t include damages that occurred since Sunday, and they don’t include damages from cities or other entities.

Costs for unincorporated areas are so far estimated to be more than \$21 million in road damages and more than \$6.8 million in damages to at least 16 park sites and three coastal access park sites.

In addition, officials estimate more than \$1.2 million in damages to the San Lorenzo Valley Water District. Lookout has yet to confirm damages from cities.

Santa Cruz County Undersheriff Chris Clark said the impact and nature of the storms since December is unprecedented.

“Soquel Village flooding twice in a matter of eight days. It’s just incredible,” he said. “The storm surge that we saw impacting Beach Drive, Las Olas and the city of Capitola, and Santa Cruz — really unprecedented.”

Matt Machado, Santa Cruz County Public Works director, said as a result of storm damage, there are 11 sites on roads that have permanent, longer-term damage that need major repairs.

“Through each storm we saw upwards of 45 storm damaged roads closed due to trees, wires, landslides, various storm damage related reasons,” he said. “And then the next day the crews would get out there and they cleared that up and got those roads open. They’ve been working nonstop trying to get those roads open.”



Clark highlighted the unique challenges of this event and how to move forward with the forecast for rain in the coming days.

“To think that we had evacuations on New Year’s Eve, we had evacuations again Jan. 3 and again Jan. 5 for the storm surge, and then evacuations again as recently as yesterday,” he said. “We’re gonna continue to watch the weather as we go forward. Knowing just how odd this whole event is, I think the real question is, how does this play out in the future?”

— *Hillary Ojeda*

#### **Newsom sees Capitola, Seacliff damage first-hand**



California Gov. Gavin Newsom views storm damage to the pier at Seacliff State Beach in Aptos on Tuesday. (Kevin Painchaud / Lookout Santa Cruz)

**Tuesday, Jan. 10, at 6:09 p.m.** — “We are soaked,” Newsom told a news conference Tuesday on the denuded deck of Zelda’s on the Beach on the Capitola Esplanade. “This place is soaked. Now, just a more modest amount of precipitation can have an equal or greater impact on the conditions on the ground.”

Newsom visited Capitola Village with 2nd District Santa Cruz County Supervisor Zach Friend, Capitola Mayor Margaux Keiser and others to see first-hand the storm damage along the Esplanade, especially at the Paradise Beach Grille and Zelda’s. When asked about the damage to the Capitola Wharf, Newsom gestured toward Zelda’s. “Part of the wharf is inside the business right there, quite literally,” he said. “Went right through the window.”

A visit is one thing — getting state and maybe federal help for rebuilding along the Esplanade and damaged wharves is another. It’s early, but Newsom pledges state and probably federal aid.

#### **UCSC: Power restored, in-person instruction to resume Wednesday**

**Tuesday, Jan. 10, at 3 p.m.** — UC Santa Cruz is set to resume in-person instruction Wednesday and power has been restored, after widespread storms caused some areas of campus to lose power Monday and forced the school to move to remote instruction Monday and Tuesday,

However, some UCSC faculty, employees and students still face challenges, such as continuing loss of power in other parts of the county where they live, and obstacles to arriving to campus in-person.

The university is asking instructors whose classes are scheduled to meet Wednesday to contact their students with their current plans, and students should be monitoring their email for updates from instructors.

“As previously communicated, instructors have the authority to make emergency temporary instructional adjustments, including the use of the remote modality, as needed to best support learning. Instructors should inform their department chair, program director, or college provost about emergency temporary instructional adjustments,” read a Tuesday message to the campus. “Instructors are encouraged to communicate with students before administratively dropping them from the class, since they may not be attending class due to storm-related conditions.”

UCSC spokesperson Scott Hernandez-Jason said power was restored to the Family Student Housing community Tuesday, and the rest of campus continued to have power.

— *Hillary Ojeda*

### **The soak slog continues**

**Tuesday, Jan. 10, at noon** — As if Santa Cruz County hadn't already seen enough, storms Monday night into Tuesday morning brought their own twist, throwing lightning and hail into the mix, with another strong band of rain and exceptionally strong winds.

Ashley Keehn, Santa Cruz County Sheriff's Office spokesperson, said as a result of the overnight storm, first responders have been working to relieve an overwhelming number of calls about downed trees, with one injury in La Selva caused by a downed tree on a home.

Power outages and road closures have multiplied since Monday night's storm. As of Tuesday morning, the sheriff's office reported that more than 19,000 people were without power. The most widespread outages were in the mountains around Boulder Creek and Ben Lomond, as well as Rio Del Mar and around Manresa State Beach.

As of Tuesday morning, 64 county roads were experiencing closures, mostly concentrated in the Santa Cruz Mountains, especially around Felton and Boulder Creek, as well as north of Scotts Valley. Highway 17 southbound was closed near Redwood Estates but was estimated to open by midnight.

Highway 9 remained closed in two areas, in Ben Lomond between upper and lower Glen Arbor Road, as well as in Boulder Creek between Big Basin Road and Monaco Lane. Highway 236 remained closed as well, between Little Basin Road and the East Ridge Trail trailhead. No estimates have been made on when the roads will be cleared.



The San Lorenzo River along Highway 9 on Monday.  
(Kevin Painchaud / Lookout Santa Cruz)

Still, the "parade of storms" continues to march onward, and will continue to rain on any hopes for an extended reprieve into next week, says National Weather Service Bay Area meteorologist Jeff Lorber. For Tuesday, NWS forecast another three-quarters of an inch of rain and wind gusts up to 45 mph in the coastal areas of Santa Cruz County, and 1.5 inches and up to 60 mph wind gusts in the mountains. Expect hail and some scattered lightning as well.

"There will be intermittent, on-and-off storms into the middle of next week," Lorber said. High surf and wind advisories remain in effect for Tuesday.

All eyes remain on the Pajaro River, which tends to take at least 24 hours before the true impact of the rain is revealed. The stretch of river that runs through Watsonville has continued to steadily rise since Monday and measured over 31 feet Tuesday morning. The San Lorenzo River, which filled and spilled on Monday, had receded considerably and sat well below its flood point.

Gov. Gavin Newsom was scheduled to tour storm-damaged parts of Capitola Village on Tuesday afternoon.

— *Christopher Neely and Hillary Ojeda*

### Watching and waiting in Pajaro

**Tuesday, Jan. 10, at 12:15 p.m.** — Manuel Rodriguez stands astride his bicycle on the Pajaro River levee, gazing at the opaque brown water rushing by. He doesn't like what he sees.

"It's at 31 now," he says, gesturing to a river level marker under the bridge. It's about 11 a.m. Tuesday. "It could breach, today or tonight."

Rodriguez lives just a couple of blocks away in the town of Pajaro. He was there, in fact, in 1995, when a ruinous flood from a breach in the river levee struck Pajaro. In 1995, he said, the waters came in the middle of the night. Local firefighters helped him and his family escape. He settled at a sister's house in the town of Las Lomas. Because he couldn't get to his job site in downtown Watsonville, he was out of work for two weeks.

He was warned to evacuate amid the ongoing barrage, but he has decided to stay in his two-story home. "I can go upstairs and stay for a couple of days up there," he says. "As long as we have the electrical."

In 1995, his ground-level home was inundated with mud he says "was like Jello." Holding his hands about 2 feet apart, he says, "And we had worms, like this. It was incredible. But, man, we had some good fertilizer. Our gardens looked great that summer."

— *Wallace Baine*

**Tuesday, Jan. 10, at 2 p.m.** — The latest in a series of intense winter storms was forecast to continue to lash Northern California on Tuesday, bringing periods of thunderstorms, heavy rain, wind and hail to the already waterlogged region as the death toll from the extreme weather climbs.

The back-to-back storms across the Golden State have killed at least 16 people, including a Santa Cruz man who was found under a fallen tree at Lighthouse Field State Beach amid the Dec. 31 storm.

Two motorists died early Tuesday in a crash on Highway 99 in Tulare County when a tree that had been struck by lightning fell into the road, authorities said.

### FROM MONDAY, JAN. 9

#### How bad is it? is the worst over?



The San Lorenzo River flowing rapidly Monday.  
(Kevin Painchaud / Lookout Santa Cruz )

**Monday, Jan. 9, at 7:46 p.m.** — Those seem to be the questions of the moment after at least 20 inches of rain in Santa Cruz County since New Year's Eve.

Correspondents Christopher Neely and Hillary Ojeda report that Monday proved less destructive than had been feared for most in the county.

But there are the buts. With soils so saturated and new ocean swells set to join a new rainstorm forecast to begin at midnight — 1.5 inches of rain and 50 mph winds to the coastal areas and up to 3 inches of rain and 60 mph winds in the mountains in the next 24 hours — it's hard to predict the week ahead.

"The main band of rain has moved on, but this isn't over," National Weather Service meteorologist Brayden Murdock told Lookout from his office in Monterey. Murdock's and local officials' careful advice: Don't relax yet. And probably don't drive unless you have to — especially out of the county, if you can get out.

"We'll be watching the storm system coming in tonight closely," 1st District Santa Cruz County Supervisor Manu Koenig said. "It's not as big as the one today, but the ground is so saturated that even relatively small amounts of rain can have an impact. To put it in perspective, we've had over 20 inches of rain since Christmas. The ground just can't absorb anymore water and so new rain flows right into the creeks and rivers."

### Several Santa Cruz County K-12 schools extend closures into Tuesday



A dad helps his daughter through the flooded streets in his Watsonville neighborhood on Monday morning. (Kevin Painchaud / Lookout Santa Cruz)

**Monday, Jan. 9, at 7:10 p.m.** — As the storm's conditions rapidly changed, more K-12 Santa Cruz County public schools announced closures for Monday and Tuesday.

"As of now, the majority of schools are currently closed or remote for the day," County Office of Education spokesperson Nick Ibarra said Monday afternoon. "Remote arrangements may vary by school."

All Pajaro Valley Unified School District schools closed Monday and Tuesday, affecting more than 18,000 students. Three of the county's single-school districts closed due to the storm on Monday: Bonny Doon, Mountain and Happy Valley, according to Ibarra.

San Lorenzo Valley Unified School District joined other districts in canceling class Tuesday.

"Based on the current mudslides and the projected storm coming in overnight, including the possible closure of the Felton intersection; the District feels it is in the best interest of our families and staff to take a Storm Day for Tuesday, January 10, 2023," read a Monday evening statement. The district plans to have students return to school on Wednesday.

Scotts Valley Unified School District schools had class Monday and planned to be open for the week. Several districts still weren't scheduled to return from their holiday breaks until Tuesday and Wednesday.

Soquel Union Elementary School District said it would close Main Street Elementary and Soquel Elementary schools on Tuesday — the first scheduled day back to school for the district.

The storms have also affected private schools and charter schools, causing several closures.

## Evacuation orders lifted, downgraded for parts of the county; others remain in effect



Sandbags at Santa Cruz Coffee Roasting in downtown Santa Cruz, where many stores were closed because of an evacuation warning Monday.

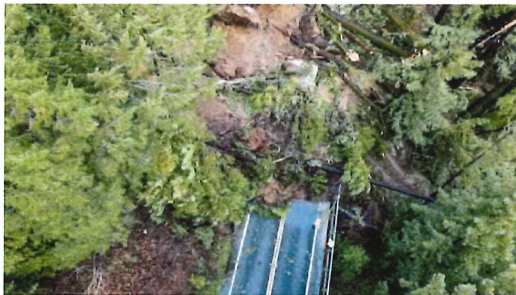
(Thomas Sawano / Lookout Santa Cruz)

**Monday, Jan. 9, at 6 p.m.** — Evacuation orders were lifted or downgraded for several parts of the county Monday evening as water levels subsided in many of the region's rivers and creeks.

Officials lifted an evacuation warning for downtown Santa Cruz and downgraded evacuation orders to warnings in parts of Capitola, Soquel, Paradise Park, Boulder Creek, Felton and Ben Lomond.

Evacuation orders remained in effect for neighborhoods of Watsonville and the surrounding area because of rapidly rising water levels in the Pajaro River, along with low-lying areas of the Rio Del Mar esplanade.

## Highway 9 near Ben Lomond remains closed after massive landslide



An aerial photo of a landslide that closed Highway 9 at Ben Lomond on Monday.

(Kevin Painchaud / Lookout Santa Cruz)

**Monday, Jan. 9, at 5:45 p.m.** — A significant stretch of Highway 9 near Ben Lomond was shut down after a massive landslide sent trees and power lines tumbling onto the roadway and covering all lanes with a mess of mud, rocks and vegetation.

Caltrans officials received word of the slide very early Monday morning, said Jake Bradbury, a San Luis Obispo-based Caltrans engineer who was working to clear the highway.

Crews shut down upper and lower Glen Arbor Road in Ben Lomond.

Bradbury said it was too early to assess the full extent of the damage. "We're very much in the preliminary stages of finding out what the next steps are," he said. He had no estimate for how long the highway would be closed: "indefinitely, for sure."

## Community Foundation's new match for Disaster Fund

**Monday, Jan. 9, at 6:25 p.m.** — So far, Community Foundation Santa Cruz County has made \$60,000 in disaster-related grants, with help going to Community Bridges, the Community Action Board and others. It's now got a dollar-for-dollar match going, up to \$75,000 in donations.

#### **The scene at Tannery Arts Center after morning flooding**



Flooding at the Tannery Arts Center

**Monday, Jan. 9, at 4:50 p.m.** — Gazing out at the fast-moving murk of the San Lorenzo River on Monday afternoon, one resident of the Tannery Arts Center — which experienced significant flooding that morning — called down from his second-story balcony. “I feel safer up here than down there,” he said.

With the Tannery sitting directly on the banks of the San Lorenzo, images of the moat of water that covered much of the combined housing and studio complex were making the rounds on Twitter.

But resident Genoa Brown mused that the architects of the combined housing and studio complex must have designed it with exactly such adverse flooding conditions in mind. The complex's river-facing apartments sit above parking garages — meaning that even when the San Lorenzo overflows, its residences remain dry.

As of around 1 p.m. Monday, water levels at the Tannery had subsided. Earlier in the week, debris caught in the footbridge spanning the San Lorenzo just downstream from the complex was cleared by city workers, out of concern that it could act as a dam for the deluge of water moving down the river.

For now, the scene at the Tannery feels calm.

“The only scene that's playing in my head — more out of my own morbid amusement — is that the water reaches the cemetery [just across the river] and washes up all these buried people,” Brown said. “But maybe that's because I watch too many zombie movies.”

— *Thomas Sawano*

#### **More than 30,000 under evacuation order across the county; more than 6,000 without power**

**Monday, Jan. 9, at 3:50 p.m.** — More than 32,000 people across Santa Cruz County were under evacuation orders on Monday.

Spokesperson Jason Hoppin said the county was prioritizing those in lower-lying areas such as Paradise Park and parts of Watsonville by sending sheriff's deputies and staff to residents' homes to ask them to evacuate. The county was also employing reverse 911 calls to directly reach residents at risk.

“It's going to be a rough day,” Hoppin said.

A Pacific Gas & Electric spokesperson said there were 102 outages across Santa Cruz County as of late Monday morning, impacting 6,224 customers.

The utility said it has struggled to repair outages in some parts of the county because fierce weather conditions have prevented crews from accessing some areas and damaged PG&E equipment.

“We have had some challenges in Santa Cruz County,” spokesperson Megan McFarland told Lookout via email Monday afternoon.

“The storm series continues to hit Santa Cruz County, requiring our crews to stand down for safety and impacting our restoration efforts while creating new outages daily since Jan. 4. The area has experienced extreme damage due to mudslides, rock slides, flooding, and fallen trees, which has damaged our equipment and limited our access to visually inspect lines before repairs can begin.

Additionally, required foot patrols in rugged mountain terrain have created delays as the weather has prevented most aerial patrols. We will continue to work safely and as quickly as possible to assess damage and assign crews to repair and restore power.”

The latest storm system dropped up to 1.5 inches of rain along the coastal areas of the county and as much as 6 inches in the wettest parts of the Santa Cruz Mountains. Winds reached 53 mph near Natural Bridges State Beach, and nearly 70 mph in the mountains.

Later Monday and into Tuesday, the lingering storm system was forecast bring up to 2.5 more inches of rain to the mountains and 1.5 inches to the coastal areas. A wind advisory remained in effect, with gusts expected to reach over 60 mph among the tallest peaks and 50 mph around the coastal areas.

More than 30 county roads had emergency closures, with 10 extended closures related to impacts from the nearly 10 consecutive days of rain.

Matthew Machado, the county’s public works director, said he expected to add another 10 roads to the extended closures list. He said a bridge washed out near Redwood Lodge and Laurel roads in the Santa Cruz Mountains, adding mudslides and sinkholes were the biggest worries.



Santa Cruz Coffee Roasting had sandbags on hand Monday on Pacific Avenue.  
(Hillary Ojeda / Lookout Santa Cruz)

Highways 9, 17, 129 and 236 were all experiencing closures Monday afternoon, as was the northbound ramp to Highway 1 from Ocean Street in Santa Cruz.

A significant stretch of Highway 9 near Ben Lomond was shut down after a landslide covered the roadway in mud, rocks and tree debris. Highway 17 southbound near Laurel Road was shut down due to a combination of a

landslide and sinkhole. Highway 236 between Little Basin Road and the East Ridge Trail trailhead, as well as Highway 129 between Rogge Lane in Aromas out to Highway 101, were also shut down due to landslides.

The county's watersheds remained under close watch after the storm that began overnight Sunday into Monday caused rivers and creeks to rapidly swell and spill over. The San Lorenzo River at Big Trees crested at nearly 25 feet at 7:30 a.m. — almost 10 feet over its flood point of 16.5 feet — but was beginning to recede, and was at 15.5 feet as of 1:30 p.m. Monday. Downstream, the San Lorenzo River through Santa Cruz peaked at just about 24 feet at 9:15 a.m. — 2 feet higher than New Year's Eve and well above its flood point of 20.6 feet; by 1 p.m., however, this stretch of the San Lorenzo was down to 17.6 feet.

In the Pajaro River watershed, the Pajaro River near Watsonville, which was running around 11.5 feet before New Year's Eve, was approaching 27 feet and rising as of 1 p.m. Monday. Corralitos Creek near Freedom crossed its flooding threshold of 11.5 feet at 6 a.m., cresting as high as 15 feet but rapidly receding as the afternoon progressed. Salsipuedes Creek near Watsonville, which was running as low as 4.5 feet before New Year's Eve, reached over 13 feet Monday morning but was also receding, though slowly, in the afternoon.

Brayden Murdock, a meteorologist with the National Weather Service Bay Area, cautioned that the rivers, especially the Pajaro, could see delayed impacts, and wouldn't peak until later Monday night.

— *Christopher Neely*

#### **Highways 9, 17, 129 and 236 all closed as winter storms stretch into second week**



City workers prepare to set up a road block on E. Lake Street and Bridge Street in Watsonville on Monday. (Kevin Painchaud / Lookout Santa Cruz)

**Monday, Jan. 9, at 1:35 p.m.** — Three state highways running through Santa Cruz County were closed Monday afternoon due to landslides and sinkholes as the unrelenting rain stretches into a second week.

Highway 17 southbound has been shut down at Laurel Road due to a combination of landslide that covered the southbound lanes around 9:15 a.m. and a sinkhole that occurred right after, according to Caltrans' road closure map.

Highway 9 was closed between upper and lower Glen Arbor Road in Ben Lomond after a significant landslide covered both lanes. In Santa Cruz, Caltrans also closed Highway 9 in both directions at the intersection of Highway 1 and near River Street due to flooding.

Highway 236 was also closed in both directions between Little Basin Road and the East Ridge trailhead due to a landslide. Highway 129 between Rogge Lane in Aromas and Highway 101 was also shut down due to a landslide.

Highway 1 northbound ramp from Ocean Street was closed for emergency work, but was expected to reopen around 4 p.m. Monday. Caltrans had not issued timetables for any of the other closures.

— *Christopher Neely*



## Red Cross workers come from out of state to assist with county evacuation efforts



Chuck Scripser, the supervisor at the Red Cross shelter at the Santa Cruz County Fairgrounds.  
(Wallace Baine / Lookout Santa Cruz)

**Monday, Jan. 9, at 1:25 p.m.** — Chuck Scripser woke up Sunday in Nebraska, but Monday he found himself standing in the middle of Crosetti Building at the Santa Cruz County Fairgrounds. He's not even exactly sure where he is. "Is it 'Westerville'?" he said.

Scripser is the supervisor of the Red Cross shelter opened Monday morning at the fairgrounds. A volunteer from North Platte, Nebraska, he's in charge of a Red Cross crew of seven at the fairgrounds, five of whom are from out of state, like he is.

At around 1 p.m., there were roughly 60 to 70 people who had checked in as part of the emergency evacuation order issued in Watsonville and Pajaro. Each gets a cot, two blankets and a comfort pack with toiletries and other necessities. Snack foods are provided, but Scripser was working to get some local vendors to come in with an evening meal.

This hall could fit about 140 cots, but there are two more buildings the fairgrounds has made available to house more displaced by the floods.

Scripser's previous trip to California was to the Sacramento area for fire relief. He's been working as a volunteer at the Red Cross for more than 20 years. "I've been on plenty of disasters," he said. He gives the Red Cross a 30-day window in which he is prepared to leave for a disaster zone at a moment's notice.

"Then, they'll give you call and tell you, 'Get your bags packed.'"

The Red Cross shelter at the fairgrounds is open to all who need a short-term place to stay due to the flood evacuations. Red Cross volunteers can stay on one assignment for up to two weeks before they are rotated out, either back home or to another assignment. In the meantime, Scripser said isn't sure when he'll see North Platte again: "Could be tomorrow, could be two weeks from now."

The City of Santa Cruz on Sunday opened the Freight Building at Depot Park as a temporary shelter; more information [here](#).

— *Wallace Baine*

**Soquel Creek neighborhoods breathe sigh of relief**



Steve Pittmann, the assistant tasting room manager at Bargetto Winery, shows how the Soquel Creek level had dropped Monday morning.

(Mark Conley / Lookout Santa Cruz)

**Monday, Jan. 9, at 10 a.m.** — Though too early to proclaim victory, there was a feeling of relief mid-morning along Soquel Creek as the village opened up and the sandbags went for naught.

Early concerns about a repeat of the flooding that surprised homeowners and businesses on New Year's Eve abated as the creek level dropped dramatically Monday.

At Bargetto Winery, which sits directly above a wide part of the creek, assistant tasting room manager Steve Pittmann and shipping manager Terry Moore had watched the water drop by approximately 5 to 6 feet in the previous three hours.

"At 7:30 this morning, it was getting up close to where it was on New Year's Eve," Moore said. "This is a lot better."

Officials suspect that undetected blockages upstream were the culprit in the previous flooding that swamped Soquel Village.

Pittmann and Moore said it felt as though the early creek rise Monday could've been the result of new blockage — "All it takes is one big tree to fall in the wrong place," Pittmann said — that created a fast upward surge reminiscent of the New Year's Eve trouble.

But as only light raindrops fell with the forecast calling for the weather to clear by mid-afternoon, they said they mainly felt relieved to see the next potential disaster for their friends in lower-lying parts of the creek averted for the time being.

"From what I saw, I definitely thought it was going to go higher," Moore said.

— **Mark Conley**

#### **Evacuation orders issued for parts of of Soquel, Rio Del Mar, Watsonville, Ben Lomond, Felton**

**Monday, Jan. 9, at 8:30 a.m.** — The Santa Cruz County Sheriff's office issued evacuation orders for communities along the region's creeks and rivers as another storm battered the coast, raising the risk of flooding.

The evacuation orders cover neighborhoods along the San Lorenzo River, Soquel Creek, Corralitos Creek, Salsipuedes Creek and Aptos Creek.

#### **The evacuation orders cover:**

##### **San Lorenzo River**

**Felton:** Felton Grove; Beth Drive/Gail Drive/River Lane

**All of Paradise Park**

**Soquel Creek**

**Soquel:** Soquel Wharf Road/Soquel Village; Main Street and South Main Street; Cherryvale Avenue

**Corralitos Creek**

**Watsonville:** Freedom Boulevard

**Interlaken:** Holohan Road/East Lake Avenue

**Salsipuedes Creek**

**Watsonville:** College Road; Lakeview Road; Riverside

Evacuation orders in Watsonville.

(City of Watsonville)

**Aptos Creek**

**Aptos:** Forest Drive, Creek Drive; Glen Drive; Rio Del Mar Esplanade

**Ben Lomond:** Mill Street

**All of the community of Pajaro in Monterey County****Schools:**

Pajaro Valley Unified School District closed all of its schools Monday amid flash flood warnings after announcing plans Sunday to close a number of schools Monday and Tuesday.

Main Street Elementary School and Soquel Elementary School in the Soquel Union Elementary School District were to be closed Tuesday — the first scheduled day back from the holiday break — given their proximity to Soquel Creek. The district said it would monitor the situation and decide about Wednesday and beyond as soon as possible.

**Shelter:**

An overnight shelter has opened at the Santa Cruz County Fairgrounds, 2601 E. Lake Ave. in Watsonville. The shelter will also accommodate domestic and large animals.

Those needing transportation services can call Lift Line: 831-688-9663.

**Biden declares emergency as latest parade of cyclones takes aim at California**

Late Sunday, President Joe Biden declared an emergency in California, authorizing the Federal Emergency Management Agency to coordinate disaster relief efforts and provide emergency resources.

“We expect to see the worst of it still in front of us,” Gov. Gavin Newsom said Sunday. “We’re anticipating very intense weather coming in [Monday] and Tuesday morning.”

**FROM SUNDAY, JAN. 8****Santa Cruz opens emergency shelter at the Freight Building at Depot Park**

**Sunday, Jan. 8, at 8:15 p.m.** — The City of Santa Cruz opened a temporary emergency shelter at the Freight Building at Depot Park, 119 Center St., on Sunday night.

The overnight shelter has capacity for 25 people and is set to remain open through Thursday. Food, beverages, and other supplies will be available and the city says it will organize transportation to overflow shelters if the site reaches capacity.

**Evacuation warnings for parts of Watsonville, Soquel, Rio Del Mar and others**

**Sunday, Jan. 8, at 7:10 p.m.** — With another dousing of heavy rain expected Sunday night through Tuesday, Santa Cruz County officials have issued an expanded evacuation warning for residents around Soquel, Paradise Park, parts of Felton, Rio Del Mar and South County near the Pajaro River watershed.

“Residents in low-lying areas should be prepared to evacuate and move to higher ground,” an announcement from Santa Cruz County Sheriff Jim Hart read.

Melodye Serino, deputy county administrative officer, said the worst of the storm is expected to arrive overnight. Although the Pajaro River is the greatest concern heading into the latest storm, Serino said county officials are closely monitoring the San Lorenzo River and coastal areas as well.

An evacuation warning was also issued for the community of Pajaro in advance of the Sunday evening storm. Pajaro is on the opposite side of the Pajaro River in northern Monterey County. The Monterey County Sheriff's Department issued the warning Sunday afternoon, instructing residents to be prepared for an evacuation order.

— *Christopher Neely and Wallace Baine*

### **In Watsonville, residents watch fragile levee system with growing sense of alarm**



Watsonville's lowest-lying neighborhoods near the Pajaro River levee prepare for more rain.

**Sunday, Jan. 8, at 7 p.m.** — The city of Watsonville waited and worried on Sunday afternoon with rising alarm at the state of the Pajaro River and its tributaries, Salsipuedes and Corralitos creeks.

Last week's storms did severe damage to coastal communities in Rio Del Mar and Aptos. But in Watsonville, the danger is not in surging ocean waves, but in rising river levels.

The Watsonville Buddhist Temple on Bridge Street is just across the street from the river levee. On Sunday, members were gathering outside the temple, discussing the events of last week when, on New Year's Eve, water backed up flooding the parking lots surrounding the temple and caused some damage to cars and apartments nearby.

"This is the lowest spot in the neighborhood," said Kenny Kusumoto as he walked the perimeter of the temple. As he turned the corner, he said, "This whole area was covered in water and mud."

### **'This is extremely serious': Several PVUSD schools cancel Monday classes due to potential flooding**

**Sunday, Jan. 8, at 5:56 p.m.** — With the increasing threat of Pajaro River flooding, PVUSD is canceling Monday and Tuesday classes for Ann Soldo Elementary School, Hall District Elementary School, Ohlone Elementary School, Calabasas Elementary School, MacQuiddy Elementary School, Lakeview Middle School, Pajaro Middle School and Watsonville High School. About 4,620 students attend those schools.

### **The deluge is set to continue**

**Sunday, Jan. 8, at 3:45 p.m.** — With a brief lull and a few rays of sunshine, Sunday has so far offered a brief respite for most of us, as hundreds deal with the storm damage already.

Rain was forecast to return overnight and promised a fierce return.

This latest system is "fast approaching" said Warren Blier, meteorologist with the National Weather Service. Rain is expected to arrive around 7 p.m., with the most intense rain and wind expected overnight. The rain will begin to taper off midday Monday, but return with a follow-up thunderstorm, but diminished winds, by evening and continue into Tuesday afternoon.

Expect wind gusts Sunday night into Monday to range as high as 45-55 mph between the coastal areas and tallest peaks in the Santa Cruz Mountains. Between Sunday night and Tuesday, the county's low-lying areas could see more than 3 inches of rain, with up to 8 inches in the wettest areas of the mountains.

"Between now and 7 p.m. is the time to prepare," Blier said.

Among those preparations, UC Santa Cruz is canceling in-person instruction Monday.

"All classes will be delivered using online or emergency remote instruction, and we encourage our campus community to limit non essential travel," Chancellor Cynthia Larive wrote Sunday afternoon, adding that the campus would be updated at 3 p.m. Monday about the week ahead.



Capitola's wharf was heavily damaged in last week's storms.  
(Kevin Painchaud / Lookout Santa Cruz)

**Sunday, Jan. 8, at 9 a.m.** — Heavy rains and high winds moved through the region Saturday night. The National Weather Service (NWS) forecasts that the rain will lighten up through Sunday before another intense storm moves in overnight and into Monday.

A flood watch remains in effect for Santa Cruz County through Tuesday afternoon, and NWS issued a wind advisory for Saturday into early Sunday afternoon.

🗳️ Radar Update 6:40 AM - The weekend storm system continues to wind down. A few lingering showers will be possible. The next storm is on track for tonight. #cawx [pic.twitter.com/AZS1xm79zO](https://pic.twitter.com/AZS1xm79zO)

— NWS Bay Area 🗳️ (@NWSBayArea) January 8, 2023

At least 28 roads remain closed across the county. North of Boulder Creek, Highway 236 is closed near Little Basin Road because of a landslide across the roadway. Caltrans said there is no estimated time for reopening.

An evacuation warning remained in effect Sunday for some parts of Boulder Creek, though all other evacuation warnings and orders have been lifted. See a complete evacuation map for the county.

Watsonville issued a flood advisory Saturday afternoon through Tuesday for neighborhoods near Salsipuedes Creek.

Pajaro Valley Unified School District said Saturday that it would notify families on Sunday if any schools or district departments would be closed. Watsonville High School, Pacific Coast Charter School and Ann Soldo Elementary School are all within the flood advisory area, as are the district offices and maintenance and operations offices.

City of Watsonville flood advisory on Saturday, January 7.  
(City of Watsonville)

Urban and Small Stream Flooding Caused By Excessive Rainfall Is Expected.. <https://t.co/G5oVOLmRVV> #CAwx  
pic.twitter.com/3fl43iMDic

— NWS Bay Area 🌩️ (@NWSBayArea) January 8, 2023

Another round of rainstorms — the wetter of the two — is expected from Sunday night through Tuesday afternoon, with heavy rains on Monday. It is expected to bring 3 to 5 inches of rain in most of the Monterey Bay, and 6 inches in the mountains with the possibility of up to 9 inches at the highest peaks.

Wind remains a factor as well. Parts of Santa Cruz could see 30 to 45 mph gusts, with some of the highest peaks in the mountains potentially seeing up to 70 mph gusts.

National Weather Service meteorologist Brayden Murdock said many of the same concerns from this past week's system remain for the coming storms.

“Our soils are fairly wet now, so a lot of the areas where we’ve seen flooding, we’ll probably see flooding again,” he said. “Some of the main rivers and streams are probably going to be stressed by the rainfall from the second system, so as we continue into the next work week, the areas that have seen localized flooding will probably see it again.

Murdock also said that the high winds in the mountains resurrect worries of fallen trees and power lines, and that the significant rainfall should prompt caution over slides and debris flow in the mountains.

Residents and local officials continue taking stock of the widespread damage from rain and high winds overnight this week. County officials estimate that 50 homes in Rio Del Mar were damaged or flooded by the high surf from the storms. The storm also closed portions of West Cliff Drive in Santa Cruz and damaged the Capitola and Seacliff wharfs.

The Santa Cruz Municipal Wharf, which was closed on Thursday, sustained minor damage. The wharf reopened Friday morning, though a high surf advisory remained in effect.

— *Max Chun*

**FROM FRIDAY, JAN. 6**

### **Beach Drive in Aptos closed Saturday and Sunday morning**

The Santa Cruz County Sheriff's office said Beach Drive in Aptos will be closed to both vehicles and pedestrians so that crews can clear debris and sand that has accumulated on the roadway. The road is set to be closed starting 6 a.m. on Saturday and reopen 10 a.m. on Sunday.

### **Disaster Recovery Fund launches**

The Community Foundation Santa Cruz County has launched a disaster fund to help residents and small business owners struggling to recover from the winter storms.

The money will go to nonprofits with deep roots in the county serving vulnerable populations on the front line of flood and storm relief and recovery efforts. Donations will also go to small businesses in coordination with local business improvement districts.

The fund will provide financial support for Santa Cruz County organizations serving vulnerable populations on the front line of flood and storm relief and recovery efforts.

Nonprofits are going door to door in neighborhoods to check on seniors, medically fragile residents, and other vulnerable populations. And with more storms heading this way, the foundation is asking for volunteers to help coordinate sandbagging, assist with cleanup efforts, and make sure residents receive public safety messages.

Donations can be made to the Santa Cruz County Disaster Fund at [www.cfsc.org/disaster](http://www.cfsc.org/disaster).

### **Watsonville closes evacuation center, watches Pajaro River and Corralitos and Salsipuedes creeks**

As of Friday afternoon, there was no reported damage to homes and businesses in the city of Watsonville. Mandatory evacuation orders for some neighborhoods for Wednesday night have been lifted, and the evacuation center at Cesar Chavez Middle School has been closed.

As for the projected storms set for Saturday and Sunday, the city is monitoring the water levels at both the Pajaro River and Corralitos and Salsipuedes creeks and is urging residents to be aware of the weather and be connected to ongoing developments by checking the news media and the city's alert response network.

High-risk neighborhoods include Pajaro Village, Bay Village, Lake Village, and residential areas near Salsipuedes Creek, and along Riverside Drive near the Pajaro River.

The city's CodeRed emergency notification network can send texts to concerned residents about evacuation orders or other weather developments. Anyone interested in receiving texts can text SCR911 to 99411, or can download the CodeRed app.

### **Identity released of man killed by fallen tree in Lighthouse Field State Beach**

Authorities on Friday released the name of a 72-year-old man killed after a cypress tree fell on him at Lighthouse State Beach during an intense storm that swept through the area on New Year's Eve.

The Santa Cruz County Sheriff's Office confirmed that Gary Yules, 72, of Santa Cruz died after he was struck by the tree. A passerby called 911 around 1:30 p.m. last Friday.

The tree was uprooted at the base because of saturated soil and windshear during the storm, said Douglas Johnson, a spokesperson for California State Parks.

According to the Sacramento Bee, Yules was a retired certified public accountant who was killed just days after his birthday.

— *Tamsin McMahon*

### **About 50 homes in Rio Del Mar damaged**



Eric Stark, has been living in his “dream home” in Rio Del Mar since 2018, until his entire front wall was destroyed in storms that wreaked havoc in coastal neighborhoods across the county.  
(Kevin Painchaud / Lookout Santa Cruz)

County officials said Friday that 35,000 people were placed under evacuation orders or warnings during this week’s storms and at least 50 homes in the Rio Del Mar area sustained structural or flooding damage.

About 180 local residents used emergency shelters set up around the county. Deputy County Administrative Officer Melodye Serino said it was impossible for officials to estimate how many people were forced out of their homes, or remain displaced by the storms, since many evacuees may have chosen to stay with friends or family.

In Rio Del Mar, officials are still taking stock of the destruction. Because many homes in the area are vacation rentals and second homes, rather than owner-occupied residences, it will take some time to determine the extent of the damage, Serino said.

“While the dramatic footage of the damage at the shoreline has been the major story in the news, it is important to remember that many vulnerable populations were impacted by the storms and it may be many days before we understand the full impacts to our community,” said Serino.

Across the county, shelters and temporary evacuation points helped people seeking overnight refuge or short-term assistance, respectively.

Serino said the Santa Cruz Civic Auditorium provided overnight shelter to between 80 to 100 people, many of whom were experiencing homelessness prior to the storm. The auditorium remains open as an evacuation shelter.

In Watsonville, between 60 to 70 people stayed at Cesar Chavez Middle School. Live Oak Elementary School housed six to 10 people, while the Jade Street Community Center — open to only Capitola residents — housed one or two people. The center was still open as a shelter early Friday afternoon.

As for temporary evacuation points, one group of 200 kids at a local YMCA camp were evacuated to the Scotts Valley Community Center, while the Santa Cruz Bible Church is helping about 40 people who were evacuated from the Willowbrook Residential Care Facility in Ben Lomond. Those residents were set to return to the facility on Friday, Serino said.

She said county officials encourage the public to stay away from coastal areas, to keep sandbags handy and continue monitoring the storm’s developments.

#### **Useful links:**

Road closure information <http://www.sccroadclosure.org/>

Disaster preparedness and recovery information <https://www.santacruzcounty.us/OR3/DisasterResources.aspx>

— *Hillary Ojeda*

#### **Most evacuation warnings and orders lifted**

The Santa Cruz Sheriff’s Office said Friday it has lifted evacuation orders for most parts of the county.

An evacuation order remains in effect for Capitola Village as levels of Soquel Creek have risen rapidly, raising the risk of flooding in low-lying residential areas along Riverview Drive and in Capitola Village.



Capitola Police estimate that six businesses were severely damaged in the storm and have been “red-tagged,” meaning they are not safe for reentry.

### **Santa Cruz wharf reopens**

The Santa Cruz wharf reopened Friday morning, a day after it was closed because of dangerous waves.

City officials said several piles were broken during storms this week that caused high surf. Wharf staff inspected the damage and determined that the structural integrity of the wharf hasn’t been compromised. Workers are repairing the damage and that work could extend into next week, but the wharf will remain open, the city said. A high surf advisory was to remain in effect through 6 p.m.

— *Tamsin McMahon*

### **FROM THURSDAY, JAN. 5**

#### **Evacuee at Santa Cruz Civic Auditorium describes fleeing the storm**

After city officials opened an emergency shelter at the Civic Auditorium on Wednesday evening for storm evacuees and anyone needing shelter, they announced it was almost full with 80 people choosing to stay overnight.

Charles McRae was one of those people. On Thursday morning, he stood outside the auditorium with about a dozen other people trying to avoid the rain. He told Lookout he was living in Felton on River Road when the New Year’s Eve storm took him by surprise, leading him to the civic auditorium Wednesday night.

“Saturday evening we got a call to keep a lookout on the height of the [San Lorenzo] river,” he said. McRae stayed with the hopes that the river wouldn’t rise.

On Sunday morning the river started rising and he realized he had to leave. But before leaving the area, he watched as the storm’s strength roared down the San Lorenzo River.

“I could see debris, trees, fences, peoples’ backyards, just flying down the river,” he said.

He then stayed in Santa Cruz at a friend’s house before he had to find another place to stay. A friend later told McRae about the emergency shelter at the Santa Cruz Civic Auditorium, located downtown on Church Street.

“Automatically, I thought, ‘I got to jump on that,’” he said. “They said [it will be open] for two days. They don’t know what’s going to happen. But last night and tonight it will be open.”

He doesn’t know what he’ll do next for housing.

“I don’t know what my next steps are,” he said. “When an opportunity comes knocking, I’m in there.”

— *Hillary Ojeda*

#### **Nearly 11,000 county residents still out of power as of Thursday afternoon**



PG&E crews prepare for the storm on Jan. 4.  
(Kevin Painchaud / Lookout Santa Cruz)

PG&E spokesperson Mayra Tostado told Lookout that 10,796 customers were still without power as of 3:30 p.m. Thursday. Crews are working to restore power at 71 different outage locations in the county. The company's outage map showed that the majority of these outages are in mountain communities like Boulder Creek, Ben Lomond, Bonny Doon and Felton as well as the Davenport area.

Tostada added that various hazards like fallen trees, flooding and blocked roads could block access for some crews, thus delaying restoration.

Further, Tostada added that PG&E is working with mutual aid crews from California, Oregon, New Mexico, Utah and Washington state for additional support.

— *Max Chun*

#### **Road closures remain an issue for mountain communities**

As of 3 p.m. Thursday, the county's public works department had closed 23 county roads as a result of the bomb cyclone that rolled through the region on Wednesday into Thursday.

As was the case Wednesday, most of the closures are concentrated within the Santa Cruz Mountains, specifically Bonny Doon, Boulder Creek, Lompico and around the Fall Creek Unit of Henry Cowell Redwoods State Park. Whereas the road closures up in the mountains resulted from high winds knocking down trees and power poles, East Cliff Drive between Santa Cruz and Capitola was closed due to some flooding and strong coastal storm surges. Similar closures also occurred along West Cliff Drive.

West Beach Road, at the southern tip of the county, was also closed due to flooding near the mouth of Pajaro River. Although much of South County avoided flooding during the Wednesday into Thursday storm, the area will remain under close watch, as the impacts of the storm on the Pajaro River will not be felt until 9pm tonight. Matthew Machado, the county's public works director, says two reservoirs upstream from the Pajaro River — the Uvas and Pacheco reservoirs — overflowed Wednesday night.

In addition to the 23 county roads shut down by the storm on Wednesday, seven roads throughout the county remained closed due to damage sustained during the New Year's Eve storm. This includes Hazel Dell Road at the intersection of Green Valley Road, two points on China Grade Road and Granite Creek Road.

— *Christopher Neely*

#### **Two more storms on the way for Santa Cruz County between Thursday and Monday**

As of Thursday afternoon, Rio Del Mar and the mouth of Pajaro River have flooded, strong high tide swells have wrecked the Seacliff pier and overwhelmed Santa Cruz's West Cliff Drive, forcing partial closure of road and an evacuation of the wharf.

Areas in the Santa Cruz Mountains are still receiving rain, but the peak of this storm has passed. As expected by Wednesday night, rainfall totals for this storm fell short of the alarming forecasts made earlier in the week. Santa Cruz saw about 1.2 inches of rain, Watsonville 1.02 inches, and the mountains received just shy of 5 inches, according to National Weather Service Bay Area meteorologist Warren Blier.

The most significant factor of last night's storm was the wind, which reached up to 55 mph in Ben Lomond and 52 mph near Natural Bridges. Mt. Umunhum, a Santa Cruz Mountains peak just over the Santa Clara County line, saw wind speeds reach 81 mph. Marin County reported a gust of 101 mph.

In Watsonville, city spokesperson Michelle Pulido says the city is helping residents in the southeastern part of the city return to their homes as evacuation orders have been lifted. In contrast to the New Year's Eve storm, Pulido says the area saw no flooding. However, the Pajaro River watershed remains under close watch as the Uvas and Pacheco reservoirs, upstream along the Pajaro River, flooded last night, according to Matthew Machado, the county's public works director. The peak of the storm's impact on the South County portion of the Pajaro River isn't expected to arrive until 9pm Thursday night.

The number of county roads under emergency closure stood at 23 as of 1:30 pm. As was the case Wednesday night, the closures are largely contained within the Bonny Doon, Boulder Creek and Lompico regions of the county, with additional closures along East Cliff Drive. Many of the closures are due to downed trees and power poles, as well as coastal flooding due to strong storm surges.

Although this storm has mostly subsided, two more storms will hit Santa Cruz County between Thursday and Monday, Blier says. These storms are expected to be wetter, but with calmer winds. The next storm is forecasted to arrive on Saturday and last until Sunday night, dropping up to 2 inches in Santa Cruz and up to 5 inches in the mountains. The second storm will arrive on the first's coattails, and rain on the county from Sunday night to Monday night. Santa Cruz will see up to 3 inches of rain, and up to 8 inches in the mountains.

Please continue to send videos, photos and any stories of storm impacts to [news@lookoutlocal.com](mailto:news@lookoutlocal.com).

— *Christopher Neely*

#### **Dangerous conditions prompt wharf, partial West Cliff Drive closure**



Portions of West Cliff Drive were closed because of dangerous conditions and storm damage.  
(Hillary Ojeda / Lookout Santa Cruz )

Around 9 a.m., Santa Cruz police and fire made the decision to evacuate and close the wharf as ocean conditions threatened public safety. Wharf crewmembers, police and fire personnel are the only people allowed to remain.

"A couple of our sprinkler lines are broken, which causes our fire alarms to constantly go off and send incorrect alerts," said Wharf Recreation Coordinator Annalise Bryant. "We also had about 20-foot waves reaching the top decks, so it's all about keeping the public safe and being as proactive as we can be."

Wharf Supervisor Britt Hoberg added that there is a significant amount of debris in the water as well, which, when combined with large waves, only increases the threat to public safety.

Bryant said that the wharf would be closed until at least 4 p.m., at which point wharf and emergency personnel will reassess.

It is the first time that the wharf has closed since about a year ago, when the Tonga volcanic eruption caused a tsunami last January.

West Cliff Drive didn't escape storm effects either, as a sizable stretch of the scenic road between Pelton and Almar avenues was closed around the same time. The closure is due to large waves crashing into the cliffs, causing a deluge of sea water to partially flood the road.

According to City of Santa Cruz Communications Manager Erika Smart, police, fire and public works personnel are on scene assessing the damage and planning next steps.

There is currently no timetable for reopening.

Some reports on social media suggested emergency personnel were investigating whether someone was washed into the San Lorenzo River.

Smart confirmed that around 10:10 p.m. on Wednesday, Santa Cruz police, fire, two city lifeguards and the Ben Lomond Swift Water Team responded to reports of someone calling for help near the San Lorenzo River behind the Tannery Arts Center. The Coast Guard was called in, too.

Per Smart, the teams searched for two hours, but did not find anyone.

— *Max Chun*

### **The scene from the cement ship**

What remains of the venerable old SS Palo Alto was hit hard Thursday morning, along with the Seacliff pier it was formerly attached to, as the Pacific Ocean unleashed a historic swell. Kevin Painchaud was there to capture the visuals.



Storm damage to Capitola Wharf on Jan. 5.  
(Kevin Painchaud / Lookout Santa Cruz)

Capitola Village was under siege Thursday morning, as the historic wharf had sustained major damage and businesses along the waterfront Esplanade were crossing their fingers that ocean water didn't breach their buildings.

Mark Conley was on the scene to talk to Capitola Police Chief Andy Dally, who expressed optimism that Capitola might have skirted a more severe blow thanks to a favorable confluence of swell and tide.

Santa Cruz County Storms: See how the wharf in Aptos was damaged in this week's atmospheric river.  
<https://t.co/wktk7uDFLB> #lookoutsantacruz pic.twitter.com/m7Bs8jWAp0

— Lookout Santa Cruz (@LookoutSCruz) January 5, 2023



Rio Del Mar flooding on Jan. 5.  
(Kevin Painchaud / Lookout Santa Cruz)

### Massive flooding strikes Rio Del Mar

Flooding struck the Rio Del Mar area as early as 8 a.m. Thursday, as storm-driven waves caused water to go over the ocean wall, according to residents in the area.

Patricia, a Rio Del Mar resident who asked for only her first name to be used, was walking her dog, Loli, around 9:30 a.m. on Marine Avenue as heavy rain came down over the area.

Wednesday, Patricia was one of several Rio Del Mar residents who were relocated to the Sea Cliff Inn by sheriff deputies in anticipation of the storm.

“This is a mandatory evacuated area,” Patricia said. “It’s the flats and it’s famous for flooding.”



Rio Del Mar resident Patricia and her dog, Loli, on Jan. 5.  
(Fernando Haro Garcia / Long Beach Post)

After Wednesday night’s storm, Patricia said she decided to go back home to check if there was any damage. She said everything seemed fine at around 7 a.m. But within the hour, the streets around her home began to flood. At one point, a large blue dumpster floated down one of the flooded streets before coming to an abrupt stop in the middle of the road.

While her home hasn’t suffered any damage at this time, Patricia said she plans to return to the Sea Cliff Inn for at least another night.

“I’m not going to sleep here not knowing,” she said.

Rio Del Mar resident Cynthia Coahran said that in her 20 years living in the area, she’s never seen it flood like this.

“It floods here often when it rains because the drains down here get full of leaves and debris,” according to Coahran, who said her house is just above the flood zone. “But that’s usually just water coming down the hill, it’s not usually water coming down from the ocean.”

Coahran was out Thursday morning looking at the flooding on Venetian Road where sand and foam covered much of the street. Large waves crashed over the sea wall.

“I’ve seen waves reach the wall but never breach it,” she said. “It’s crazy.”

— *Fernando Haro Garcia*

**FROM WEDNESDAY, JAN. 4**

**Santa Cruz METRO evacuates student group from Boulder Creek, offers free evacuee pickup**



Students are evacuated from a science camp in Boulder Creek on Wednesday.  
(Via Jennifer Murray)

Santa Cruz METRO drivers had to trek into the mountains on Wednesday, to help evacuate more than 200 people from an academic gathering and an assisted living facility.

According to METRO marketing and communications director Danielle Glagola, six buses evacuated 160 to 180 students from a Boulder Creek YMCA facility, and took them to the Scotts Valley Community Center.

The students, all attending a science camp, were from the Albany and San Jose regions. Their families were notified upon evacuation, and the Santa Cruz County Office of Education is organizing pickup for the other students.



(Via Jennifer Murray)

METRO also sent one bus and one ParaCruz van up to Willowbrook Residential Care Facility in Ben Lomond to pick up an additional 39 people. They were transported to Santa Cruz Bible Church on Frederick Street, and the care facility is organizing next steps.

Glagola added that the organization is working to provide help to the community.

“We’re trying to get the word out that our ParaCruz vans are available to pick up evacuees free of charge, even if it’s just one person,” she said.

Call 831-425-4664 to request a van.

— *Max Chun*

### **Local residents share their storm stories**

The world of social media has lost a lot of oxygen over the past few years. But despite its ugly side and its damaging effects in many arenas, the social media sphere is still essential in an emergency.

As Santa Cruz County — and most of Northern California — hunkers down for an uncertain night, we’ll share some posts and contributions from people in the storm’s path, which is all of us. Some of it is sharing vital information. Some of it is to show some of the storm’s worst effects. But much of it is just reaching out to others to feel a little less alone.

— *Wallace Baine*

### **Evacuees fill area hotels**

Hotels in Watsonville are reporting a tide of evacuees looking for overnight accommodations. Rodeway Inn in Watsonville said that it was “almost full” at around 4:30 p.m. and that well over half of the people at the hotel were locals responding to mandatory evacuation orders. Hampton Inn & Suites reported a full house with well over three-quarters of its 112 rooms occupied by local evacuees.

Earlier in the day, the City of Watsonville issued evacuation orders for several neighborhoods in the eastern part of the city adjacent to the Pajaro River and Corralitos Creek.

Sue Kinsella, who lives in the Bay Village neighborhood along Corralitos Creek, was spending the night at the Hampton Inn, and she was furious about it. She said that she and her neighbors had known about the danger of the creek for years, that the stream bed was too shallow and prone to flooding.

“Why hasn’t anybody done anything about this in all this time?” she said. She was notified of the order, she said, by text message. Showing the notice on her phone, she pointed angrily to the suggested sites for relocations. Listed last was “Animal Shelter.”

““Animal Shelter?”” she said. “Are they going to put us in cages?”

— *Wallace Baine*

### **Some Soquel residents choose to stay amid mandatory evacuation orders**

Some Soquel residents are choosing to stay at home despite authorities issuing a mandatory evacuation order for the area on Wednesday as heavy rain and winds are expected later this afternoon.

When Soquel suffered severe flooding during the storm last weekend, it caught many of its residents and business owners by surprise.

“We didn’t have any sand bags at the time,” said Steve Volk, owner of the Ugly Mug coffee shop on Soquel Drive. “It all came through the trailer park.”

Although Volk’s business didn’t suffer any damage during that storm, his neighbors weren’t so lucky.

Residents described Soquel Drive flooding up to a foot high Saturday, and many of the businesses were filled with mud from the nearby creek.

It took three days for the community to get everything cleaned up, he added.

Volk lives by the creek, but he said he won't be evacuating because his home lies above the flood zone.

He joked about using his canoe to get around the streets if the water got too high.

Despite the parking lot at Sir Froggy's Pub flooding on New Years Eve, patrons of the bar felt no urgency to evacuate Soquel.

Many of them sensed that if a flood occurred, the water wouldn't reach the inside of the bar.

One bar patron and Soquel resident, who declined to be named, said he'd be leaving as a precautionary measure and would be staying elsewhere with family.

On Wednesday afternoon, Anton Ganeshalingham was walking along Soquel Drive looking for a place where he could get more sand bags in preparation for the storm.

Ganeshalingham said that although he lives in Soquel Village, he is a little concerned over authorities calling for people to evacuate although he lives above the flood zone.

He said that because many of the main roads are closed, he doesn't know where he would be evacuating.

Brandon Wright said he also wouldn't be evacuating his Soquel home unless the water reached the end of his driveway, as it did over the weekend.

"I'm going to keep an eye on the house and have a go-bag ready and my car up the street," he said.

Wright said he struggled with finding sandbags in preparation for the storm, visiting several different locations before finally getting 20 bags from a resource center.

To further protect his home, he also filled up trash bags with dirt from his backyard.

"This time we are a little bit more prepared," he said. "We love our businesses here and I'm just more worried about them."

— **Fernando Haro Garcia**

### **County expects soil to fail soon, downed trees and landslides to follow**



Workers prepare sandbags at Ramsay Park in Watsonville.  
(Kevin Painchaud / Lookout Santa Cruz)

Among the chief concerns heading into Wednesday's bomb cyclone was the integrity of already saturated soil along the county's sloping topography. As the rain and wind begins to pick up into the late afternoon and evening, county officials expect landslides, downed trees and other dangerous conditions.

"The saturated soil from the prior storm is going to start failing in small and big ways," David Reid, director of the county's Office of Response, Recovery and Resilience, said. "With the saturated soils, on top of the wind, on top of the heavy rain, we expect landslides and debris to cause issues."

Road closures and evacuation orders and warnings are beginning to pile up across the county. Reid says the county will be unable to keep up with the road closure map as the storm intensifies, and that the county likely will not know the full extent of impassable roads until late Thursday.

"We advise folks to consider sheltering in place or getting to a safe location and out of harm's way before this evening," Reid said.



Reid said about 30 people are working at the county's emergency operations center, monitoring river levels, wind speeds and rain intensity. He expects the "most intense flooding" to arrive by early Thursday morning.

— *Christopher Neely*

### **More than 100 volunteers are filling sandbags in Watsonville**



Volunteers fill sandbags in Watsonville on Jan. 4.  
(Kevin Painchaud / Lookout Santa Cruz)

Crews from the Watsonville's water services and more than 100 community volunteers at Ramsay Park worked Wednesday to fill sand bags to send to residents near the Bridge Street Canal and Joyce-McKenzie Park, which have been deemed critical flood zones due to previous flooding.

"Instead of them having to come here, we're bagging them up for them," said Ruben Escobar, a water services crew leader for the city of Watsonville.

Escobar says his crew has been filling sand bags and getting residents prepared for the storm since New Years Eve.

Just in the past few days, and with the help of volunteers, they've made and distributed between 25,000 to 30,000 sand bags to Santa Cruz residents in preparation for the storm, Escobar said.

Although the crews and volunteers have already gone through 600,000 pounds of sand, Escobar says the biggest challenge is still trying to keep up with local demand for more bags.

"We can't produce them as fast as we're handing them out," he said.

At Joyce-McKenzie Park, crews have been working nonstop since Tuesday morning to distribute sand bags to elderly residents around the Bridge Street Canal area.

"It was pretty chaotic yesterday," said Joe Medina, a park superintendent for the city of Watsonville. "So we got the line moving a little faster."

Since Tuesday, hundreds of cars have lined up along Joyce Drive looking for sand bags to protect their homes, Medina said.

Each car has been limited to 10 bags at a time, although they're allowed to come back around in line for more, Medina said.

Residents are also being informed that they can make their own bags at a self fill station at the park, he added.

— *Fernando Haro Garcia*

## **Santa Cruz emergency services manager concerned most about high winds, downed trees, power outages and road blockages**

“I’m paid to overreact,” said Paul Horvat, the city of Santa Cruz’s emergency operations manager.

He was standing in front of an in-depth organizational chart for the city’s Emergency Operations Center (EOC), which Horvat activated this morning ahead of Wednesday’s storm. “When people go, ‘Oh, he’s making it sound like a big deal,’ I’m OK with that reputation,” he said, “I’m not OK being the guy who goes, ‘Oh, I didn’t think it was going to happen.’”

Set up at the city’s regional 911 dispatch center inside DeLaveaga Golf Course, the EOC hummed with late-morning activity as neon vest-clad representatives from public works, parks and recreation, water, police, fire, finance, and other city departments gather around a conference table to discuss strategy, a live graph of the storm pattern and the San Lorenzo River’s water level broadcasted across six television screens.

“The New Year’s Eve event that we had was probably in the top 5 events I’ve seen since taking on this job in 1992,” Horvat said, adding that Wednesday afternoon and into the evening was when he and his team expect the chaos to pick up.

## **As the ocean stirs, Capitola braces for what’s ahead**



Patty Cameron of Capitola’s iconic Wharf House restaurant gets ready as storms roll into the area Wednesday morning.

(Mark Conley / Lookout Santa Cruz)

Patty Cameron wasn’t sure what to expect when she decided to open up the doors of the iconic Wharf House restaurant Wednesday morning.

But having helped manage the popular breakfast spot for 17 years, she had a feeling the hungry and curious would show up at Capitola’s most maritime-exposed location for a cup of coffee or a bloody mary — and some real-time storm updates.

That will be Thursday when one of the biggest northwest swells in recent memory will test the resolve of the 166-year old Capitola Wharf that has undergone retrofits to its pilings in recent years.

There will be no bloodies on the wharf Thursday morning.

## **40 years ago, Santa Cruz County’s most deadly storm**



Damage from the Santa Cruz storm of 1982  
(Santa Cruz County Chamber of Commerce)

Talk of dangerous winter storms in Santa Cruz County usually ends up at some point at the storm of 1982, a disaster of such magnitude that 22 people died. Some of them were never found.

The storm of '82 cost an estimated \$100 million in damage, which could be twice that in today's dollars.

The dates of that catastrophe storm? Yep, Jan. 3-5, 41 years ago.

### **FROM TUESDAY, JAN. 3**

#### **Santa Cruz County emergency operations centers now activated**

Santa Cruz County and the cities of Watsonville and Santa Cruz have activated their interdepartmental emergency operations centers ahead of the deluge expected across the Central Coast on Wednesday. Rarely employed, emergency operations centers are stood up during events where all government departments need to be working in concert. The EOCs serve as a sort of an all-hands-on-deck disaster HQ where county and city staff will receive reports from the field, send resources to emergencies and disseminate critical information to residents.

In Watsonville, where swollen waterways sent floodwaters into homes on New Year's Eve, the emergency operations center was activated on Monday. Watsonville spokesperson Michelle Pulido said the city expects the emergency center to be staffed around the clock until the storm has passed.

"We have folks on standby and expect employees to be working day and night," Pulido said. The city will be receiving information from staff out in the field and pushing out regular storm updates through its social media page, as well as using reverse 911 calls and door knocking to inform residents not on social media.

Santa Cruz County has had its emergency operations center active since New Year's Eve, and will be working with the sheriff's office, public works, PG&E and other first responders to monitor the unincorporated areas of the county for emergency updates. Matt Machado, the county's public works director, said emergency operations "is all about coordination — a coordinated effort is how you get through these storms."

Matt Huffaker, city manager for the city of Santa Cruz, said preparing for the Wednesday storm is the first time the city's emergency operations center has been activated since the combo of the pandemic and CZU fires. Huffaker said it's the first time in "many years' the emergency hub has been active for a flood-related event. As with the other emergency operations centers, Santa Cruz's will be gathering information from staff in the field monitoring for flooding, landslides, power outages and other urgent storm-related situations.

City officials in Capitola will meet on Wednesday to determine whether or not to activate its own emergency operations center.

— *Christopher Neely*

## **Sandbags, batteries — and wattles — all selling quickly**

Unlike earthquakes, big weather events like Wednesday's storms often give people plenty of time to prepare. Local hardware stores are reporting that people have been coming in on Tuesday hoping for supplies to mitigate the damage to their homes and properties.

San Lorenzo Lumber in Santa Cruz reported that people are buying up everything from batteries to wattles, construction devices designed for erosion control. San Lorenzo Lumber has sold out of several items, including rain suits and boots. The store experienced a run on sandbags last week and now has only empty sandbags (provide your own sand) available.



Andrew Gaul, owner of 4701 Soquel Center Offices, unloads sandbags in preparation for the upcoming storm expecting to hit Santa Cruz County on Wednesday.  
(Kevin Painchaud / Lookout Santa Cruz)

Sump pumps and generators are still available at San Lorenzo Lumber, as of Tuesday afternoon.

Home Depot in Soquel also reported brisk business on Tuesday for people prepping for the storm. It is expecting emergency shipments to arrive within 24 hours. It also had generators on hand.

Both Home Depot — which has two locations in Santa Cruz County — and San Lorenzo Lumber said that they will maintain regular business hours on Wednesday and Thursday, which is at Home Depot, 6 a.m. to 10 p.m., and at San Lorenzo, 7 a.m. to 5:30 p.m.

### **— Wallace Baine**

Road closures are beginning to pile up in North County, evacuation orders have been issued in parts of Watsonville and Capitola, Rio del Mar, Soquel Village, Paradise Park and in the northwest tip of the county, and rain is expected to continue into the late afternoon Thursday.

High winds and falling power poles and trees remain the chief concern heading into the evening. Wind gusts have reached up to 50 mph in parts of the Santa Cruz Mountains and along the coast.



Staff of Santa Cruz County's emergency operations center prepare for flooding amid this week's winter storms.  
(Kevin Painchaud / Lookout Santa Cruz)

“The weather service is saying maybe not as much rain as initially expected, but higher winds,” said Melodye Serino, deputy county chief administrative officer. “So we may not have as much flooding, but we’ll have road problems because trees will come down, debris will get into the waterways.”

The San Lorenzo River, which reached 22 feet during the New Year’s Eve storm, is forecast to reach only 17.5 feet around 1 a.m. Thursday morning. The Pajaro River, which reacts more slowly to rainfall, is expected to peak around 22 feet Wednesday at 9 p.m., lower than the 26.5-foot high following the New Year’s Eve storm.

However, these waterways will remain under close watch. Matthew Machado, the county’s public works director, said the models used by the National Weather Service to predict river flooding are built for more major bodies of water and are not as accurate for the smaller rivers of Santa Cruz County.

As of 7 p.m., about 17,000 people were without power across the county, according to Serino. Find PG&E’s outage map here: <https://pgealerts.alerts.pge.com/outagecenter/>

As of 8 p.m., the city of Santa Cruz reported that its lone shelter, at the Civic Auditorium, was nearly full, with 80 people using the space for the night. It’s a similar story in Watsonville, where 72 people were using the shelter as of 8:45pm, with room for only about 15 more people.

The National Weather Service forecasts that the rain will continue through the night, before thunderstorms roll in around 10 p.m. Showers, and possibly thunderstorms, are set to continue into Thursday afternoon.

— *Christopher Neely*

#### **City of Santa Cruz emergency shelter at Civic Auditorium almost full**

The emergency overnight shelter at the Santa Cruz Civic Auditorium was almost full at about 8 p.m., several hours after the winter storm started raining down on the county.

City officials said 80 people were at the shelter, where people have access to showers, food, clothes and other items. Blankets, tents, sleeping mats and cots were also made available.

City staff, volunteers and local organizations helped provide items and to operate the shelter — which opened to anyone needing shelter at noon on Wednesday.

— *Hillary Ojeda*

#### **Road closures beginning to pile up in North County as winds, rain expected to continue into night**

As of 8 p.m. Wednesday, 16 roads were closed across the county, with 12 of them contained within the Bonny Doon, Boulder Creek and Lompico areas in North County.

Between 5 p.m. and 6 p.m., seven new road closures were reported.

“During the New Year’s Eve storm, the road closures were evenly split across the county,” said county public works director Matthew Machado, speaking over a seemingly endless stream of dispatchers calling into his walkie talkie. “This storm, the road closures look contained. But we’ll see.”

Many of the road closures are due to downed trees, power poles and mudslides. Wind gusts Wednesday evening reached up to 50 mph in parts of the Santa Cruz mountains and along the coasts.

“Definitely by the morning, we’ll have a lot more people out,” Machado said. “That’s when you can really assess the damage.”

Melodye Serino, deputy county administrative officer, said the forecast shows that the worst of the storm is expected to come overnight. Showers are expected to continue into Thursday but will clear out by mid-to-late afternoon. Wind remains the biggest concern heading into the evening, and its impact on downed trees and power poles.

— *Christopher Neely*

### **Officials announce widespread evacuation orders ahead of storm, including Soquel Village, Rio Del Mar, parts of Capitola and Paradise Park**

The National Weather Service is forecasting that the growing atmospheric river to push through much of the Central Coast and Bay Area this evening and overnight into Thursday.

National Weather Service meteorologist Brayden Murdock said the entire Monterey peninsula will get hit by the storm, Santa Cruz is likely to get more rain.

“Right now it’s looking like Santa Cruz will get around 2.5 inches and Monterey will get around 1.5 inches,” he said. “That said, there’ll be a lot more in the mountains, with some areas seeing 5 to 6 inches.”

Murdock said that the storm’s movement has slowed down a bit as it approached the shore, but that isn’t particularly unusual. However, should that slower movement continue, it could cause some problems.

“It’s more concerning if it continues slowing down as it hits landfall,” he said. “A slower moving system means that more rainfall will hit the area before the storm passes.”

The National Weather Service listed the risk level for Santa Cruz County as “extreme” and warned that the storm could be a danger to life and property. The weather service said to expect the storm to topple trees and bring down power lines.

— *Max Chun*

Lookout’s guide to preparing for the coming storm

### **Power outages**

#### **More than 6,000 county residents without power Monday; PG&E crews hampered by treacherous conditions**

**Monday, Jan. 9, at 4:45 p.m.** — A Pacific Gas & Electric spokesperson said there were 102 outages across Santa Cruz County as of late Monday morning, affecting 6,224 customers.

The utility said it has struggled to repair outages in some parts of the county because fierce weather conditions have prevented crews from accessing some areas and damaged PG&E equipment.

“We have had some challenges in Santa Cruz County,” spokesperson Megan McFarland told Lookout via email Monday afternoon.

“The storm series continues to hit Santa Cruz County, requiring our crews to stand down for safety and impacting our restoration efforts while creating new outages daily since Jan. 4. The area has experienced extreme damage

due to mudslides, rock slides, flooding, and fallen trees, which has damaged our equipment and limited our access to visually inspect lines before repairs can begin.

Additionally, required foot patrols in rugged mountain terrain have created delays as the weather has prevented most aerial patrols. We will continue to work safely and as quickly as possible to assess damage and assign crews to repair and restore power.”

[Click here for PG&E’s outage map](#) and for more information on outages in your area.

### **Evacuation orders**

**Wednesday, Jan. 10, at 6:30 a.m.** — The parts of Santa Cruz County under evacuation orders shrank Tuesday afternoon into Wednesday morning, with a stretch of Watsonville along Highway 129, near the swollen Pajaro River, and an area in the far northwest corner of the county still affected.

An evacuation order urges residents to leave affected areas immediately due to life-threatening conditions; under an evacuation warning, residents are urged to be ready to leave due to potential threats. Find evacuation maps [here](#) or see below.

More than two dozen Santa Cruz County hotels and motels were offering special rates for evacuees, per a list compiled by Visit Santa Cruz County.

Some areas previously under evacuation orders saw the guidance reduced to evacuations warnings, and warnings remained in effect around the county. The Rio Del Mar area of Aptos, along Aptos Creek, was among those areas as of early Wednesday, a change from previous days.

Evacuation warnings included parts of Felton and Paradise Park along the San Lorenzo River, part of Boulder Creek, areas along Soquel Creek from the hills down to Capitola Village, and areas of the Pajaro Valley.



Debris litters paths between cottages at the iconic Capitola Venetian Hotel.  
(Kevin Painchaud / Lookout Santa Cruz)

### **Evacuation shelters**

#### **Emergency shelters running at county fairgrounds, elsewhere**

As of 2 p.m. on Monday, Jan. 9, Santa Cruz County had set up emergency shelters across the county, including at the fairgrounds in Watsonville, at Cabrillo College in Aptos and the Scotts Valley Community Center. The City of Santa Cruz had also set up a temporary shelter in Depot Park.

### **Road closures**



Highway 9 was closed between Bear Creek Road and Riverdale Boulevard because of a landslide Dec. 31.  
(Via California Highway Patrol)

As of 2 p.m. on Monday, Jan. 9, three state highways running through Santa Cruz County were closed due to landslides and sinkholes as the unrelenting rain stretches into a second week.

Highway 17 southbound was shut down at Laurel Curve due to a combination of landslide that covered the southbound lanes around 9:15 am, and a sinkhole that occurred right after, according to the Caltrans road-closure map. Caltrans road closure map.

Highway 9 was closed between upper and lower Glen Arbor Road in Ben Lomond after a significant landslide covered both lanes. In Santa Cruz, Caltrans also closed Highway 9 in both directions at the intersection of Highway 1 and near River Street due to flooding.

Highway 236 is also closed in both directions between Little Basin Road and the East Ridge Trailhead due to a landslide, as is Highway 129 between Rogge Lane in Aromas and Highway 101. Highway 101 is also closed in both directions at Gilroy due to flooding.



The swollen Soquel Creek on Jan. 2.  
(Kevin Painchaud / Lookout Santa Cruz)

### **Local, statewide emergencies**

#### **Continued battering triggers emergency declaration from Biden**

Another in a series of powerful winter storms is bearing down on Northern California on Monday, Jan. 9, prompting concerns over flooding and hazardous winds that triggered President Joe Biden to declare an emergency in the state.

A series of atmospheric rivers that pummeled coastal communities last week and left more than 400,000 without power in California on Sunday will be followed by two major episodes of heavy rain and mountain snow in the next several days. Rivers are expected to reach flood level, debris flows could be possible in burn areas and powerful winds could wreak havoc from the “energetic and moisture-laden parade of cyclones that are aiming directly for California,” according to the National Weather Service.

#### **Newsom proclaims statewide emergency; Watsonville declares local state of emergency**

Shortly after an evacuation order was declared for residential areas in Watsonville, the city declared a local state of emergency Tuesday.



City Manager Rene Mendez made the declaration in light of the “significant damages left behind from last week’s heavy flooding and the upcoming winter storm.”

By declaring a local emergency, the city can request additional help such as equipment and supplies from county and state governments.

Corralitos and Salsipuedes creeks are expected to rise quickly due to the second winter storm’s heavy rain Wednesday. Areas that experienced flooding this past weekend near Corralitos Creek will likely be impacted once again.

To improve drainage from the creek, crews from the Pajaro Regional Flood Management Agency, Santa Cruz County and the city are working to remove sediment buildup from last weekend’s storm and to direct flows to the Bridge Street flood control channel.

Gov. Gavin Newsom also proclaimed a state of emergency throughout California to support efforts to recover from the weekend storm and prepare for this week’s weather.

Proclaiming an emergency allows the state government to mobilize the California National Guard to assist with disaster response and enables Caltrans to request assistance from the Federal Highway Administration’s Emergency Relief Program to repair highways and aid local response and recovery efforts.

The governor has also activated the State Operations Center to its highest level, and the state and federal government have stood up the Flood Operations Center, which covers forecasting, reservoir operations coordination, and provides technical support as well as flood fighting materials like sandbags for local agencies.

The County of Santa Cruz declared an emergency on Tuesday, estimating that damages following the first storm totaled \$10 million and are expected to increase with Wednesday’s storm.

— **Hillary Ojeda**

#### **Santa Cruz County declares local emergency**

Santa Cruz County declared a local emergency Tuesday night because of widespread flooding and damage from the weekend storm.

The declaration allows the county to request funding under the California Disaster Assistance Act to help pay for repairs, which is estimated to be at least \$10 million, though officials expect that amount will rise after new storms arrive this week. The destruction includes damage to Glenwood Drive, Granite Creek Road, and Highland Way, flooding in Soquel Village and flooding along Corralitos Creek and Salsipuedes Creek.

The board of supervisors is set to vote to ratify the declaration at the Jan. 10 meeting.

— **Tamsin McMahon**



Santa Cruz beaches were busy with people parsing through the debris left behind after heavy storms wreaked havoc across Santa Cruz this past weekend.

(Kevin Painchaud / Lookout Santa Cruz)

#### **Schools**

San Lorenzo Valley Unified, some Pajaro Valley Unified schools remain closed Wednesday; classes mainly on schedule elsewhere

**Wednesday, Jan. 11, at 7 a.m.** — After originally planning to resume classes Wednesday, the San Lorenzo Unified School District switched gears, telling families Tuesday afternoon that its schools would remain closed amid downed trees and other logistical issues.

Some schools in the Pajaro Valley Unified School District that are affected by evacuation warnings would also remain closed Wednesday, officials said, though many of the district’s schools were on track to reopen.



A fallen tree in the middle of Park Avenue past McGregor Avenue in Capitola on Jan. 2.  
(Kevin Painchaud / Lookout Santa Cruz)

### **Travel advisories**

#### **Officials urged caution while traveling during the storm**

As crews continue clearing roads of debris across Santa Cruz County from the weekend storm, officials say Wednesday's incoming downpour could also cause travel challenges.

The New Year's Eve storm caused dozens of roads to close — with several still closed — because of flooding, landslides and downed trees and power lines.

Caltrans announced Tuesday that northbound lanes on Highway 1 as they cross the San Lorenzo River in Santa Cruz will continue to be impacted.

"Travelers tonight on northbound #Hwy1 in #Santa Cruz will encounter a closure of the #2 (right) lane as it crosses the San Lorenzo River," Caltrans District 5 posted on Twitter on Tuesday afternoon. "This lane closure is scheduled to begin at 5 pm and end prior to tomorrow morning's commute."

The right lane will be closed to allow crews to set up lights on the bridge to light the water below so they can continue the removal of large debris from the river.

To stay up to date on road closures within the county visit <https://sccroadclosure.org> to get information on roads in unincorporated areas including San Lorenzo Valley, North Coast, Aptos, Corralitos, La Selva Beach, etc.).

For information on state highways including Highway 9, Highway 1 or Highway 17, visit [Cruz511.org](http://Cruz511.org).

— **Hillary Ojeda**

#### **Planning on air travel?**

Oakland International Airport spokesperson Kaley Skantz said the operations team is prepared for the potential impacts of the storm. She said she wasn't able to provide any information on cancellations or delays at the request of the airlines but recommended travelers seek the most up-to-date information directly from the airline they're traveling with.

Skantz said travelers should download the mobile application of the airline and sign up to receive notifications to learn about cancellations and delays.

— **Hillary Ojeda**

#### **By the numbers**

**30-50:** That's the number of additional crew that PG&E Incident Commander Sid Silva said PG&E could add to the area, with repairs taking anywhere from three days to two weeks, depending on the extent of the damage from Wednesday's rainfall.

**22 feet:** The San Lorenzo River peaked at nearly 22 feet on Dec. 31 — up from less than 4 feet a day earlier. In Watsonville, the Pajaro River remained at nearly 25 feet on Monday, up from less than 15 feet heading into the New Year's Eve storm. Track local waterways here.

#### **Storm trackers**

##### **Which online mapping best tracks the Santa Cruz storm?**

Looking to track the incoming storm in real time? Be thankful you live in 2023 and not some era when you had to rely solely on the local TV weatherperson. Here are a few places online where you can monitor the storm as it approaches the California coast:

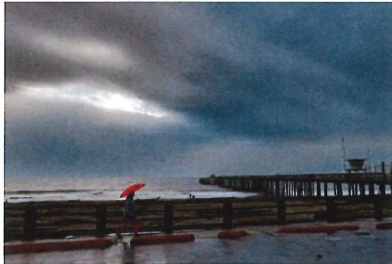
AccuWeather.com is a popular go-to site for weather, and provides radar imagery on a map on a brief timeline so you can catch the storm's progress. It also has weather-related headlines and location functionality, much like similar sites such as WeatherBug.com and weather.com, which comes from The Weather Channel.

But if you're looking for a deeper dive, try the Ventusky experience. Ventusky is a highly graphical resource that superimposes a number of factors onto local maps, including precipitation, wind speeds, cloud cover and even air quality, all in dazzling color and detail. Clicking on a city's name gives you a more traditional forecasting panel, plus you can check out various webcams at different locations. A slider at the bottom of the screen works as a forecasting tool that predicts how the map might look in the coming hours and days. Spoiler alert: Hitting "Play" in the bottom left corner is likely to ratchet up your anxiety about this storm.

Windy.com does much of the same stuff that Ventusky does, using the same technologies. The satellite tool may be a bit more like what you expect satellite imagery to look like than Ventusky. But both Ventusky and windy.com are about as sophisticated as weather forecast information gets for laymen.

The National Weather Service site is authoritative, and it will give you the latest on official and specific storm warnings, but its graphical interface is more 2003 than 2023.

— **Wallace Baine**



A woman walks past the Cement Ship at Seacliff State Beach on Jan. 2. After a brief break from the rain, another powerful storm is set to roll into region late Tuesday or early Wednesday.

(Kevin Painchaud / Lookout Santa Cruz)

#### **Second Harvest Food Bank preparing meal kits for evacuees**

Second Harvest Food Bank is preparing ready-to-eat meals and meal kits for both displaced residents, and any others that need food. As shelters open up, they may reach out to Second Harvest and request the meals for those that had to evacuate. As of now, Ramsay Park in Watsonville has already been designated as a shelter, and other locations in the county could be converted to shelters as the day continues.

Chief Marketing Officer Dawn Barreras said that organization is taking the storm seriously.

"Our outreach team went door to door, getting the word out in areas expected to be evacuated," she said. "We're working to make sure that everyone that needs food gets fed."

Call the Second Harvest hotline at 831-662-0991 for help finding food if needed.

Further, a number of soup kitchens will be operating tomorrow, providing hot meals. Those are:

#### **St. Francis Catholic Kitchen (11 a.m. - 1 p.m.)**

205 Mora St., Santa Cruz

#### **Food Not Bombs (noon - 3 p.m.)**

155 S River St. (Riverfront garage)

#### **Pajaro Valley Loaves & Fishes (noon - 1 p.m., emergency groceries from 9 - 11:30 a.m., 1 - 3 p.m.)**

150 Second St., Watsonville

#### **Salvation Army - Watsonville (5 p.m. - 7 p.m.)**

214 Union St., Watsonville

— **Max Chun**

#### **State parks closures**

California State Parks announced Tuesday that it was closing Henry Cowell Redwoods State Park on Wednesday through Friday because of the storm. The agency said it would reassess the park for reopening on Friday.

Cal Fire said it would temporarily close the Soquel Demonstration State Forest to the public because of dangerous conditions from the New Year's Eve storm, including downed trees, mudslides, blocked roads and hazardous hiking trails.

— **Tamsin McMahon**

# LOOKOUT

## The Election Is Over: Let's Put Differences Behind Us And Work Together



Shebreh Kalantari-Johnson is moving forward with her work on the Santa Cruz City Council. (Via Shebreh Kalantari-Johnson)

By Shebreh Kalantari-Johnson |

12/13/22

*Shebreh Kalantari-Johnson narrowly lost the race for District 3 Santa Cruz County Supervisor and is still reeling from the negativity and personal attacks that characterized the November contest. But, she insists, it's time to put the hurt behind and do the work she cares about most: making our community better. Here, she outlines some of what's needed from our public servants as she prepares for another year on the Santa Cruz City Council.*

A month has passed since the November 2022 election and the results have been certified.

A campaign is a race to the finish, but the work that we are trying to accomplish doesn't begin or end on Election Day. As public leaders, we strive to make a difference every single day.

Through my journey serving as a Santa Cruz city councilmember and as a candidate for county supervisor, I've heard, seen and learned much about our city — a place I have had the privilege to call home for over 20 years.

One mother, with her children hanging on her while standing in the doorway talking to me, expressed her concerns about letting her kids ride their bikes to the neighborhood park. An older couple said their single-family home was too big for them now, but they didn't feel they had other practical and affordable housing options. A middle-aged couple shared the heartbreaking story of their adult child who was suffering from mental health and substance use disorder, revolving into and out of jail and homelessness with no real treatment options.

I heard their stories, their frustrations, their hopes. I learned that ultimately Santa Cruz residents are consistent in what they want — a vibrant, thriving community for our families, our children, our seniors, our most vulnerable.

It's how we get there that we often disagree on. Sometimes, we get so stuck in the weeds we lose sight of the larger goals.

It has been a divisive and difficult past several months for many of us, including for me. During this long campaign, some people sadly resorted to personal attacks, misinformation, finger-pointing and false accusations. It will take time for our community to heal.

But here is the thing: We can't take too long. The work remains. And it's urgent.

I remind myself why I put myself in this race in the first place — why all of us in public service do this. What are we trying to accomplish? And how can we come together as a community — not just in a campaign slogan — to meet our community's needs?

Here are some of the most pressing topics I heard about from you, my community, as I canvassed, went to events and hosted community dialogues:

- Homelessness: It's a top issue. In the past two years, the City of Santa Cruz made strides by rethinking its policies and beginning the hard work of establishing accountable measures, while providing support to the needy. We began relocating unhoused people from unmanaged encampments and into safe shelter. Some have accepted the support and some haven't. Those who have have been connected to case management and housing navigation. For the first time, our city has a thoughtful, step-by-step plan. In the past, some leaders haven't taken action because they know it's a topic that is charged and they will be criticized. Criticized or not, we are elected to make these tough choices so that ultimately we can help make our community better for everyone. Much work remains and the city needs help from the county and the state to create humane, sustainable policies.

- Children: People are worried about their kids. I'm a mom. I understand. I'm worried, too. I heard the stories during my campaign and I also hear them regularly within my circle of moms. The depression. The anxiety. Our children are exhausted, bottomed out, crying out for help. The city and schools and mental health professionals will need to work together to help families thrive. Our kids need safe and accessible parks, safe routes to schools, recreational programs and after-school opportunities, and more mental health counseling in school and less red tape to get it.
- Housing: We need more of it. It's simple and clear. I believe we can do that while preserving the natural beauty and open spaces that make our home so special. That's why I vote as I do — always with my eye on upping the number of affordable and workforce homes in our community while maintaining the integrity of our community's character.

Santa Cruz City Councilmember Shebreh Kalantari-Johnson during a county supervisors candidate forum.

(Kevin Painchaud / Lookout Santa Cruz)

There is more, of course. We desperately need to modernize our transportation system. We need to think holistically about our climate response. Our downtown and small businesses need us and we have to be proactive about fire prevention and response.

We must and can address all of these issues. However, it will require us to move past divisiveness, take a step back and remember why we're in it, why we care so much and work side by side, despite any past differences.

Although I did not win the race for supervisor, I will continue to serve as a city councilmember, a grant writer and a public health professional. My commitment goes beyond any elected position or title. My commitment is to the well-being of Santa Cruz and this incredible community. And that commitment is unwavering.

Whether you voted for me or not, if you care, like I do, about creating a thriving, vibrant Santa Cruz, I invite your partnership.

Please reach out. Let's work together.

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## Newsom's Proposed Budget Slashes \$2 Billion From Public Transportation, Legislators Up In Arms

16 JANUARY 2023/[SF NEWS/JOE KUKURA](#)

With California now looking at a \$22.5 billion budget deficit, one area Governor Newsom wants to tighten the strings is public transit. But transit heads and legislators say they're already saddled with a fiscal cliff and service cuts.

Just before Thanksgiving, word leaked out that Bay Area transit agency heads were preparing "doomsday scenarios" for a "fiscal cliff" situation, and the Bay Area News Group was raising the specter of "No weekend BART, bus lines cancelled or a taxpayer bailout." But that doomsday scenario was a hypothetical — they were just planning on what they would do if ridership did not return to pre-pandemic levels, and billions in funding was cut. But now that California's \$100 billion budget surplus has turned into a \$22.5 billion deficit, those funding cuts appear likely. And CalMatters reports that Newsom's proposed budget slashes \$2 billion away from public transit projects, which could lead to more service cuts, and projects being delayed even more than their usual, expected delays.

*Transit is bearing the brunt of Newsom's budget cuts. \$2bn slashed from TIRCP a key infrastructure program that could impact BART to San Jose and Caltrain electrification. No new money proposed for agencies' looming fiscal cliffs*

— Eliyahu Kamisher (@eli\_kamisher) [January 10, 2023](#)

The cuts are detailed on page 105 of Newsom's proposed 2023-24 budget (a document that is 148 pages long). "While the Administration continues to prioritize transportation infrastructure, the budget problem makes reductions necessary to balance the state budget," the document says. "As such, the budget proposed a net reduction of \$2 billion over three years to future transit infrastructure funding."

*We're analyzing the impacts on transit of the Governor's proposed budget.*

*It's not pretty. The proposal allows transit to go over a devastating fiscal cliff (huge service*



*cuts). + it imposes multi-billion cut on transit capital projects.*

*A big coalition will work to change this*

— Senator Scott Wiener (@Scott\_Wiener) January 12, 2023

State Senator Scott Wiener, who takes selfies of himself riding public transit almost every single day (here's today's) is not at all pleased with these proposed transit cuts. “There are a lot of people in general, and a number of people in the Legislature, who are deeply concerned with the future of transportation given the fiscal cliff that agencies are going to experience in the next one to two years as federal emergency funds run out, but ridership has not fully rebounded yet,” Wiener tells CalMatters. “It could lead to significant service cuts, which is a downward death spiral for some of these agencies.”

We’ve currently got a \$7 billion-a-year budget for public transit, and this proposed cut would snip that down to \$5 billion, most of the cuts coming from “intercity projects,” which around here means projects for agencies like BART and Caltrain. CalMatters adds that Newsom’s proposed budget also calls for “A \$200 million cut to bicycle and pedestrian programs,” and “delaying \$350 million in funding to improve rail crossing safety from 2023-24 to 2025-26.”

*For the 2023-24 budget, due to the expected deficit, CA Gov Newsom proposes reducing transit capital by \$2b over 3 years, reducing active transportation by \$200m, and reducing electric vehicle funding by \$720m. Money would be restored if revenues improve.* <https://t.co/xmJUzVVI50> <https://t.co/bd5ELQab24> [pic.twitter.com/EvcUVxOTS7](https://pic.twitter.com/EvcUVxOTS7)

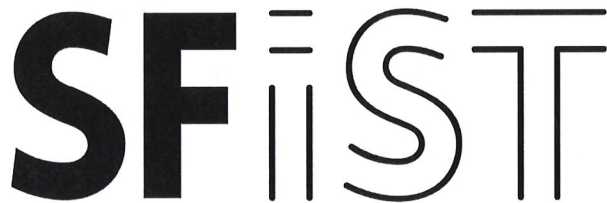
— numble (@numble) January 10, 2023

The money could all be restored if the revenue situation improves, and given our whipsawing between deficit to surplus to deficit again these last few years, that would not be out of the question. And is it wise to cut transit funding when ridership is still down, or would that only hasten the whole “death spiral” process? That’s a theoretical debate, but we might find out how that theoretical would work out, because as Newsom’s budget stands now, we would indeed cut transit funding when ridership is still down.

**Related:** Bay Area Transit Planners Fret Over ‘Doomsday Scenario’ of Service Cuts Amidst Plummeting Ridership [SFist]

*Image: Daniel Ramirez via Wikimedia Commons*

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# CNBC

## The zero-fare public transit movement is picking up momentum

Rebecca Picciotto

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### KEY POINTS

- Washington, D.C., is poised to officially eliminate its \$2 bus fares starting in July, which would make it the latest city to adopt a zero-fare metro system.
- The D.C. Council approved the bill unanimously in December and is awaiting a formal response from the mayor to move forward.
- The council is also weighing providing a monthly subsidy to rail riders to ease the burden of the subway fare, but has not formally decided on that amendment.

Passengers boarding a Metrobus in downtown Washington, Wednesday, Dec. 7, 2022.

*Pablo Martinez Monsivais | AP*

Washington, D.C., is on the verge of eliminating bus fares for city residents, joining other U.S. cities that are working to make metro bus and rail systems free to ride.

Already, Boston, San Francisco and Denver are experimenting with zero fare. In late 2019, Kansas City, Missouri, became the first major U.S. city to approve a fare-free public transit system.

The “zero-fare” movement has garnered support among business groups, environmental advocates, Democratic leaders and others who say that public transit boosts local economies, mitigates climate change and is a basic necessity for many individuals. The idea gained traction during the pandemic, which underscored the critical role public transit plays for essential workers who don’t have the luxury of working from home.

But despite the zero-fare movement’s growing popularity, it has drawn political pushback in some areas where the policy doesn’t easily fit in with budgets or local laws.

D.C.’s zero-fare bill was proposed in early 2020 about two weeks before the Covid-19 pandemic triggered a downward budget spiral for transit agencies nationwide.

“I don’t charge you when you need the fire department, but yet we’re going to make sure there’s a fire department when you need it. That’s how you need to think about this,” Charles Allen, one of the D.C. city councilmembers who introduced the bill, said in an interview with CNBC.

The D.C. measure aims to get rid of the \$2 fare to ride the bus starting in July. The city council unanimously approved the measure, and it’s awaiting a formal response from Mayor Muriel Bowser, who can either approve, veto or return the bill unsigned.

Bowser initially expressed reservations about financing a zero-fare system that would also serve Maryland and Virginia without receiving funding from those states. The mayor’s office did not respond to a request for comment. In any case, the council’s unanimous support is enough to override a mayoral veto.

The bill would allocate \$43 million a year to make the D.C. Metrobus free to all riders and to add a dozen 24-hour bus service lines. The money will come from surplus tax revenue. The D.C. Council is still considering whether to add a \$10 million subsidy program, which would provide every city resident with \$100 of credit monthly to spend on the D.C. Metrorail.

## **The public transit crisis**

### **Kansas City’s bus system, called RideKC.**

*Source: Kansas City Area Transportation Authority*

In many cities, the coronavirus sent ridership on subways and buses to historic lows, largely because white-collar workers were working from home instead of commuting into the office. That left essential workers, who are typically middle to low income, as the primary riders of public transit.

As fare revenue plummeted and transit agencies watched their budgets erode, state and local government subsidies along with federal Covid relief funding became necessary to preserve transportation for essential workers.

Zero-fare transit has since also become a cause among environmental groups that want to get cars off the road, labor unions that want to keep transit drivers socially distanced from riders and business groups that want to draw more customers.

Alexandria and Richmond in Virginia have successfully integrated fare-free transit into their annual budgets. Boston, Denver and others have tested pilot programs. Boston’s zero-fare experiment will stick around until 2024 for three of the city’s bus routes.

Meanwhile, Denver introduced temporary fare-free holidays like “Zero Fare for Better Air” in August and “Zero Fare to Vote” on voting days in November.

## **Zero-fare trendsetting**

### **Kansas City's bus system, called RideKC.**

*Source: Kansas City Area Transportation Authority*

In Kansas City, zero-fare transit has become a hallmark of life.

“It feels like much more of a community space and I think that’s because it’s something you can freely enter and exit,” said Matt Staub, a founding member of Kansas City’s fare-free streetcar and a marketing business owner, who used to spend between \$60 to \$70 on monthly bus passes.

Kansas City first experimented with zero-fare transit in 2016 with the launch of its streetcar, a two-mile fixed rail line in the city’s downtown where riders can hop on and off, free of charge. The city is investing \$400 million to expand the streetcar route to more than six miles by 2025.

Since the streetcar began construction in 2014, \$4 billion has been invested into downtown development, including hotels and restaurants. Downtown’s residential population has grown from roughly 21,000 in 2014 to about 32,000 in 2022.

“The streetcar, at least from our perspective, is more than a mode of transportation. It’s more than just getting from point A to point B. It’s an economic driver,” said Donna Mandelbaum, a spokesperson for Kansas City’s Streetcar Authority.

The zero-fare bus started in December 2019 as a pilot program. Then after Covid hit, the city’s bus authority kept it in place permanently as a safety measure, since it reduced physical interactions between bus drivers and riders.

### **How to go zero fare**

Making a U.S. city zero fare takes a combination of funding and political support.

Kansas City had both. Fares made up only 12%, or about \$8 million, of the buses’ operating budget, according to Richard Jarrold, vice president of the Kansas City Area Transportation Authority. Meanwhile, the city was spending \$2 million to \$3 million annually on fare collection, according to Morgan Said, chief of staff to the mayor.

Similarly, D.C. fares are under 10% of the district’s transit budget, according to the Washington Metropolitan Area Transit Authority. In Richmond, Virginia, where fare-free buses have been in place since the start of the pandemic, fare revenue was just 8% of the overall transit agency’s budget.

“For some smaller transit agencies that don’t really collect much cash anyway ... they’re almost spending more to collect the fare than they’re actually receiving in revenue,” said Grant Sparks, a director at the Virginia Department of Rail and Transportation.

That made the economic argument in those cities an easier sell. Still, Allen, the D.C. councilmember, ultimately wants “to move towards a fare-free system for all public transit.”

### **Why fare-free is not for all**

#### **Kansas City’s bus system, called RideKC.**

*Source: Kansas City Area Transportation Authority*

Even as the idea gains traction, zero-fare transit in America is the exception, not the rule.

In New York City, where a subway ride currently costs \$2.75, officials have piloted ways to make fares more affordable. The city started the Fair Fares program in January 2020, which provides transit discounts to eligible low-income residents who apply.

But the city’s transportation infrastructure relies on fares for around 30% of its operational budget, a difficult sum to subsidize.

“Until a new plan emerges for funding public transportation in New York that would allow the MTA to be less reliant on fare revenue, there is no way to consider eliminating a vital revenue stream,” said Meghan Keegan, an MTA spokesperson.

Even in places like Virginia, which has had zero-fare success in individual cities, scaling the system to a statewide level has proven difficult. Virginia law limits how much the state can pay to WMATA, the transit agency that runs bus lines throughout Virginia, D.C. and Maryland.

Denver also plans to stick with fares for the time being, even as it deploys occasional fare holidays.

“In the absence of a significant new funding source, fares will remain an important component of RTD operating revenue,” said Tina Jaquez, a spokesperson for Denver’s Regional Transportation District. Denver’s 2023 transit operating budget is composed of 10% fares.

The conversation is happening at the federal level, too, although the debate has been split along the aisle.

As part of its spring 2020 Covid relief package, the federal government provided \$25 billion in public transit funding. That summer, Democrats tried to rally support to extend the federal support. In June 2020, Sen. Ed Markey and Rep. Ayanna Presley, both Democrats of Massachusetts, introduced the Freedom to Move Act, which would provide federal grants for

states and cities to institute free-to-ride public transit. It was referred to a Senate committee in April 2021 and hasn't advanced.

Republicans have not been as bullish on the idea of going zero fare. A budget proposal in Republican-heavy Utah that would make the state's transit system fare-free for a year met opposition from the state's Republican House Majority Leader Mike Schultz. He said that the transit system was already subsidized enough and "nothing's free," according to local station KUTV.

Zero-fare transit has also drawn criticism from advocacy groups like Transit Center, a New York City nonprofit. The organization found in a survey of 1,700 public transit riders that people would rather have better transit reliability and frequency rather than zero fare.

The split debate means that a federal zero-fare policy likely won't be established soon.

"There may be some European countries that are doing it at a national level. I don't think we're going to do that in the U.S., with 50 states and many more local jurisdictions," said Virginia state Sen. George Barker, a Democrat. "We've got a long way to go to get into that league."



## CA: Marin Transit fare waivers fail to boost ridership

By Will Houston

Jan. 13, 2023

**Source** The Marin Independent Journal, Novato, Calif. (TNS)

Marin Transit has decided not to renew some free fare promotions it started offering in late 2021 because they have produced no notable increase in ridership.

Jan. 11—Marin Transit has decided not to renew some free fare promotions it started offering in late 2021 because they have produced no notable increase in ridership.

The agency's board voted unanimously on Monday to end two of three such promotions. The free fares were part of a pilot project to draw more riders to buses in the aftermath of the pandemic, as well as to test whether fares were a barrier to certain groups of riders, such as seniors on fixed incomes and students.

The board voted to end promotions for free rides to seniors and three free monthly bus passes for families with students who qualify. Marin Transit staff told the board that while the offers were well-received and worked to address equity issues, not many people used them.

"We don't believe fares is really the right way to improve service for seniors and ADA riders," Marin Transit planning director Cathleen Sullivan said, referring to the Americans with Disabilities Act. "The senior and ADA fares are already very low-cost. It's only \$1 to ride the bus."

The board did renew the free rides for passengers ages 6 to 18 for the coming summer. The same promotion was offered last June, July and August. While it did not boost ridership among youths, Marin Transit said the program required minimal staff time and cost about \$19,500 to the district, mostly from lost fare revenue.

The agency estimates that extending the free youth fares for this summer will cost \$20,000 to \$30,000.

Some board members raised the potential idea of free rides year-round for youths, given that many students ride free already.

"I'm curious as we do more and more, are we reaching a tipping point where it does make sense just to simplify to come out with a unified message instead of having a promo here and package

here and discount here?" Marin Transit board member Eric Lucan, a county supervisor, said during the meeting.

Sullivan said doing so could potentially lead to overcrowding on buses and entail a "significant drop in revenue." Sullivan said the staff is studying the revenue impacts along with other potential impacts such as overcrowding. Staff plan to return to the board in the coming months to present the findings.

Linda Jackson, program director of the Aging Action Initiative and a San Rafael City Schools board member, called on Marin Transit to reconsider ending the monthly bus pass for families with students who qualify for free rides.

About 300 families of the 1,000 that could qualify requested the free bus passes. Nearly 900 passes were distributed but only about 400 were used. The passes do not expire.

"I would encourage you to keep looking at how to increase that number," Jackson told the board, calling on the district to work with community organizations.

Meanwhile, the district is set to begin reviewing potential changes to fare collection in response to the upcoming changes to the Clipper card system set to take effect in 2024.

Marin Transit is grouped into the same Clipper fare collection system as Golden Gate Transit, which has resulted in riders being overcharged on fares despite being on local routes.

Marin Transit buses only travel on fixed routes in Marin and have a fixed fare of \$1.80 for Clipper users. But Golden Gate Transit buses travel into other counties and charge fares based on how far the rider has traveled. As a result, the Clipper system requires riders to tag on with their Clipper card when they enter the bus and tag off when they get off in order to calculate the appropriate fare, Sullivan said.

The Clipper system does not distinguish whether a rider is on a Marin Transit bus or a Golden Gate Transit bus, thus requiring riders on Marin Transit buses to tag on and off despite the fixed fare. Riders who do not tag off are penalized by being charged the maximum fare amount from their location, which can reach about \$10, Sullivan said.

Sullivan said many Marin Transit riders choose not to use Clipper cards for this reason and instead use cash or passes.

Under the new Clipper system set to launch in 2024, Marin Transit will have its own fare collection system that will only require riders to tag on once per ride.

The board will discuss proposed changes to local bus routes and schedules at its meeting on Feb. 6.



# MASS TRANSIT

## US: Commuter Ridership Is Disappearing. Can Mass Transit Adapt?

By Skip Descant

Jan. 12, 2023

**Source** Governing (TNS)

The trend toward working from home upended commuter patterns in Washington, D.C., and other cities with a large number of professional office workers. The change — precipitated by the COVID-19 pandemic — has had significant impacts on transit ridership.

Jan. 8—The trend toward working from home upended commuter patterns in Washington, D.C., and other cities with a large number of professional office workers. The change — precipitated by the COVID-19 pandemic — has had significant impacts on transit ridership, a move that could force agencies to reimagine their service delivery models.

In 2022, some 66 percent of commuters in the Washington, D.C., metro region were working from home at least some of the time, an increase from 35 percent in 2019, according to the 2022 State of the Commute Survey Report by the Metropolitan Washington Council of Governments (COG).

Furthermore, for those workers commuting into jobs, a larger share of them have been driving rather than taking public transit. In fact, 78.4 percent of those trips were taken alone in a personal car or ride-hail vehicle in 2022, up 13.8 percentage points from 2019, according to the survey research.

Ridership on Metro, the network of trains and buses serving the nation's capital, during the first six months of this year was down 64 percent compared to the same six-month period in 2019, according to the American Public Transportation Association (APTA). Metro did not return a request for comment.

"People are still opting to drive if they do have to execute a commute," said Audrey Denis, strategy manager at Cubic Transportation Systems. Denis also works to help the company understand how technology is evolving for agencies, cities and users of transit. Cubic provides transportation technology for Washington Metro.

"I think it really outlines what the challenge of transit agencies is, as we evolve in this context where people don't go to work everyday. And I think, to some extent, we are going to see this general decline in the 9-to-5 commute," she added.

Officials at COG said it's still too soon to say if the telework trends will continue.

"The amount of teleworking today is less than what it was in 2021 or 2020 and it continues to evolve and change as people and businesses begin to see the full impact of a high level of teleworking," said Kanti Srikanth, deputy executive director for Metropolitan Planning at COG, in an email, adding that future office space demand and the economic activity it brings "are a complex and evolving issue."

Several data sources suggest remote work in the capital region may have "plateaued," even as some large employers and government agencies are signaling a desire to reduce office footprints.

Transit ridership across the U.S. has been sitting steadily at about 65 percent to 70 percent of pre-pandemic ridership across transit networks, according to data from the Transit App. This is an improvement from a year ago, when ridership hovered around 55 percent of pre-pandemic ridership.

These sorts of headwinds, driven by significant changes in the way workers and others move around urban areas, will prompt transit agencies to rethink service delivery and other aspects of their operations, say experts.

The time has come for transit agencies to start thinking of themselves as mobility agencies, said Christopher Coes, assistant secretary for transportation policy at the U.S. Department of Transportation, during the APTA conference in October. Coes offers up a vision of an interconnected mobility ecosystem that facilitates seamless connections across modes and regions.

"What does that national system look like? That is the question we're asking ourselves at the Department of Transportation," said Coes.

Other experts stress focusing on transit planning that accommodates all of the other non-work trips we take — errand running, trips to schools and doctor's appointments.

"I don't think voters in the future are saying, 'We just want three more routes.' How does it connect me to the hospital, to the school?" said Quinton Lucas, mayor of Kansas City, Mo., in some of his comments at the APTA conference.

To serve some of these new trips, transit agencies will need to think about how to provide accessibility and reliability throughout the day rather than just the morning and evening peak commutes, said Denis.

Some of the ways agencies are addressing these challenges: focusing on system reliability; removing friction points for users; launching more mobility options, like

small shuttles linking restaurants and attractions; providing on-demand microtransit; and more focus on the first-mile/last-mile obstacles.

"So that micromobility piece seems like it's going to become much, much more common," said Denis.

The new normal also means transit will need to be more flexible, quicker to make changes in routing, schedule timing and other areas. Transportation companies like Via are already responding with the launch of its Remix Scheduling tool, which aims to help transit agencies more quickly respond to driver shortages, federal reporting regulations and other operational challenges in one software platform.

"Riders are depending on transit more for essential trips and daily errands, and younger people are less likely than ever to get their driver's license. All the while, we're faced with transit driver shortages and unpredictable commuter patterns due to remote work," said Nithya Sowrirajan, Via's chief product officer. "That said, it's crucial for transit agencies of all sizes and settings to have access to smart, simple scheduling software that helps networks remain flexible and nimble."

Agencies are also putting in place more programs and opportunities to reduce or remove fares altogether. The programs are modeled on account-based fare-payment systems which allow agencies to offer special rates for low-income and other qualified riders.

"How do we make it easier for users to opt for transit," said Denis, "especially for those rides when they're not going to work, and it may not be quite as instinctual that you're going to get on the subway, or get on the bus."

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Times Standard

## Thousands of public EV chargers are coming to California highways — eventually



By [ARIELLA PLACHTA](#) | [aplachta@scng.com](mailto:aplachta@scng.com) | Los Angeles Daily News

PUBLISHED: December 30, 2022 at 12:25 p.m. | UPDATED: December 30, 2022 at 12:51 p.m.

SACRAMENTO — California’s electric car push is revving up in 2023, as state agencies plan to deploy some 90,000 public charging stations along highways and in vulnerable

communities to encourage households, businesses and public agencies to ditch gas-powered vehicles.

The plan for clean vehicle infrastructure is undergirded by more than \$3 billion in state and federal funding meant to lay the groundwork for widespread adoption of zero-emissions vehicles in the state. Chargers are planned to start operating in 2025.

While the infrastructure build-out falls short of the state’s ambitious goal to install 250,000 EV chargers by 2025, it promises to help more households, businesses and public agencies go electric in the coming years. State agencies estimate the need for 1.2 million chargers in 2030.

“This transformative investment will deploy charging and refueling infrastructure swiftly and equitably to make sure drivers of zero-emission cars and trucks feel confident they can refuel wherever they go,” said lead transportation commissioner Patty Monahan at the California Energy Commission (CEC).

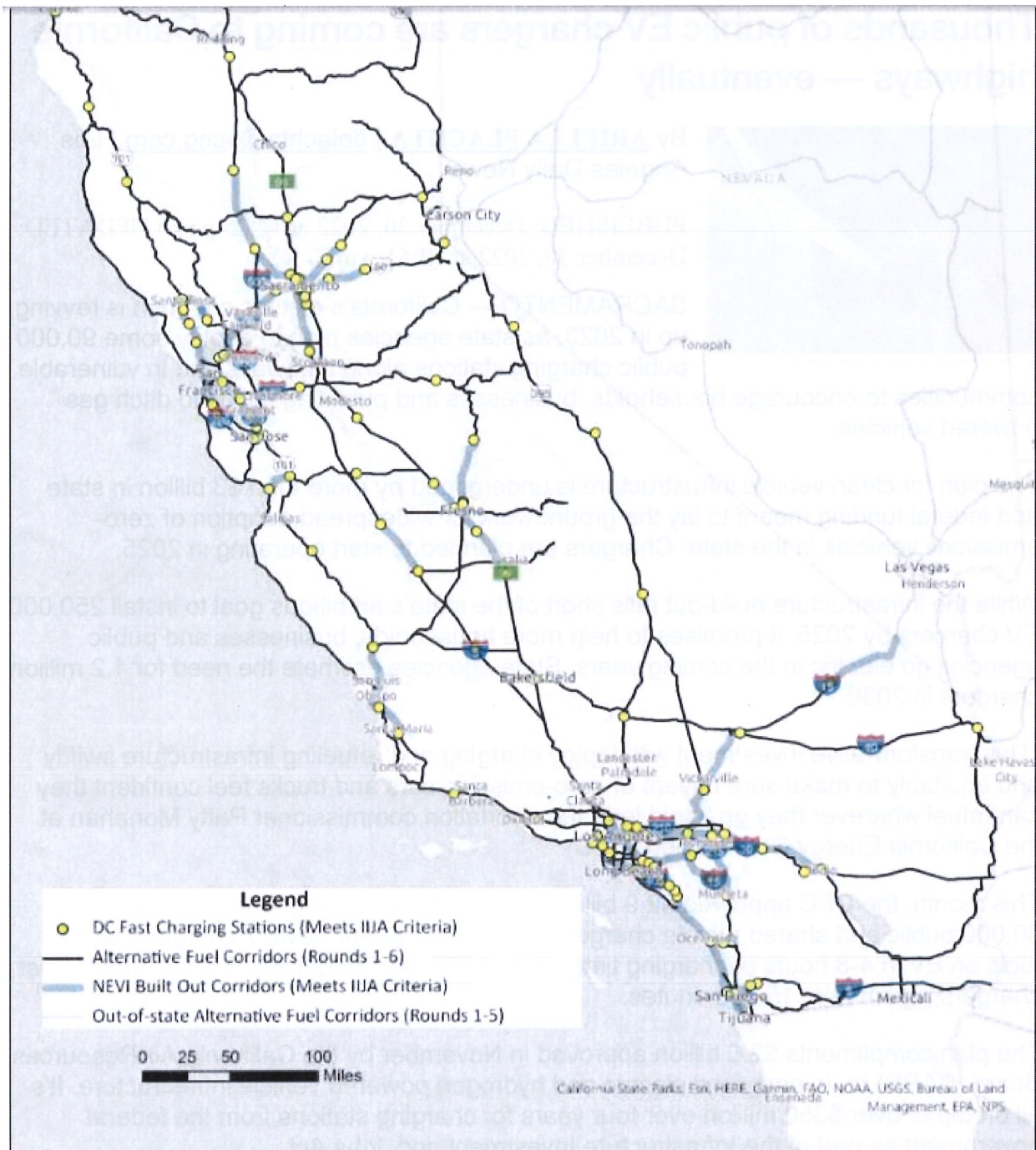
This month, the CEC approved \$2.9 billion to more than doubling today’s state total 80,000 public and shared private chargers. Most of these are Level 2 chargers, which fuels an EV in 4-8 hours of charging time. Only 8,528 are the quicker Direct Current Fast chargers, which take 15-30 minutes.

The plan compliments \$2.6 billion approved in November by the California Air Resources Board (CARB) to, in part, fund electric and hydrogen powered vehicle infrastructure. It’s all on top of over \$350 million over four years for charging stations from the federal government as part of the Infrastructure Investment and Jobs Act.

The stations, most of which will not be fast chargers, are meant to “create a backbone for mass EV adoption within California” and give drivers quick-opportunity charging to support long-distance travel and help drivers without access to home charging.

Per the energy commission’s plan, charging stations will be installed along the state’s major highways and connecting routes designated “alternative fuel corridors.” The agency

will solicit both charging station developers and public input from local communities in the coming months.



Source: U.S. Department of Energy Alternative Fuels Data Center

Map of public ZEV charging infrastructure in California slated for deployment, as seen in California's draft deployment plan for the National Electric Vehicle Infrastructure Program published in June 2022. (Caltrans and the California Energy Commission)

Across the country, electrical vehicle charging stations that span 75,000 miles of highway are being deployed by the U.S. Transportation Department. But California has long been considered a leader in the nation's electric vehicle market.

Annual sales of plug-in electric vehicles in the state grew from 7,000 in 2011 to more than a quarter million sold 2021, making up 12% of all light-duty vehicle sales. In August, California said it will require all new vehicles sold in the state by 2035 to be either electric or plug-in electric hybrids.

Yet the average cost of an electric vehicle remains nearly \$18,000 higher than the average cost of a gas-powered vehicle, putting them out of reach for most Californians. And the vast majority of charging is done in homes of vehicle owners, which excludes apartment dwellers.

Based on data from the Department of Tax and Fee Administration and Energy Commission, dot.LA estimated that the average California driver spends around \$2,760 on gas per year while charging a Tesla Model 3 costs about \$550 per year.

Infrastructure buildout has to be coupled with vehicle affordability going forward, said executive car market analyst at iSeeCars Karl Brauer. The biggest tragedy would be if expensive infrastructure goes unused by communities who are still priced out, he said.

“If they can get infrastructure in place, that removes the fear of recharging challenges for customers,” said Brauer. “But vehicle and production costs are another big challenge and if that one isn’t solved, it will keep people from switching away from internal combustion.”

Ethan Elkind, climate program director at UC Berkeley School of Law, said the state’s upcoming EV charging station deployment is bound to confront local barriers like permitting and high operating costs for station owners.

“If government investment is not sufficient, automakers may need to subsidize stations more than they currently do ... that’s what Tesla did and GM is following suit,” he said. “This is an important start but still not enough for the number of vehicles that need to charge by 2035, if we get to 100% of all new vehicle sales.”



## Best Practices: Transit Propensity and Community Needs: Providing Insight to Create Equitable Transit Systems

Jorge Luna

Dec. 27, 2022

A seamless regional mobility plan for the Charlotte, N.C., region shows the power of transit propensity analytics



Jorge Luna

CHARLOTTE, N.C. - To create equitable transit systems, understanding the location of key populations and the mobility needs of those populations is critical. Agencies with access to comprehensive data, be it internal or from the U.S. census, can plan for a seamless and equitable transit system that works best for as many as possible.

One example of maximizing such data is the recently completed CONNECT Beyond Regional Mobility Plan, led by the Centralina Regional Council, for the greater Charlotte, N.C., region. The plan relies on transit propensity maps — using publicly available data to determine where transit is most needed in the region. These interactive maps highlight various population concentrations, such as the proportion of elderly and disabled residents, low-income and access

to essential services. Insight gained from these maps helped identify key groups for deeper conversation regarding mobility needs.

Correctly used, transit propensity maps are a powerful tool to help owners/agencies inform the heart of equitable transit planning: Successful community outreach. Only by engaging and listening to various populations can agencies learn of their unique needs. Whatever the community's needs are, a transit propensity map can help identify the location of who most needs service and inform community outreach and fieldwork strategies.

## **Best Practices for Creating a Transit Propensity Map**

The key to transit propensity maps is to understand the nuances of the data, drawn from real people's experiences. It's imperative the team goes the extra mile and holds listening sessions with underrepresented segments of the community to listen to collective needs — a truly equitable plan must incorporate the voices of those who will be using the transit system. This community outreach should occur before the plan is drafted, and then again to check the solutions presented in the plan address the community's needs.

Key activities in completing CONNECT Beyond were developing transit propensity maps, conducting field visits and ride arounds to augment data findings, gathering survey-based insight and holding listening sessions to understand transit needs. This process was key to creating a holistic plan that incorporated feedback from travelers with varying mobility needs.

## **Boosting Propensity Maps for Planning**

A transit propensity map paired with additional data can become increasingly helpful to transit planners and (public sector) decision makers.

Propensity maps can complement public surveys, listening sessions, origin-of-destination surveys or travel demand model data by showing where people are likely to need transit and where they are going. Community input can add nuance that data doesn't show. Using these insights and tools creates a powerful, comprehensive look at a region's state of transit.

For CONNECT Beyond, the team used the propensity maps to help determine short-, medium- and long-term goals that would improve the overall transit system.

## **Creating a Living Resource Improves Ongoing Outreach & Funding Readiness**

Transit propensity maps can serve communities as a living resource if featured and actively maintained on an agency's communication platforms. The transit propensity maps created for CONNECT Beyond are intended to be updated periodically. This empowers local agencies and municipalities to see their communities' current transit needs and demographic details, a key benefit as they continue to compete for grant funding. This also gives the planning agencies the ability to assess the progress of plan outcomes and recommendations.



As transit agencies grapple with how to meaningfully enhance their equity in planning, transit propensity maps can complement the planning toolbox in understanding concentrations of potential transit users and their mobility needs, as well as insight to refine outreach and fieldwork effort. Using this tool to better inform a community outreach strategy leads to systems that better serve all riders, both now and in the future.

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*Jorge Luna is HDR's South Atlantic Area transit lead and served as the consultant team project manager for the CONNECT Beyond Regional Mobility Plan.*

# MASS TRANSIT

MANAGEMENT

## What Can Be Done About Transit's Supply Chain Challenges?

As with most challenges, collaboration with various stakeholders will provide a starting point to easing the strain.

Mischa Wanek-Libman

12/27/22

The North American transit industry has not been immune to global supply chain issues. Material shortages have delayed rail projects and the delivery of various transit vehicles.

Issues have even impacted the supply of plastic cards used for fare collection. In October, Bay Area Rapid Transit (BART) and Metropolitan Transportation Commission (MTC) **urged customers to use a mobile version of the region's Clipper card** to pay for transit fares and temporarily reprogrammed some ticket vending machines to issue old-style paper tickets.

One segment to be impacted particularly hard by these issues has been the rural, small city, paratransit and nonemergency medical transportation providers in the U.S. These **mobility providers have experienced cancellations of small bus contracts**, price increases between 30 and 70 percent and growing wait times to receive delivery of these vehicles.

The estimated backlog of 20,000 vehicles is expected to grow significantly in 2023 and may take five to seven years to recover.

According to a Community Transportation Association of America (CTAA) survey in August, these factors have led to 80 percent of respondents feeling

highly concerned with the state of standard vehicle replacements.

CTAA, with the American Public Transportation Association (APTA) and the American Association of State Highway and Transportation Officials, sent a letter to U.S. Department of Transportation Secretary Pete Buttigieg requesting the department's assistance to make more small bus chassis available to the market and streamline procurement regulations.

The organizations note the historic levels of funding made available to public transit through the Infrastructure Investment and Jobs Act but express concern the "burgeoning crisis in the small bus industry" threatens to stifle the impact of the act on the transit industry.

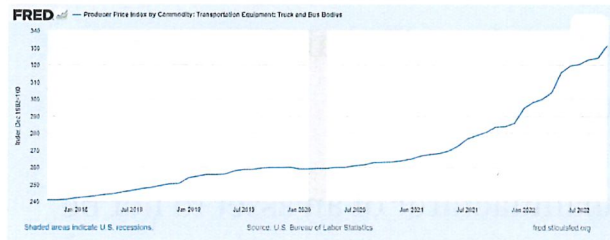
Just as the transit industry stayed nimble and quickly adapted to the challenges brought by the pandemic, resolving supply chain issues will call on a similar skill set based in flexibility and agility. Transit industry and supply chain experts have suggested courses of action that will require stakeholder collaboration, a willingness to shake up the status quo and readiness to invest resources in developing more adaptable supply chains.

## **Manufacturing Base's Big Squeeze**

The transit industry's manufacturing base is experiencing extreme inflationary pressures, pricing volatility and a host of other challenges that are culminating into a giant vise that's placing the base under tremendous pressure.

Ray Melleady, executive vice president of United Safety and Survivability Corporation, explains the mobility market has found itself at the center of a perfect storm of factors. First, the market is driven largely by unique specifications written for an end user. Original equipment manufacturers (OEMs), while building their own product, are also using an integration process to marry unique elements into a finished product, which creates

several points of potential increase or change among primary, secondary and tertiary suppliers.



The five-year Producer Price Index Transportation Equipment: Truck and Bus Bodies [WPU1413] shows a quick and steep rise.

Second, the Producer Price Index (PPI) published by U.S. Bureau of Labor Statistics, which measures the average change over time in selling prices of certain products including buses, railcars and construction projects, is no longer experiencing a predictable

cadence.

“We've had these indices that were fairly predictable, but even toward the tail end of the pandemic, we saw inflationary pressures that have never been seen in this industry,” Melleady explained. “The traditional indices, PPI, are not reflective of the increases that we're seeing and with hyperinflation, there are a number of manufacturers that became upside down on the contracts that were priced long term.”

According to APTA, the PPI for Transportation Equipment (Truck and Bus Bodies) increased by 14.6 percent between March 2021 and March 2022. APTA notes inflation experienced over the course of a year is now occurring in a single month.

“There must be some shared perspective on what escalation looks like over time in order for price to be predictable to the end user and risk avoidant to the manufacturer or construction provider,” Melleady said. “It is financially impossible to project what pricing will be in four years. I would strongly urge the folks who are involved with procurement, and the folks who are involved with any bid process to look at ways to implement legitimate escalation clauses that mitigate that risk over time for the manufacturer and provide certainty for the end user.”

Melleady, who has decades of experience working on the private and public sides of the transit industry, has witnessed the industry find its unified voice to shift views of what transit service is and can be and raise awareness that delivered record levels of investment. Collaboration will again be required to lift the industry out of this challenging situation.

“There is no end user that doesn't want a manufacturer of an asset to not be healthy. We've seen that movie before, where a manufacturer doesn't successfully navigate the costs associated with a project, and they aren't around to support that product,” Melleady said.

In the short term, Melleady believes having an open dialogue between end users and the manufacturers would benefit both and ensure the sustainability of the manufacturing base.

“It is mutually beneficial to sit down and talk reasonably through these challenges with a level of transparency that [end users and manufacturers] feel comfortable in making necessary adjustments,” Melleady noted. “The FTA made it clear it's acceptable to do this using federal dollars.”

Earlier this year, the FTA issued a letter addressing contract modifications and outlining what is permissible under current law and regulations. The letter notes the ability of parties in an existing federally funded contract to modify the contract for a variety of reasons, including price adjustments. FTA's letter directed further questions to its regional office team.

Longer term, Melleady would like to see the U.S. Bureau of Labor Statistics indices restructured, and he believes APTA provides a platform for the industry to work together on this effort.

“Longer term, the indices should be more of a leading indicator and not a trailing indicator of inflation, and secondly, the indices that exist for bus, rail and construction projects should be restructured to contain newer

technologies and the realities that are certainly contained within those specific indices,” Melleady said.

In addition to making sure these indices are bucketed properly, Melleady says the second factor is the trigger date, noting the time between Notice to Proceed (NTP) and a project start date could be years.

“The NTP and the trigger of the pricing should be connected to an index, which incentivizes both the manufacture and the end user to set and agree upon a date. Adjusting a contract according to an agreed upon index is the way to make sure pricing is reflective of time,” Melleady explained.

Despite the immediate challenges, Melleady, a self-described optimistic thinker, sees a brighter outlook, as well.

“We will work together to get through the immediate challenge of supply chain disruptions and hyperinflation and longer term, I'm optimistic about the manufacturing base and our ability to support mobility in this country,” he said.

## **Shift Toward Adaptability**

Gary A. Smith, CPIM-F, CSCP-F, CLTD-F, has more than 40 years in supply chain management and is a recent retiree from the transit industry. He continues to speak on supply chain, conducts training and shares his expertise in thought-provoking articles, including a trio of pieces published in *Supply Chain Management Review* examining supply chain best practices post-COVID.

“If you look at successful organizations in the private sector, they are the ones that have world class supply chains, and mass transit needs to take a page from their playbook because we need to keep our buses rolling,” Smith said.

Keeping equipment moving was a goal Smith described as sacred when he worked in transit, and he explains a resilient, adaptable supply chain is one way every entity in the public sector can deliver on a similar goal.

“Supply chains need to change,” said Smith. “Adaptability equals agility plus resilience, where resilience, is the ability to absorb a change quickly and agility is the ability to pivot and come up with a new way of doing something.”

Smith recommends eight steps to build a more adaptable supply chain:

1. Create end-to-end visibility in the supply chain;
2. Investment in technology that supports this visibility;
3. Continuous improvement should be implemented throughout the entire company;
4. Planning should be emphasized over forecasting;
5. Supplier and customer bases should be segmented;
6. A supply chain risk analysis plan should be developed;
7. Transition away from transactional purchasing toward procurement and collaboration; and
8. Implement sales and operations planning as a process to balance supply and demand.

“Supply chain is one of the ways to be able to control. While we talk about cost reduction, we really need to focus on reducing risk in the supply chain, which means knowing your suppliers – from tier 1 to tier 3 - and knowing their issues as well. It’s all part of creating end-to-end visibility and reducing risk,” Smith said.

Smith notes there is not a “magic bullet” to solve supply chain challenges concerning risk and visibility but does say there are various software platforms available that are worth the investment to assist in the endeavor. He says

sometimes convincing the right people this is an investment worth making can be a challenge because the platform is not customer-facing.

“It’s hard to get people excited about a system no one sees or to convince them of the ‘bang for the buck’ versus, for example, a new train or something that gives you better lighting on a bus. The result is public sector systems that are a generation behind,” Smith said.

While the decision to investment in supply chain management systems comes from the top of an organization down, implementing continuous improvement is a way to build resilience from the bottom up and provides common processes and language that can improve internal and external collaboration.

“Continuous improvement is something people can wrap their heads around, and it’s not just supply chain that can be improved. Mechanical and administrative processes can be improved, and it’s a relatively easy thing to teach. Continuous improvement gives everyone the same language, so you can really communicate,” Smith said. “In the next decade, due to things like climate change and [the retirement of] baby boomers from the workforce, we’re going to be in state of continuous disruption, and how quickly a problem can be dealt with and how an organization is able to adapt will determine what companies survive.”

For mass transit organizations, the question will be how much more effective or less effective they will be, and the supply chain is a key to that.”

**Source URL:** <https://www.masstransitmag.com/management/article/21289077/what-can-be-done-about-transits-supply-chain-challenges>



# MASS TRANSIT

BUS > VEHICLES > HYBRID, HYDROGEN & ELECTRIC VEHICLES

## Electrifying Public Transit: Evolving Toward an Electric Bus Fleet

In a future where EVs become the norm rather than the exception, public transit agencies will face a range of new variables they will need to juggle.

Anthony Allard

12/27/22

There are a variety of characteristics that will define the carbon-neutral future, but one stands out: Dramatically increased reliance on electricity. The transportation sector presents a particularly attractive opportunity to make rapid progress in the fight against climate change through electrification.

The transportation sector, as compared to other industries, is especially reliant on fossil fuels and is responsible for 37 percent of CO<sub>2</sub> emissions in the United States, according to the [U.S. Energy Information Administration \(EIA\)](#). Electrifying this industry would have a significant impact on curbing the country's total annual carbon emissions.

Moreover, one sub-segment of the transportation market is uniquely positioned for the transition to green mobility: Electric vehicles (EVs) and, more specifically, bus fleets. There are a variety of reasons for this. One being buses have relatively high fuel consumption since they spend a significant amount of time on the road. Approximately 65,000 buses are in operation in the U.S., [according to Statista](#), and they contribute significantly to air pollution, particularly in urban areas. By shifting toward battery-powered buses, public transit agencies can reduce or eliminate the use of fossil fuels

significantly and make positive contributions toward air pollution reductions in the communities in which they operate.

## **The Route to Bus Fleet Electrification**

Electric buses are increasingly available from a wide variety of manufacturers, and the business case for using them is compelling. They offer lower fuel costs, reduced maintenance requirements and are expected to remain in service longer than their internal combustion counterparts. Because they travel on set routes, the optimization of the charging infrastructure, the vehicle batteries and the power supply is relatively easy compared to less predictable forms of transport. However, purchasing battery-powered buses is just one step in a much more complex transition.

To start, transit agencies can't afford to swap their traditional buses for EV models all at once. This transition will need to take place over time, in line with existing vehicle depreciation and replacement schedules. This means transit agencies will need to gradually integrate EV buses into their fleets, running electric and internal combustion vehicles side by side for years or decades. They will also need to modify their operational systems and processes to accommodate newly introduced EVs.

Vehicle charging systems will need to be installed in existing terminals (which often feature challenging space limitations) and potentially in other locations along their route to top off. Rather than installing a lot of stand-alone charging pedestals, it may be more appropriate to consider a more long-term solution geared toward charging large numbers of vehicles.

Modular, customizable solutions are increasingly available and can serve multiple vehicles simultaneously while offering a more compact footprint. These systems also tend to be easier to install and have shorter lead times for delivery, which can help accelerate implementation. They typically can also

scale up easily, providing fleet operators with the opportunity to start small, develop appropriate systems and processes and then expand their fleets as circumstances allow.

## **Merging EVs into Existing Fleets and Processes**

In a future where EVs become the norm rather than the exception, public transit agencies will face a range of new variables they will need to juggle. For instance, do they need to invest in charging infrastructure up front based on their anticipated future demand or can they stretch that investment out over time? How will that charging infrastructure fit into their existing processes for things like maintenance, scheduling, depreciation and replacement, vehicle condition monitoring and repair? Do they have the necessary power infrastructure to support the additional demand on the power grid?

Should they supplement with battery storage to offset peak energy demands (and lower costs)? How can they automate energy demands? How will the shift impact their drivers, support staff and mechanics? Do they have the right skill sets in their personnel? What kind of training programs do they need to establish?

These are complex questions that will need to be addressed holistically.

Operators of bus fleets also need to explore their needs in terms of IT, which is likely to play an even greater role in the management of their vehicle fleets than it does today. There are a range of factors to be managed such as vehicle state-of-charge, tracking and analysis of vehicle telematics, orchestration of charging infrastructure, on-site energy optimization and vehicle maintenance scheduling and tracking, all of which depend on sophisticated software tools. Are there benefits to utilizing artificial intelligence (AI) or machine learning (ML) capabilities to improve their processes? Fleet operators of all kinds are grappling with these considerations.

## Securing (Electric) Fuel Supplies

One additional challenge that public transit agencies need to deal with is getting sufficient power to their vehicles. For fleet operators looking to transition to EV buses, demand for electricity at their facility and potentially along their bus routes will skyrocket. They must begin the planning process with their local power utilities to ensure their needs can be met. Connection queues for utilities in many locations can be more than a year in many cases, even for more traditional, industrial-scale electrical services.

Large fleets could ultimately require so much power that utilities may need to upgrade their distribution systems to meet this demand. Transit agencies may want to explore options such as an onsite battery energy storage system, which could help provide them with the flexibility to charge more vehicles at off-peak times, saving time and putting less pressure on the power grid.

## Smoothing the Electrification Path

While the realities of transitioning to EVs may seem daunting, it will almost certainly yield significant rewards in terms of carbon reductions, lower fuel and maintenance costs and more efficient operations. However, the process will also be highly complex and time-consuming and demands that transit agencies approach the transition strategically, with a clear understanding of the variables in play and potential pitfalls. A smart, considered approach to planning and deploying charging infrastructure tailored to their unique needs, coupled with digital platforms to reduce the complexity of the process and early engagement with power utilities and technology partners will be a vital step in that direction.

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*Anthony Allard is executive vice president and head of North America for Hitachi Energy.*

# MASS TRANSIT

MANAGEMENT

## US: Remote Work Flipped the Commuting Script. Now Transit Must Adapt.

Several data sources suggest remote work in the capital region may have "plateaued," even as some large employers and government agencies are signaling a desire to reduce office footprints.

By Skip Descant

**Source** Government Technology (TNS)

12/15/22

Dec. 15—The trend toward working from home upended commuter patterns in Washington, D.C., and other cities with a large number of professional office workers. The change — precipitated by the COVID-19 pandemic — has had significant impacts on transit ridership, a move that could force agencies to reimagine their service delivery models.

In 2022, some 66 percent of commuters in the Washington, D.C., metro region were working from home at least some of the time, an increase from 35 percent in 2019, according to the 2022 State of the Commute Survey Report by the Metropolitan Washington Council of Governments (COG).

Furthermore, for those workers commuting into jobs, a larger share of them have been driving rather than taking public transit. In fact, 78.4 percent of those trips were taken alone in a personal car or ride-hail vehicle in 2022, up 13.8 percentage points from 2019, according to the survey research.

Ridership on Metro, the network of trains and buses serving the nation's capital, during the first six months of this year was down 64 percent compared to the same six-month period in 2019, according to the American Public Transportation Association (APTA). Metro did not return a request for comment.

"People are still opting to drive if they do have to execute a commute," said Audrey Denis, strategy manager at Cubic Transportation Systems. Denis also works to help the company understand how technology is evolving for agencies, cities and users of transit. Cubic provides transportation technology for Washington Metro.

"I think it really outlines what the challenge of transit agencies is, as we evolve in this context where people don't go to work everyday. And I think, to some extent, we are going to see this general decline in the 9-to-5 commute," she added.

Officials at COG said it's still too soon to say if the telework trends will continue.

"The amount of teleworking today is less than what it was in 2021 or 2020 and it continues to evolve and change as people and businesses begin to see the full impact of a high level of teleworking," said Kanti Srikanth, deputy executive director for Metropolitan Planning at COG, in an email, adding that future office space demand and the economic activity it brings "are a complex and evolving issue."

Several data sources suggest remote work in the capital region may have "plateaued," even as some large employers and government agencies are signaling a desire to reduce office footprints.

Transit ridership across the U.S. has been sitting steadily at about 65 percent to 70 percent of pre-pandemic ridership across transit networks, according to

data from the Transit App. This is an improvement from a year ago, when ridership hovered around 55 percent of pre-pandemic ridership.

These sorts of headwinds, driven by significant changes in the way workers and others move around urban areas, will prompt transit agencies to rethink service delivery and other aspects of their operations, say experts.

The time has come for transit agencies to start thinking of themselves as mobility agencies, said Christopher Coes, assistant secretary for transportation policy at the U.S. Department of Transportation, during the APTA conference in October. Coes offers up a vision of an interconnected mobility ecosystem that facilitates seamless connections across modes and regions.

"What does that national system look like? That is the question we're asking ourselves at the Department of Transportation," said Coes.

Other experts stress focusing on transit planning that accommodates all of the other non-work trips we take — errand running, trips to schools and doctor's appointments.

"I don't think voters in the future are saying, 'We just want three more routes.' How does it connect me to the hospital, to the school?" said Quinton Lucas, mayor of Kansas City, Mo., in some of his comments at the APTA conference.

To serve some of these new trips, transit agencies will need to think about how to provide accessibility and reliability throughout the day rather than just the morning and evening peak commutes, said Denis.

Some of the ways agencies are addressing these challenges: focusing on system reliability; removing friction points for users; launching more mobility options, like small shuttles linking restaurants and attractions; providing on-demand microtransit; and more focus on the first-mile/last-mile obstacles.

"So that micromobility piece seems like it's going to become much, much more common," said Denis.

The new normal also means transit will need to be more flexible, quicker to make changes in routing, schedule timing and other areas. Transportation companies like Via are already responding with the launch of its Remix Scheduling tool, which aims to help transit agencies more quickly respond to driver shortages, federal reporting regulations and other operational challenges in one software platform.

"Riders are depending on transit more for essential trips and daily errands, and younger people are less likely than ever to get their driver's license. All the while, we're faced with transit driver shortages and unpredictable commuter patterns due to remote work," said Nithya Sowrirajan, Via's chief product officer. "That said, it's crucial for transit agencies of all sizes and settings to have access to smart, simple scheduling software that helps networks remain flexible and nimble."

Agencies are also putting in place more programs and opportunities to reduce or remove fares altogether. The programs are modeled on account-based fare-payment systems which allow agencies to offer special rates for low-income and other qualified riders.

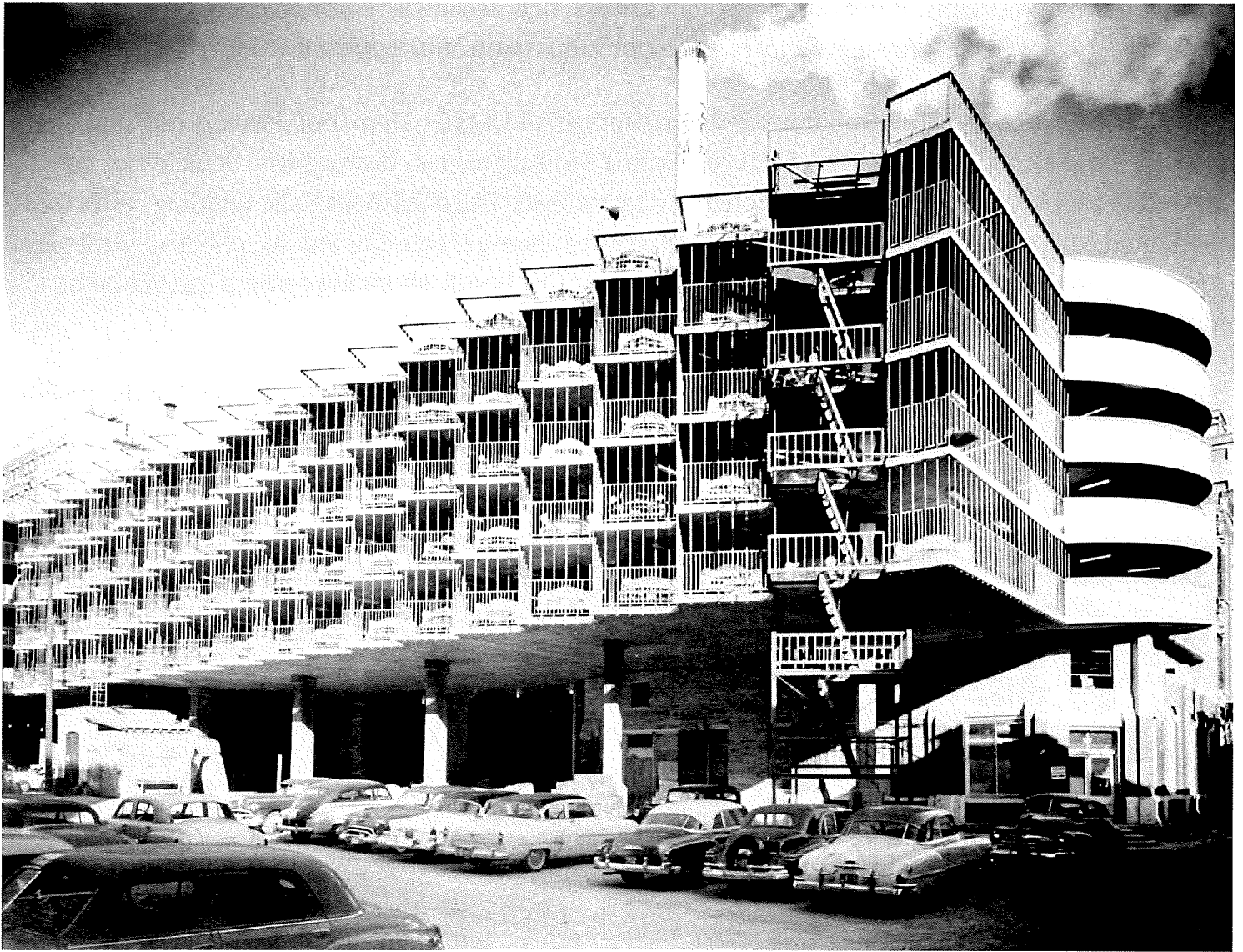
"How do we make it easier for users to opt for transit," said Denis, "especially for those rides when they're not going to work, and it may not be quite as instinctual that you're going to get on the subway, or get on the bus."

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In the 1950s, building houses for cars became an urban priority. *Photographer: Bettmann via Getty Images*

CityLab | Transportation

## How the Parking Garage Conquered the City

When automobiles flooded urban America, builders, planners and designers faced a daunting challenge: where to put them.

By Andrew Zaleski

December 10, 2022 at 10:28 AM PST

Uncertainty overcame owners of several Manhattan parking garages in September. A plan to implement congestion pricing – charging drivers to enter a zone south of 60th Street – could lead to more transit usage by commuters, and thus the closure of some parking garages, *The City* reported. Parking options have already been on the wane in the largest US city: The NYC Department of Consumer Affairs and Worker Protection counted more than 2,200 licenses for garages and lots in 2015, a number that fell to 1,899 by 2021.

For most urban residents, if not outer-borough drivers, that decline is reason to cheer. The parking garage – a big, concrete-gray box for cars – is a notorious bane of urban vitality.

City after city, desperate to lure suburbanites downtown to work or shop, bulldozed prime real estate to build these structures in the postwar era, turning central business districts into vehicle-storage voids that sapped streets of pedestrian energy and hollowed out neighborhoods. Building codes that mandated a certain number of parking spaces have kept new garages coming: In suburbs, exurbs and towns across the US, you will find these facilities, squatting beside shopping centers and stadiums, airports and office parks, planned communities and amusement parks.

“Parking is the tail that wags the urban-development dog still,” says Tim Love, principal at the Boston-based design firm Utile.



Parked vehicles in Marina City Towers in downtown Chicago. *Photo by: Andrew Woodley/Universal Images Group via Getty Images*

The parking garage is such an inescapable element of modern urban life that it became essential pop culture infrastructure, site of many a cinematic brawl, car chase and dance number. It's where

Redford's Bob Woodward met Deep Throat, where Sean Boswell had his ass handed to him before he knew how to drift. But the grim functionality of these spaces – not to mention their fundamentally somewhat anti-human function – has made them infrequent sources of design inspiration.

That's starting to change, as architects and urban planners try to flip the script on these behemoths. The goal? Transform them from corrosive eyesores into structures that are both beautiful and inviting.

“There's definitely been a push, especially in the last 20 years, to get these buildings architecturally attractive,” says Rachel Yoka from the International Parking and Mobility Institute (IPMI), an industry trade group in Virginia.

### **Building a House of Cars**

In the beginning, cars just parked next to the horse.

Carriage houses served as the natural option for the opening decades of the 20th century, as existing infrastructure was quickly adapted to automotive application. It's not until the 1920s that the urban prototype for a specialized building to stash motorcars appears, says Sarah Leavitt, who curated “House of Cars,” an exhibit on parking garages in 2009 at the National Building Museum in Washington, DC.





multifloor parking structures had pulley systems that lifted cars up to different floors. In Chicago's Loop in the 1920s or '30s you would find vertical affairs that stacked flivvers in freestanding towers via automated elevators.

Other garages could also look much like standard office or apartment buildings, with glass windows and rich ornamentation. In Manhattan, the Kent Automatic Garage company erected a pair of "hotels for autos" – Art Deco high-rises equipped with car elevators. The largest, a 24-story skyscraper on Columbus Avenue, held more than 1,000 vehicles. It's since been converted to high-end residential use.

Self-parking structures with ramp systems that allowed patrons to drive their own cars up or down multiple floors arrived later, and with them came a more utilitarian approach, with open decks and less architectural decoration. The postwar era also saw an explosion of car ownership: In American cities, downtown developers raced to carve out parking for workers who expected to be able to drive to the office.



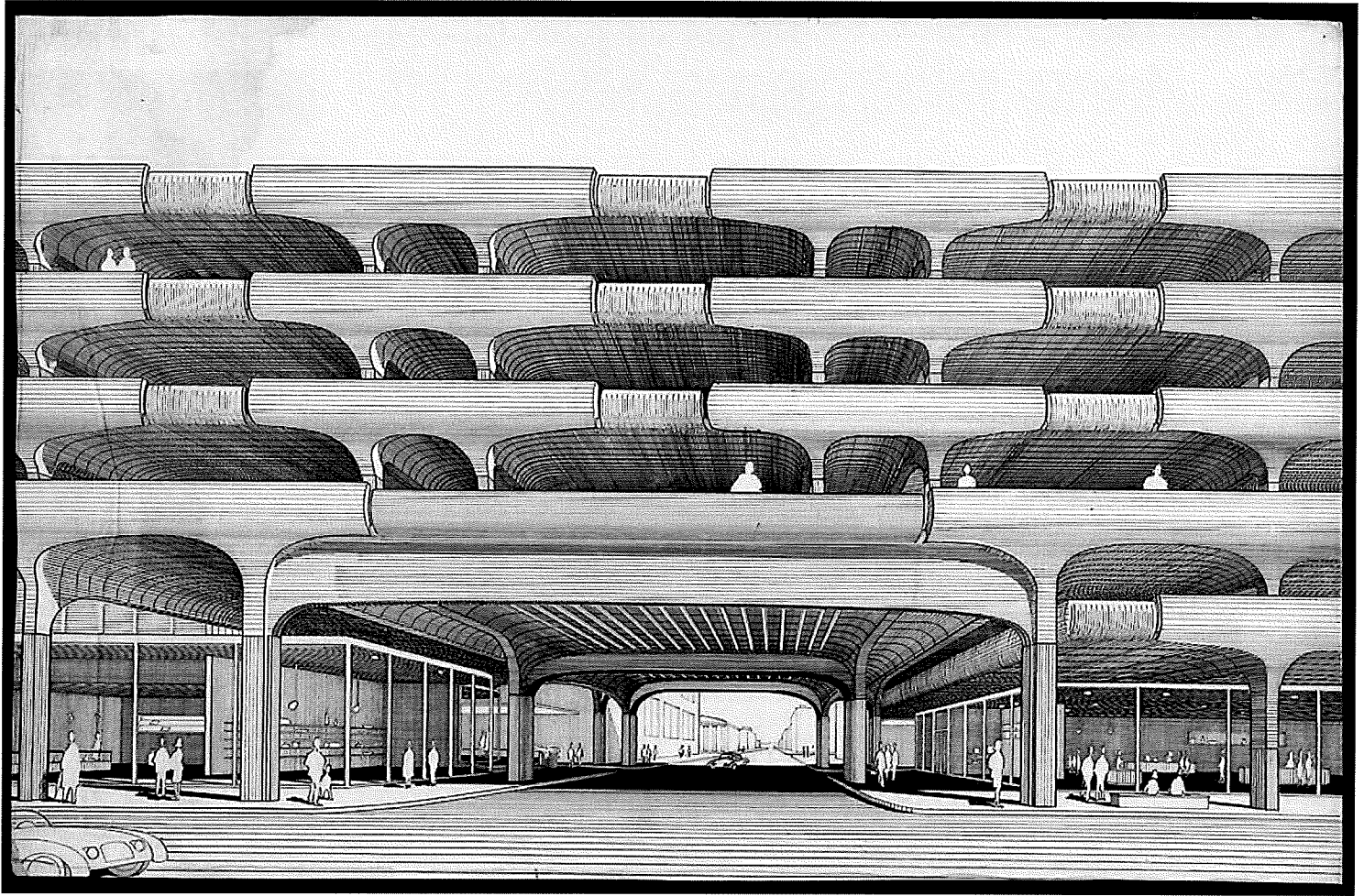
A night view of a garage in San Francisco in 1955, when massive self-parking structures began to devour American downtowns. *Photographer: Bettmann via Getty Images*

In Washington, DC, developer Morris Cafritz took that idea to its extreme, with a feature he called park-at-your-desk. The Cafritz Building, a Streamline Moderne structure on I Street, featured offices arrayed around a 500-car garage: Drivers parked, opened their car door, then opened a door adjacent to or very near their space, which led them right to their office door.

In Chicago, designer Bertrand Goldberg created an even more fluid hybrid of living, working and parking in Marina City, a mixed-use complex that opened in the early 1960s. Its office and residential towers were built atop 19 spiraling floors of car storage that blend almost seamlessly with the balconied apartments above.

But while architects penned the occasional signature parking structure – see Paul Rudolph's 700-foot-long Temple Street Garage in New Haven, Connecticut, a two-block-long brutalist icon of the mid-

1960s – most parking infrastructure made little effort to fit into the urban fabric or make a design statement, especially in the urban renewal years of the 1970s.



A rendering of Paul Rudolph's Temple Street Garage in New Haven, Connecticut. *Photo courtesy Library of Congress*

These are the parking garages that urbanists loathe: unadorned stacks of ramps and decks, assembled as cheaply as possible and built solely to absorb the flood of automobiles that city leaders and transportation planners, desperate to keep downtowns afloat, had invited into the city.

### **The Human Side of the Car Park**

Today's architects and designers, however, have new tools to make an eye-catching parking garage. Stainless steel meshes that allow for the application of graphics and artwork, as well as polycarbonate panels and new LED lighting systems, can help mitigate their ill effects, disguise their prime function, and even lure citygoers who aren't behind the wheel.

"You don't want it to be the standard gray concrete box," says Dave Rich, a vice president at Rich & Associates Parking Consultants. "It's all part of the movement of creating these walkable, user-friendly environments."

One design trick – particularly popular in some Texas metros – is the so-called Dallas Donut, where, as in Morris Cafritz’s office building, the parking is tucked away behind more human-centered space, in this case layers of multifamily residential units. (The Utile staff call this model the “Texas Taco.”) From the street level, the building presents as a standard (if somewhat massive) mixed-use development; the hole of the donut is filled with cars.



A Dallas parking garage does its best to avoid looking like a parking garage. *Photo: Kriston Capps/CityLab*

Other solutions are more purely aesthetic. “There are solutions to cladding parking garages that can be just as sexy or attractive, to be honest, as an office building,” says urban planner Jeff Speck, author of *Walkable City: How Downtown Can Save America, One Step at a Time*. He cites one well-known example: 2012 Cedar Springs Road in Dallas, an otherwise conventional parking garage clad in a wavy, metallic mesh that almost obscures the building’s true purpose.

Speck adds a crucial caveat, however. “What’s essential,” he says, “is that the ground floor be occupied with a human use.”



Perhaps the most well-known example of the garage-as-urban artwork approach is the Museum Garage in Miami's design district, which holds 927 vehicles. The building itself, completed in 2015, boasts five colorful facades created by different designers. On the bottom floor of the garage is 22,000 square feet of retail space.



One of the elaborately decorated entrances to Miami's Museum Garage. *Photographer: Jeff Greenberg/Universal Images Group Editorial via Getty Images*

Garages can mix both parking and pleasure, and Miami is a standard-bearer on this front: IPMI's Yoka calls the South Florida city "very progressive" when it comes to parking. At 1111 Lincoln Road, for example, parking isn't even the main attraction. Designed by the Swiss firm Herzog & de Meuron, the garage-cum-event-venue offers luxury retail and fast-casual food at street level; the top of the garage doubles as space for fashion shows, corporate gatherings and even weddings.



Herzog & De Meuron's 1111 Lincoln Road garage in Miami, where parking mingles with human attractions. *Photographer: View Pictures/Universal Images Group Editorial*

These spaces might not have been built with people in mind, but parking structures can serve as compelling stages for surveying the streets below.

“A parking garage creates a moment in a city where you have a roof where you can overlook the city,” Leavitt says. “You don’t get to just walk into any building downtown and see that view. But you can from a parking garage.”

### **Life After Autos**

Those big, bleak parking garages that Rich speaks of had their heyday in the 1970s – a time when the economy was in the gutter and building a concrete box made more financial sense than trying to do anything pretty. Still, building a house for cars does not come cheap, and the costs associated with constructing new parking structures swelled further during the pandemic. According to the engineering firm WGI, the current median construction cost is \$27,900 per parking space, or \$10 million to \$20 million for a typical garage.

Read more: [This transportation tech will not save your city](#)

Some architects, bullish on the idea that cities need to winnow down the amount of real estate devoted to parking cars, have proposed building future-proof garages that can be adapted to human use, or converting our generous stock of existing parking structures into offices or apartments. But that's easier said than done, since the shelter needs of people and automobiles turn out to be quite different. Chases for plumbing and electrical conduits need to be built, the heights of standard parking garages are not readily suitable for conversion into office space or residential living, and their sloped floor plates and internal ramps present costly challenges.



A rare example of a parking-garage-to-apartment conversion: the Broadway Autopark in downtown Wichita, Kansas, a 44-unit apartment building built as a 500-car garage in 1950. *Photo: Essential Images Photography, courtesy Shelden Architecture*

There's also a somewhat counterintuitive problem: People (and their stuff) weigh more than cars. The structural strength required to support vehicles is less than what's needed to support an apartment, so reinforcement is required.

“Everybody’s talking about it and nobody’s doing it,” says Speck of garage conversions. “The real issue is getting cars out of cities.”

That process may be underway in at least some US cities, where tactics like congestion pricing and policy reforms like abolishing parking minimums aim to chip away at traffic and undermine the user base that has kept car parks full for the past century. It’s unlikely, though, that the parking garage’s days are numbered.

“For the foreseeable future, we’re going to need garages to park,” says Yoka. “They’re not going anywhere. But hopefully they’re getting prettier.”

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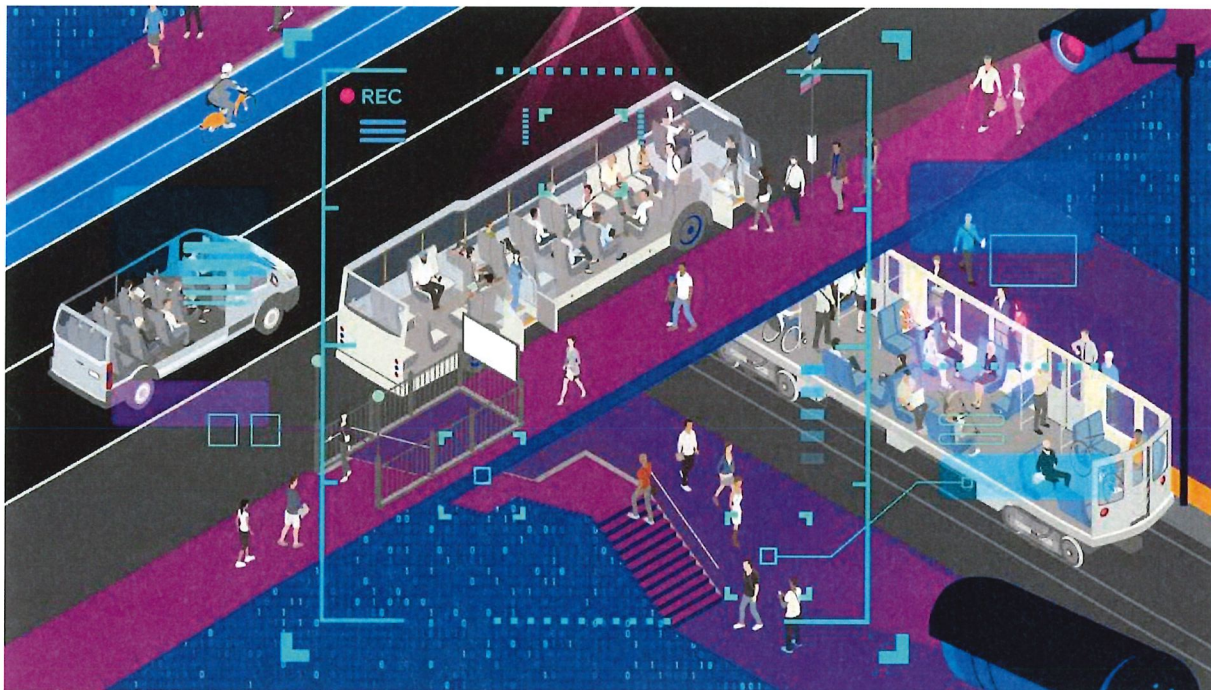
# Mass Transit

## 2022 Transit Safety & Security Report

Transit agencies and their partners are working to match customer perception with data to promote and deliver safer mobility options.

Mischa Wanek-Libman

Nov. 29, 2022



The North American transit industry continues its steady recovery from the disruption of the COVID-19 pandemic. Riders are slowly but steadily returning to systems in Canada and the United States with new benchmarks in ridership regularly reported. A renewed focus on the customer experience has prompted special attention on the safety of systems, and how statistics and public perception are matched up against each other.

In August, Mineta Transportation Institute (MTI) released the findings from a global study, “Changing Patterns of Violence Pose New Challenges for Public Transport,” that found countries with advanced economies account for a growing percentage of incidents worldwide, with the United States taking the lead in the total number of incidents and number of fatalities in those countries.

By analyzing data from 5,611 attacks against all public surface transport targets that occurred worldwide between January 1970 and July 2022, the authors observed a growing problem of violence against passengers and staff on passenger trains and at

train stations, buses and bus stations, rail infrastructure and operating and security staff. They not only included explosives and incendiaries, but physical attacks—stabblings, shootings, arson, unarmed physical assaults and other acts of random violence.

“The increase in violence at transportation venues appears to parallel a general increase in random public violence and reflects broader societal trends occurring on the streets and elsewhere. Some observers blame the behavior on the pandemic, but the trends precede COVID-19 and are contributing to a sense of insecurity,” said Author Bruce R. Butterworth.

The authors of the MTI report determined most attacks appear to be random where risk reflects exposure. Passengers are more numerous than operating personnel but are exposed for shorter periods, so their risk is lower. However, well-publicized events contribute to an atmosphere of fear. There are far fewer operating personnel, but they spend longer times on the job, therefore their exposure to risk is greater.

“A public fearful of traveling adds to economic difficulties for transportation operators and reduced resources for facilities improvements, service and security. The fact there are fewer riders may contribute even further to a sense of insecurity, and it is possible that increased ridership actually contributes to security,” Author Brian Michael Jenkins said.

This iteration of the Safety & Security Report spotlights how agencies are increasing the presence of staff, including law enforcement, on systems, what technology is being utilized to support safety and security efforts and how behavior-based education efforts and policies are all working to positively impact safety statistics, as well as how safe customers feel while using transit systems.

## **Boosting Security Presence**

Agencies throughout North America have promoted increased presence of police officers, transit ambassadors and other staff trained in safety, security and outreach efforts as one method to help customers feel safer on their systems.

This summer and fall, Los Angeles County Metropolitan Transportation Authority (L.A. Metro) and Greater Cleveland Regional Transit Authority (GCRTA) were the most recent agencies to approve ambassador programs aimed at increasing outreach and engagement of non-criminal issues.

GCRTA says both transit ambassadors and crisis intervention specialists will work in collaboration with GCRTA’s Transit Police and have their own specific responsibilities.

L.A. Metro’s program is modeled after successful ambassador programs at Bay Area Rapid Transit and Southeastern Pennsylvania Transportation Authority and was shown to be supported by riders who said they wanted to see more L.A. Metro staff on the system. L.A. Metro stressed the three-to-five-year pilot program has an emphasis on

greeting riders and creating positive and compassionate interactions with them. The ambassadors will also work with crisis intervention teams to help connect riders who are unhoused or experiencing mental health crisis to social services.

Uniformed law enforcement has also increased on systems, notably Metropolitan Transportation Authority (MTA) in New York City, which is deploying an additional 1,200 officers daily throughout its rail network with support of the state and city, and Chicago Transit Authority (CTA), which has placed safety as a cornerstone of its Meeting the Moment initiative.

CTA renewed a three-year agreement with the Chicago Police Department where CTA will be provided additional sworn police officers who volunteer to police the transit system through the police department's Voluntary Special Employment Program (VSEP). The use of VSEP officers is in addition to plans the police department has to assign additional officers to CTA trains and platforms.

CTA also deployed K-9 teams to patrol its rail system. CTA calls the use of K-9 teams through a trained contractor a supplementary security move to law enforcement patrols.

How effective this increased presence has on transit security will depend on the community and system. In St. Louis, Mo., Bi-State Development Agency, which operates St. Louis Metro services, credits a greater security presence across its system for providing a "foundation for a more proactive approach to policing." In the agency's second quarter 2022 MetroLink Task Force Incident Report, incidents were shown to have increased. However, the agency reports 71 percent of those incidents were self-initiated.

"The effectiveness of the security measures and collaboration we have put into place over the last two-plus years is evident throughout our latest incident report. Incidents are up, but that is 100 percent attributable to the proactive work of our law enforcement partners," said Kevin Scott, general manager of security, Bi-State Development.

Bay Area Rapid Transit (BART) reports its police officers have made more felony arrests in 2022 than they have in four years. BART Police Department says the increase is because there are more officers patrolling the system.

"This increase in felony arrests is proof that our officers are making a difference in keeping our system safe," said BART Police Chief Ed Alvarez. "The increased number of felony arrests is further proof our Progressive Policing strategy is allowing sworn officers to focus on serious crimes. This increase in arrests wouldn't be possible without the hard work of our officers and making being out in the system a priority."

## **Technology Support**

While the BART Police Department recognizes an increased presence of officers on its system has resulted in safety improvements, it notes the efforts of officers are supported by "a robust network of more than 4,000 working cameras." BPD officers have been able

to use images from these cameras to identify suspects in some of the crimes on the system.

Another agency to invest in camera systems for improved security is New York MTA, which was awarded a U.S. Department of Homeland Security Preparedness Grant in September 2022 to install cameras across its entire subway fleet. MTA has installed cameras in all of its subway stations, and the grant will extend that coverage at 130 stations, as well as allow the agency to purchase 5,400 cameras that will be installed on 2,700 subway cars. All subway cars should be equipped with cameras sometime in 2025.

Subway security is not the only application where MTA is utilizing technology. The authority has expanded the use of automated bus lane enforcement (ABLE) cameras and expects to install the technology on an additional 300 buses by the end of 2022.

MTA calls ABLE cameras “an essential tool to keep bus lanes clear” and keeping buses on schedule. The cameras capture busway and bus lane rules violations in real-time and transmits the information to the New York City Department of Transportation (NYCDOT) for review and processing.

Cameras are also being used to improve safety around critical public/transportation interfaces, such as grade crossings. As Mass Transit reported in the June 2022 issue, Federal Railroad Administration-funded research, led by a team from Rutgers University, is utilizing the vast amount of video railroads have and glean insight through artificial intelligence (AI). The team uses an AI-driven computer vision system that analyzes video and collects several key pieces of information on all trespassing events occurring at a given location. The information can then be used to evaluate what engineering, engagement and/or enforcement methods may be implemented to reduce the number of crossing violations.

Advancing technology is delivering safety and security improvements to the transit industry, but this rapid pace of development also carries a certain amount of risk when the topic of cybersecurity is considered. Check Point Research found the transportation sector saw a 38 percent increase in average weekly cyber attacks comparing Q3 2021 data to Q3 2022 data. A report from Verizon this year determined 82 percent of data breaches involved the human element, making employee education and awareness of potential threats a critical focus area for the industry.

Mineta Transportation Institute (MTI) published a paper in July urging broader collaboration when it comes to cybersecurity between the U.S. transit industry and its vendor community. MTI says both sides need to create a secure environment that can benefit from and augment the other.

The authors of the paper, “Aligning the Transit Industry and Their Vendors in the Face of Increasing Cyber Risk: Recommendations for Identifying and Addressing Cybersecurity Challenges,” focus on three key areas: cyber literacy and procurement practices, the lifecycle of technology vis-à-vis transit hardware and the importance of embracing risk as a road to resiliency.



Measures taken to protect transit security require executive focus and investment across the transit ecosystem. MTI says transit agencies, vendors, associations, the Department of Homeland Security and U.S. Department of Transportation, as well as the Federal Transit Administration, can cooperate and collaborate to invest in risk management to ensure the safety, efficiency and reliability of the nation's critical infrastructure.

The Transportation Security Administration (TSA) took a step to limit that risk within the rail sector by issuing a security directive focused on bolstering cybersecurity of freight and passenger rail systems.

The security directive requires that TSA-specified passenger and freight railroad carriers take action to prevent disruption and degradation to their infrastructure with passenger and freight railroad carriers are required to:

- Establish and execute a TSA-approved Cybersecurity Implementation Plan that describes the specific cybersecurity measures the passenger, and freight rail carriers are utilizing to achieve the security outcomes set forth in the security directive.
- Establish a Cybersecurity Assessment Program to proactively test and regularly audit the effectiveness of cybersecurity measures and identify and resolve vulnerabilities within devices, networks and systems.

TSA says the directive strengthens cybersecurity requirements and focuses on performance-based measures to achieve critical outcomes. It was developed with extensive input from industry stakeholders and federal partners, including the Department of Homeland Security's Cybersecurity and Infrastructure Security Agency and FRA.

## **Behavior-Based Initiatives**

To align behavior expectations of customers, agencies throughout North America have initiated various educational campaigns aimed at reducing incidents of harassment.

Most recently, King County Metro launched an anti-harassment campaign, "It's OK to Say, That's Not OK," with three suggested actions to take against potential harassment that are dependent on a person's comfort level and include notifying the driver, filling out an online comment form or calling/texting 9-1-1 in case of emergency.

Maryland Department of Transportation Maryland Transit Administration's new public service campaign is targeting sexual harassment on transit. The campaign is focused on educating the public on what constitutes sexual harassment, and how it can be stopped. An integral component of the MDOT MTA campaign focuses on data collection to better assess the extent riders in the Baltimore region that are experiencing sexual harassment, as well as to inform future decision making on outreach, campaign messaging, expectations for rider conduct and resource deployment. Rider outreach tactics include annual rider surveys, management and operator training, outreach events at frequently used transit stops and on-line reporting tools.

This type of data collection is valuable to assessing incidents, as well as perception of a system. At BART, data collected as part of its ongoing Passenger Environment Survey shows its Not One More Girl campaign has increased awareness of sexual harassment/gender-based violence, increased awareness of how to respond to this type of incident and provided greater understanding of the impact this type of harassment has on girls, transgender and gender nonconforming people on BART.

Beyond raising awareness are efforts aimed at increasing the penalties for repeated prohibited behavior on transit systems. TriMet's Board is considering a revision to an ordinance that would impose stiffer penalties for non-fare related prohibited behavior such as vandalism, crime and drug use.

"TriMet is working on a strategy to better address inappropriate behavior on the system, better support our operators and other employees, improve the cleanliness of our vehicles and property and pursue coordinated efforts with external partners to address social issues and ensure safe access to transit," said TriMet Chief Operating Officer Bonnie Todd.

TriMet explains it aims to keep both its operators and riders moving safely, and it's important to have a means to hold people accountable for inappropriate, threatening or dangerous behavior.

On the East Coast of the U.S., a new law in the state of New York extended protections against assault to transit workers not previously covered including customer assistants, ticket or revenue collectors, maintenance workers and supervisors who work with an among the public.

New York Gov. Kathy Hochul signed the law in June. It will toughen laws by charging individuals who physically injure transit workers with second-degree assault. Officials say the law will also serve as a deterrent to those seeking to harm transit employees.

"New York's transit workers have always been there for us, and now it is our job to be there for them," said Gov. Hochul. "No one should be subjected to physical violence or harassment in the workplace, and today we are taking an important step in protecting the men and women who keep our subways and buses running."

# MASS TRANSIT

BUS > VEHICLES > HYBRID, HYDROGEN & ELECTRIC VEHICLES

## Beyond Carbon Reduction: Electric Buses Provide Resilience for Climate Emergencies

When climate emergencies shut down transit service, vehicle-to-grid and vehicle-to-everything applications could allow transit agencies to use battery electric buses to keep the power on for their communities.

Dayna Wasley

11/29/22

Transit is a critical factor in the accessibility of economic and social opportunities for people who do not have access to a personal vehicle. With these services alone, transit has earned its keep as one of the greatest equalizers in society. However, as the world continues to evolve, the transit industry has an enormous opportunity to extend its reach beyond taking people from one place to another and become a solution to one of the greatest threats to communities in today's world: resilience.

### Energy is a Scarce Resource

All over the news, resilience is one of today's hottest topics. From **wildfires to hurricanes to extreme temperatures to floods**, communities around the world have experienced situations in recent years in which their resilience has been tested.

During these events, energy becomes a scarce resource. Utility lines are ripped out by strong winds or the grid gets overloaded by a high demand for air conditioning or heating, and thousands, sometimes millions, of people may be

left without energy. In the best-case scenario, people are left without energy for a few hours, and it is an inconvenience. In the worst-case scenario, people may be left without energy for days during inclement weather, and it can be a matter of life and death.

In 2021, three severe winter storms left 4.5 million homes and businesses without power during below-freezing temperatures in Texas. At least 246 people died during the power outages with some sources putting the number **as high as 814 deaths**. That same year, Hurricane Ida caused more than a million people to lose power. During the aftermath of the hurricane, an excessive heat advisory was issued. Despite efforts to evacuate residents to state shelters, **12 people died from heat-related causes** from the power outage. To be truly resilient during these situations, communities need to develop decentralized energy solutions that can keep people comfortable and safe and prevent further tragedies.

This is where **vehicle-to-grid (V2G)** and vehicle-to-everything (V2X) come into play. When most people think about an electric vehicle, they think of a vehicle plugging into a charger and taking energy from the grid. V2G and V2X challenge this idea. With V2G and V2X, the vehicle could actually give energy to a building, another vehicle or return it to the grid. This emerging concept would allow vehicles to be a potential solution to stabilize the grid during natural disasters. On a small scale, your vehicle could be your source of energy for several hours during a power outage. On a large scale, V2G and V2X could be a game changer for an entire community.

## **Transit is the Resilience Solution We've Been Looking For**

How does transit fit into this problem? Well, many transit agencies across the U.S. have committed to converting their vehicle fleets to fully zero-emission vehicles by 2040. Some agencies have even taken a more ambitious approach

and plan to have a fully electric fleet by 2030 or sooner. This transition offers a tremendous opportunity to improve resilience around the country.

The battery-electric buses (BEBs) that transit agencies use have batteries that can store significantly more energy than a personal vehicle, which means that BEBs have more potential to deliver the larger-scale benefits of V2G and V2X. Currently, a fleet of 30 BEBs has the battery capacity to power an average hospital for a full day. BEB manufacturers are constantly working to make batteries with even more capacity and this number is expected to grow in the future.

Many people may think about this concept and wonder if transit fleets are the right vehicles to provide this service. Many transit vehicles are in service more than 14 hours a day and do not have a lot of downtime compared to other types of fleets. School buses, for example, only run in the mornings and afternoons and even have multiple months each year where they don't run at all when school is out of session. While school buses and other fleets may be part of the solution too, transit vehicles have a special purpose in the greater V2G and V2X framework.

During natural disasters, transit agencies help people evacuate and get to a safer place. That means that transit vehicles are likely already onsite at evacuation centers, giving transit vehicles the perfect opportunity to use V2X capabilities to provide energy to the evacuation center and keep people safe and comfortable.

Even during situations that don't require a full-scale evacuation, transit buses still have the potential to provide this incredibly important service. Bus service is often used as an indicator of whether school and even work is canceled during inclement weather. If transit can't run, that's usually a good indicator the city will be shut down for the day. While buses are grounded during these

events, they could be supplying energy back to the grid to help utility companies handle the influx of demand for energy.

V2G and V2X are not exclusive to BEBs though. Or at least not for very long. The Mobility House, in partnership with New Flyer, the Center for Transportation and the Environment (CTE) and AC Transit, is already leading the charge (pun intended) on one of the biggest innovations in the V2G and V2X space: **unlocking the potential of hydrogen fuel cell technology for V2G and V2X.**

Hydrogen fuel cell technology is one of the latest innovations in the clean transportation space. It uses **hydrogen and oxygen to generate energy** to power vehicles. This new technology creates the potential for a continuous energy source that could provide energy to a community during a time of need. The Mobility House is working with New Flyer to create the first ever hydrogen fuel cell transit bus that will give energy from hydrogen fuel back to a building. This will unlock the potential for transit agencies to become the resilience solution that the world has been searching for.

## **A Safer Future for Communities**

Transit agencies have always and will always serve a critical role in their communities. The transition to zero-emission vehicles and emergence of V2G and V2X add yet another way transit agencies can be there for their communities when they need support the most. This exciting opportunity demonstrates why transit is so important to the world, as it gives us the opportunity to advance – as individuals, as a community and as a society.

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*Dayna Wasley is the North American transit business development manager at The Mobility House.*

# MASS TRANSIT

MANAGEMENT

## COVID-19 Recovery: Riders are Coming Back but Where are the Drivers?

While the world is learning to live with COVID-19, agencies are struggling to meet new service demands due to an industry-wide labor shortage.

Megan Perrero

03/22/22

As restrictions begin to lift and the world shifts its attitude to “living with COVID-19,” agencies are reporting upticks in ridership, such as the New York Metropolitan Transportation Authority, the Metropolitan Council and the San Diego Metropolitan Transit System.

While the increasing ridership trend is welcome news, there has been an equal if not greater number of announcements from agencies saying they are limiting services due to a driver shortage. To highlight this phenomenon, the Shared-Use Mobility Center (SUMC) released a report in November 2021, “Managing the Labor Shortage at Transit Agencies,” that documents the drastic drop in transit industry employees, saying from “March to April of 2020, employment in the transit and ground passenger transportation industry fell from about 498,000 to 321,000 employees.”

While the drop is significant, this labor shortage has been years in the making; it was just exacerbated by the pandemic, explains a report released February 2022 by the Alliance for a Just Society, the Labor Network for Sustainability and TransitCenter.

Take Steamboat Springs Transit (SST) in Steamboat Springs, Colo., for instance—a ski resort area with a heavy reliance on seasonal drivers. Jonathan Flint, transit manager for SST, explains filling the seasonal driver roster has always been a challenge, but was making progress by working with areas that have an opposite seasonal demand.

“We had made that successful up until COVID-19 hit, [then] we started losing some of our drivers,” Flint shared.

But agencies’ successful recovery from the pandemic rides on their ability to retain and recruit staff to meet the growing demand. This year marks a pivotal point for the industry in how it chooses to better invest in the workforce and job equity to attract and retain quality talent.

### **Understanding the Labor Shortage**

Flint explains the initial concerns about personal health and all the unknowns of COVID-19 back in March 2020 contributed to the loss of drivers, and while SST reports only three drivers contracting the virus, this has affected the agency’s current ability to retain and recruit new drivers—both full time and seasonal.

“A lot of them began to leave the market, either through retirement or resignation. It’s been an ongoing issue,” Flint said.

This trend is not unique to SST. According to the report from SUMC, as of 2020, the proportion of transit staff aged 55 and over was 42.2 percent, “compared with only 25.2 percent of employees across the entire transportation industry and 23.9 percent of employees across the entire US workforce.” Nate Seeskin, a program associate at SUMC, adds the work environment, compounded by the higher median age, could also be a contributing factor.



“[I think the] really tough working conditions in the pandemic has accelerated a lot of people's decisions to leave their jobs,” Seeskin shared.

Coupled with these challenges, when Omicron hit SST, a new issue emerged. About a third of SST's staff were out sick, impacting its ability to maintain full service.

“One [issue] was we didn't have the initial bodies to put out the full service that we had scheduled. Then, the other thing is for the drivers who were not sick, we didn't want to overuse them and make them vulnerable to becoming sick because they were just worn out,” Flint said.

As this past winter season approached, SST knew it wasn't going to reach pre-pandemic staffing levels, so it built a schedule to be nearly 25 percent short of its typical full service. This way, SST offered a consistent schedule to better serve the public. And as the world continues to move forward, Flint is hopeful SST will reach pre-pandemic full staffing levels.

### **Attracting and Retaining**

However, that hope of returning to pre-pandemic staffing levels won't come without its own set of challenges. Attracting and retaining employees is going to require strategic investments and new approaches. Libero Della Piana, senior strategist at the Alliance for a Just Society, explains this could include adding people to the potential labor pool.

“There are a lot of inequitable barriers to jobs like minor past offenses, like marijuana possession or things like that, which block many young men and women of color from these jobs unnecessarily,” Della Piana said.

Della Piana and Seeskin also agree investing in pay increases can make the transit industry more competitive. Seeskin notes agencies can conduct peer research into how its wages compare to similar agencies and across industries

by accessing data provided by the Bureau of Labor Statistics. Agencies can also improve working conditions to create a safer and more pleasant environment. This is something many are doing by providing PPE, adding routine cleaning regiments and socially distancing operators from passengers.

With this in mind, Flint shares SST's primary focus is on retention.

"The most valuable thing that we can have is a driver who already works here, does a good job, shows up [and] is a safe driver, good with customers; that driver is gold," Flint said.

To help with retention, SST offers cash bonuses to returning drivers and full-time drivers at the start of the busy season. But SST takes another unique approach: it offers housing. Currently, SST signs on to lease apartments in the summer to offer them at a highly subsidized rate to its seasonal drivers in the winter since housing is expensive and limited. But relying on the market can't be guaranteed each year. Knowing this, SST is looking to build and maintain its own housing.

"If we don't have housing, we don't have a transit system. It is a business expense that we've just had to absorb," Flint explained. "[Adding housing] will at least allow us to get drivers in the door."

### **Finding and Creating Quality**

To get those drivers in the door, Flint shares one thing that has worked well for them is asking how the applicant heard about SST and why they applied.

"What that's done is enabled us to focus in on the areas that are working really well," Flint said. "Even though, maybe it's more expensive to place advertisement here or do that in-person recruiting, the results of that have been very good."

One area that has been working for SST is recruiting drivers from the oil and gas industry.

“When we broadened out to other people with a CDL, but maybe weren't in the transit industry, but had a lot of the same attributes that we look for, it was actually a pretty good fit,” Flint said.

Seeskin agrees this is a good approach to finding more talent, adding that agencies could consider other areas such as school bus drivers and private coach operators, as well as the construction industry. But targeting specific areas and industries isn't the only way to find quality talent. Another way agencies can invest in their workforce is to establish pipelines to transit jobs at an early age. This can help with people's perception and show that there is more to the industry than most think.

“Overall, it is imperative to start outreach early and illustrate transit's opportunities, community-based role and the nature of the work, as they align with young people's values,” said Jack Clark, executive director, International Transportation Learning Center (ITLC). “But to do that, we also need to educate people who influence young peoples' career choices, including parents, principals, guidance counselors and teachers, explaining the benefits and opportunities and, importantly, how young people can access these careers.”

As young people or those new to the industry learn about public transit, Della Piana emphasizes the importance of explaining how the industry touches on climate justice, racial justice, equity and more.

“I think part of it is communicating that public transit is the cutting edge of the future and not some legacy of the past,” Della Piana said. “And I think if people feel like the jobs are safe, stable and secure, and they're also part of the technological advancement and improvement and environmental climate response...I think that's going to attract people.”

As Della Piana explains, job stability is a key factor, especially to retain employees. One way to do this is to provide continuous education. For example, the Transit Workforce Center (TWC), which is operated by the International Transportation Learning Center (ITLC) on behalf of the Federal Transit Administration, is establishing the new American Transit Training and Apprenticeship Innovators Network (ATTAIN). ATTAIN connects agencies and labor unions to new or existing apprenticeship programs for frontline workers.

“Through ATTAIN, the TWC promotes apprenticeship, advances frontline worker training, facilitates peer exchange and provides technical assistance to agencies and unions interested in developing apprenticeship programs for their frontline workforce,” said Clark.

Adding language for workforce training in zero-emission bus Request for Proposals and utilizing TWC’s technical assistance desk and other online training materials are other ways to provide training. ITLC Program Director John Schiavone points out the rapid transition to low and zero-emission vehicles requires immediate higher-level training, citing an Amalgamated Transit Union report that confirmed there is a perception of uncertainty about technicians’ current ability to perform electrical/electronic maintenance and repair.

“We need an industry-wide mobilization to take the many separate training efforts and coordinate them in such a way to more effectively upgrade digital and other critical skills in agencies across the country,” Schiavone said. “There is a lot of room for improvement and proactive training and strong workforce development programs with innovative tools like virtual learning are components of a comprehensive solution.”

Providing proper training and education can help with the other two significant factors in maintaining a quality workforce: creating a sense of

purpose and belonging for employees.

"It is absolutely essential that our employees have a purpose. You move a lot of people; you cut down on congestion; you do a lot to help out the community," Flint said of SST's operators. "Even though technology has made dramatic improvements, we still need that human interaction. We need that driver.

"I need supervisors. I need dispatchers. I need mechanics. I still need that human element. While I think sometimes the industry is really focused in on technology, I think we've got to continue to really focus in on the driver, the staff member," concluded Flint.

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