

A Note from the CEO

METRO Rebuilding Fleet with Help from SB-1 and Measure D Funds

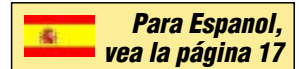
In the last year **METRO** has begun to rebuild its fleet with the assistance of funds from **SB-1** (*Road Repair and Accountability Act*), the gas tax and vehicle registration fee passed in 2017 by the California Legislature, and **Measure D**, the *Santa Cruz County* transportation sales tax measure passed by local residents in 2016. **SB-1** provides approximately \$3 million annually to **METRO** which has allowed **METRO** to begin to address its obsolete bus and **ParaCruz** fleets.



Alex Clifford,
CEO of Santa Cruz METRO

Approximately 60 of **METRO's** 100 buses are beyond their standard life span of 12 years and have mileage well in excess of the industry standard of 500,000 miles. Your **METRO** mechanics are great, best in the business, and they do an exceptional job of keeping old buses running; but these 60 buses are simply tired and ready to be retired. Working with obsolete buses leads to increased maintenance costs and additional vehicle breakdowns.

ParaCruz has a fleet of 35 vehicles. Until recently 33 of them were obsolete. Using **SB-1** and **Measure D** funding **METRO** has recently acquired 15 new **ParaCruz** vehicles, leaving 18 more which are still obsolete and in need of replacement.



Recent vehicle purchases include:

- 3 full-sized 40-foot *Compressed Natural Gas (CNG)* fixed-route buses acquired through a lease-to-buy program. These buses will replace three 20-year old diesel buses which have over 725,000 miles on the road.
- 15 **ParaCruz** vehicles, including 12 standard vans and three larger vehicles which can carry additional passengers/ wheelchairs.

SB-1 Funding at Risk

The **METRO** strategy is to continue to use **SB-1** funding to execute its bus replacement plan and to implement the pending California Air Resources Board (**CARB**) mandate to have a completely zero-emission (electric) bus fleet by 2040. However, as you may know, **SB-1** is under risk of repeal, as a ballot measure to do so has qualified for the November 2018 statewide ballot. If **SB-1** is repealed **METRO** would lose almost \$3 million annually in funding and will have to live with these obsolete vehicles into the foreseeable future. If **SB-1** survives the challenge in November **METRO** will be able to continue to dedicate resources to the required local funding matches to apply and effectively compete for state and federal grants to purchase new vehicles

Measure D, the local transportation sales tax, also provides **METRO** approximately \$3 million annually which is used to maintain operations and help fund capital needs including buses and **ParaCruz** vehicles.

In the face of these challenges, the **METRO Grants Department** has worked hard, applying for grants that will fund bus and **ParaCruz** vehicle purchases. In the five years since 2014 these efforts have resulted in the acquisition of 15 **ParaCruz** vehicles and 16 buses, 7 of which will be zero-emission electric buses.