

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO)
BOARD OF DIRECTORS AGENDA
REGULAR MEETING
FEBRUARY 13, 2015 – 8:30 AM
METRO ADMIN OFFICES
110 VERNON STREET
SANTA CRUZ, CA 95060**

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BOARD ROSTER

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

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

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AMERICANS WITH DISABILITIES ACT

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Board of Directors meeting. Hearing impaired individuals should call 711 for assistance in contacting Santa Cruz METRO regarding special requirements to participate in the Board meeting. For information regarding this agenda or interpretation services, please call Santa Cruz METRO at 831-426-6080.

SECTION I: OPEN SESSION

NOTE: THE BOARD CHAIR MAY TAKE ITEMS OUT OF ORDER

1 SWEAR IN NEW DIRECTOR

2 CALL TO ORDER

3 ROLL CALL

4 ANNOUNCEMENTS

5 COMMUNICATIONS TO THE BOARD OF DIRECTORS

This time is set aside for Directors and members of the general public to address any item not on the Agenda which is within the subject matter jurisdiction of the Board. No action or discussion shall be taken on any item presented except that any Director may respond to statements made or questions asked, or may ask questions for clarification. All matters of an administrative nature will be referred to staff. All matters relating to Santa Cruz METRO will be noted in the minutes and may be scheduled for discussion at a future meeting or referred to staff for clarification and report. Any Director may place matters brought up under Communications to the Board of Directors on a future agenda. In accordance with District Resolution 69-2-1, speakers appearing at a Board meeting shall be limited to three minutes in his or her presentation. Any person addressing the Board may submit written statements, petitions or other documents to complement his or her presentation. When addressing the Board, the individual may, but is not required to, provide his/her name and address in an audible tone for the record.

6 LABOR ORGANIZATION COMMUNICATIONS

7 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.

- 8-01 ACCEPT AND FILE PRELIMINARY APPROVED CHECKS JOURNAL DETAIL FOR THE MONTH OF NOVEMBER 2014**
Angela Aitken, Finance Manager
- 8-02 ACCEPT AND FILE MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS MEETING OF JANUARY 23, 2015**
Alex Clifford, CEO/General Manager
- 8-03 ACCEPT AND FILE MINUTES FOR THE METRO ADVISORY COMMITTEE MEETING (MAC) OF JANUARY 21, 2015**
Alex Clifford, CEO/General Manager
- 8-04 ACCEPT AND FILE THE ACCESSIBLE SERVICES REPORTS FOR THE MONTHS OF OCTOBER, NOVEMBER AND DECEMBER 2014**
April Warnock, ParaTransit Superintendent
- 8-05 ACCEPT AND FILE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION (SCCRTC) MEETING MINUTES FROM JANUARY 15, 2015**
Alex Clifford, CEO/General Manager
- 8-06 APPROVAL OF CLASS SPECIFICATIONS AND WAGE SCALES FOR PREVIOUSLY APPROVED POSITIONS**
Robyn Slater, Human Resources Manager
- 8-07 CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT AMENDMENT WITH EPICOR FOR AN HR SOFTWARE UPGRADE IN AN AMOUNT NOT TO EXCEED \$80,000**
Isaac Holly, Acting IT Manager

REGULAR AGENDA

- 9 PRESENTATION OF EMPLOYEE LONGEVITY AWARDS**
Dene Bustichi, Chair
- 10 CONSIDERATION OF RESOLUTIONS OF APPRECIATION FOR JAMES LAM, VIRGINIA LEE, GLENN NABOR, EDWARD NELSON, JUAN PONS, REED RYLANDER, RAYMOND SCARGILL**
Dene Bustichi, Chair
- 11 ACCEPTANCE OF FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED JUNE 30, 2014**
Angela Aitken, Finance Manager
- 12 YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF NOVEMBER 30, 2014**
Angela Aitken, Finance Manager
- 13 RESPONSE TO BOARD CHAIR REGARDING POLLING COSTS**
Alex Clifford, CEO

- 14 **CONSIDERATION OF METROBASE STATUS REPORT**
Andrew Kreck, Hill International
- 15 **CONSIDERATION OF AUTHORIZING THE CEO TO NEGOTIATE AND EXECUTE CONTRACT CHANGE ORDERS WITH LEWIS C. NELSON AND SONS, INC. FOR CONSTRUCTION OF THE JUDY K. SOUZA OPERATIONS FACILITY, PARKING STRUCTURE AND RELATED SITE WORK**
Andrew Kreck, Hill International
- 16 **CONSIDERATION OF AN UPDATE TO PROVIDING DISCOUNT OR GROUP BUS PASSES TO THE 180/180 PROGRAM**
Alex Clifford, CEO/General Manager
- 17 **CONSIDERATION OF AMENDMENTS TO THE BYLAWS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT'S BOARD OF DIRECTOR'S**
Leslyn Syren, General Counsel
- 18 **NOMINATION OF CHAIR AND VICE CHAIR**
- 19 **NOMINATION BY CHAIR OF SCCRTC AND PACIFIC STATION AD HOC APPOINTEES**
- 20 **CONSIDERATION OF APPOINTING METRO DIRECTORS TO SERVE AS SANTA CRUZ CIVIC IMPROVEMENT CORPORATION (SCCIC) DIRECTORS**
Angela Aitken, Finance Manager
- 21 **CEO TO GIVE ORAL REPORT**
Alex Clifford, CEO/General Manager
- 22 **REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION**
Leslyn Syren, District Counsel
- 23 **ANNOUNCEMENT OF NEXT MEETING: FRIDAY, FEBRUARY 27, 2015 AT 9:00 AM, WATSONVILLE CITY COUNCIL CHAMBERS, 275 MAIN STREET, WATSONVILLE**
Chair Dene Bustichi
- 24 **ADJOURNMENT**

SECTION II: CLOSED SESSION AGENDA

- 25 **CLOSED SESSION ITEMS**
GOVERNMENT CODE SECTION 54957
PUBLIC EMPLOYMENT DISCIPLINE/DISMISSAL/RELEASE
Leslyn Syren, District Counsel

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



DATE: February 13, 2015
TO: Board of Directors
FROM: Angela Aitken, Finance Manager
**SUBJECT: ACCEPT AND FILE PRELIMINARY APPROVED CHECKS JOURNAL
DETAIL FOR THE MONTH OF NOVEMBER 2014**

I. RECOMMENDED ACTION

That the Board of Directors accept and file the preliminary approved checks journal detail for the month of November 2014.

II. SUMMARY

- This staff report provides the Board with a preliminary approved check journal detail for the month of November 2014.
- Finance is submitting this check journal for Board acceptance and filing.

III. DISCUSSION/BACKGROUND

This preliminary approved check journal gives the Board the ability to see what vendors and how much we pay out on a monthly cash flow basis (Operating and Capital expenses).

All invoices submitted for the month of November have been processed, checks cut, and signed by the Finance Manager.

IV. FINANCIAL CONSIDERATIONS/IMPACT

None.

The checks journal is a presentation of invoices paid in November 2014 for purposes of Board review, agency disclosure, accountability and transparency.

V. ALTERNATIVES CONSIDERED

N/A

VI. ATTACHMENTS

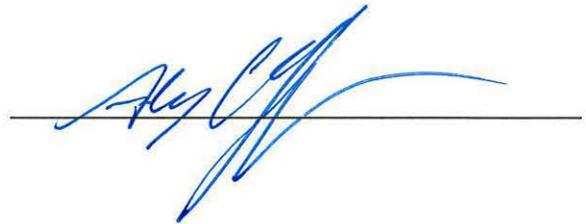
Attachment A: Check Journal Detail for the Month of November 2014

VII. APPROVALS:

Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

DATE 01/07/15 16:04

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

PAGE 1

DATE: 11/01/14 THRU 11/30/14

CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
50870	11/03/14	184.90 E437		AITKEN, ANGELA		61872	TRAVEL REIMBURSEMENT	184.90	
50871	11/03/14	51.80 192		ALWAYS UNDER PRESSURE		61877	VALVE FOR HYDROTEK	25.90	
50872	11/03/14	213.47 294		ANDY'S AUTO SUPPLY	0	61878	THERMO RELIEF VALVE	25.90	
50873	11/03/14	29.80 002689		B & B SMALL ENGINE CORP		61898	VEHICLE PARTS	64.90	
50874	11/03/14	23.44 E901		BLIGHT, KAREN		61949	INVENTORY PARTS	87.75	
50875	11/03/14	405.94 088		BRULIN & COMPANY INC.		62007	WASHER FLUID	60.82	
50876	11/03/14	901.73 914		CALTRONICS BUSINESS SYSTEMS		61914	FILTERS	29.80	
50877	11/03/14	5,000.00 001324		CAPITALEGE ADVOCACY, INC.		61873	TRAVEL REIMBURSEMENT	23.44	
50878	11/03/14	152.52 002898		CEB CONTINUING EDUCATION OF		61948	INVENTORY ORDER	405.94	
50879	11/03/14	3,039.68 001346		CITY OF SANTA CRUZ-FINANCE		61935	OFFICE SUPPLIES	547.75	
50880	11/03/14	71.71 667		CITY OF SCOTT'S VALLEY		61936	OFFICE SUPPLIES	353.98	
50881	11/03/14	62,575.64 841		CITY OF WATSONVILLE		61918	OCT 14 LEGISLATE SVC	5,000.00	
50882	11/03/14	56,719.03 001124		CLEAN ENERGY		61919	LEGAL MATERIALS	152.52	
50883	11/03/14	43.39 075		COAST PAPER & SUPPLY INC.		61973	STORM WATER LEVY LIC	3,039.68	
50884	11/03/14	762.51 002063		COSTCO		61921	5/15-7/15 SEWER SVTC	71.71	
50885	11/03/14	162.68 002814		CREATIVE BUS SALES, INC.		61900	LNG 10/04/14	62,575.64	
50886	11/03/14	6,799.19 003116		CUMMINS PACIFIC LLP		61901	LNG 10/02/14	11,432.17	
50887	11/03/14	165.73 002389		DARCO PRINTING	7	62008	LNG 10/9/14	11,560.58	
50888	11/03/14	1,364.81 480		DIESEL MARINE ELECTRIC, INC.		62009	LNG 10/7/14	11,426.40	
50889	11/03/14	119.90 001329		DOC AUTO LLC		62010	LNG 10/11/14	10,802.91	
50890	11/03/14	109.40 002388		DOGHERRA'S INC.		61879	CLEANING SUPPLIES	43.39	
50891	11/03/14	2,016.38 432		EXPRESS SERVICES INC.		61917	FOLDING CHAIRS	88.16	
50892	11/03/14	91.07 372		FEDERAL EXPRESS		61938	OFFICE SUPPLIES	224.86	
50893	11/03/14	3,171.27 002295		FIRST ALARM		61962	OFFICE SUPPLIES	449.49	
50894	11/03/14	3,401.21 002952		FLYERS ENERGY LLC		61947	RPR VEH #1120 PC	162.68	
50895	11/03/14	243.93 003077		FREEDMAN SEATING COMPANY		61888	INVENTORY ORDER	2,085.73	
50896	11/03/14	1,655.93 001189		GARY KENVILLE LOCKSMITH	7	61894	CORE CREDIT	-56.55	
50897	11/03/14	6,748.90 002954		GCR TIRES & SERVICE	7	61895	CORE CREDIT	-56.55	
						61895	INVENTORY ORDER	1,670.82	
						61954	RPR VEH #2202	23.35	
						61982	RPR BUS #2204	78.86	
						61984	RPR BUS #2807	90.20	
						61985	INVENTORY ORDER	2,967.68	
						61924	11X17 VELLUM PAPER	118.05	
						61965	11X17 VELLUM	47.68	
						61958	ALTERNATOR & STARTER	1,364.81	
						61928	SMOG VEH #2604 PC	79.95	
						61989	SMOG VEH #805	39.95	
						61953	TOWING VEH #1123 PC	109.40	
						61944	TEMP W/E 10/12/14	1,056.38	
						61959	TEMP W/E 10/12/14	960.00	
						61945	FREIGHT	66.60	
						61992	FREIGHT	24.47	
						61980	AUG 14 SECURITY HW	3,171.27	
						62011	10/1-10/15 FUEL	3,401.21	
						61955	PC SUPPLY	171.46	
						61956	PC SUPPLY	72.47	
						61891	REKEY DISTRICT	1,655.93	
						61884	TIRES	210.34	

Attachment A

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

PAGE 2

DATE: 11/01/14 THRU 11/30/14

CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
50898	11/03/14	1,294.59	117	GILLIG LLC		61885	TIRES	1,253.49	
						61903	TIRES	620.96	
						61960	TIRES	2,252.37	
						61961	TIRES	2,252.37	
						62013	TIRES	159.37	
						61883	INVENTORY ORDER	423.15	
						61886	INVENTORY ORDER	871.44	
						61881	SHREDDING PC	16.25	
						61926	OCT 14 SHREDDING	97.50	
						61905	LIGHTS WTC	66.56	
						61906	BIRD REPELLENT SPIKE	80.86	
						61907	PHOTO CNTRL SHORTING	17.11	
						61908	PARTS FOR REKEY	220.68	
						61909	CASTER WHEELS	4.69	
						61966	INTERNAL LOAD TESTIN	328.15	
						61976	BATTERIES LAMP BULBS	166.31	
						62002	DMV REIMBURSEMENT	41.00	
50901	11/03/14	41.00	E319	HERNANDEZ, ALICIA		61880	PRESSURE WASHER HNDL	108.16	
50902	11/03/14	388.81	166	HOSE SHOP, THE INC		61892	ADAPTER NONINVENTORY	19.29	
						61896	CLAMPS	33.28	
						61925	PRESSURE WASH HOSE	228.08	
						61993	BULK COOLANT 1200RIV	4,956.02	
50903	11/03/14	16,988.76	002979	HUNT & SONS, INC.		61994	BULK COOLANT GOLF	12,032.74	
						61942	TEMP W/E 10/12/14	1,333.42	
50904	11/03/14	7,804.72	878	KELLY SERVICES, INC.		61943	TEMP W/E 10/05/14	1,209.01	
						61997	TEMP W/E 10/19/14	1,108.49	
						61999	TEMP W/E 9/21 9/28	2,350.60	
						62000	TEMP W/E 10/5/14	1,030.40	
						62001	TEMP W/E 10/12/14	772.80	
50905	11/03/14	101.23	003149	L-COM INC		61937	PROJECTOR PROJECT	101.23	
50906	11/03/14	1,070.50	511	LUMINATOR HOLDING LP		61986	RPR LIGHT BOARDS	1,070.50	
50907	11/03/14	729.30	001145	MANAGED HEALTH NETWORK		61874	NOV 14 EAP PREMIUM	729.30	
50908	11/03/14	23,224.06	003017	MANSFIELD OIL CO OF GAINSVILLE		61950	DIESEL 10/01/14	23,224.06	
50909	11/03/14	968.79	001052	MID VALLEY SUPPLY INC.		61890	CLEANING SUPPLIES	968.79	
50910	11/03/14	7,348.72	001063	NEW FLYER IND. CANADA ULC DBA		61882	INVENTORY ORDER	105.04	
						61941	INVENTORY ORDER	39.80	
						61981	INVENTORY ORDER	713.44	
						61987	INVENTORY ORDER	6,475.34	
50911	11/03/14	1,051.06	004	NORTH BAY FORD LINC-MERCURY		61988	INVENTORY ORDER	15.10	
						61897	RPR VEH #1107 PC	244.08	
						62003	RPR BUS #2406	766.37	
						62004	RPR VEH #1101 PC	40.61	
50912	11/03/14	1,376.42	043	PALACE ART & OFFICE SUPPLY		61875	OFFICE SUPPLIES	50.30	
						61876	OFFICE SUPPLIES	106.55	
						61910	OFFICE SUPPLIES	313.60	
						61911	OFFICE SUPPLIES	6.99	
						61912	OFFICE SUPPLIES	51.37	
						61913	OFFICE SUPPLIES	44.38	
						61920	OFFICE SUPPLIES	40.30	
						61963	OFFICE SUPPLIES	78.62	

Attachment A

DATE: 11/01/14 THRU 11/30/14

CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK VENDOR	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
50913	11/03/14	403.00	481		PIED PIPER EXTERMINATORS, INC.		61964	OFFICE SUPPLIES	187.17	
50914	11/03/14	802.50	187		POLAR RADIATOR SERVICE INC		61967	OFFICE SUPPLIES	110.39	
50915	11/03/14	1,303.24	019		RAYNE OF SANTA CRUZ, INC.		61974	OFFICE SUPPLIES	301.01	
50916	11/03/14	103.76	045		ROYAL WHOLESALE ELECTRIC		61979	OFFICE SUPPLIES	85.74	
50917	11/03/14	52.33	135		SANTA CRUZ AUTO PARTS, INC.		61929	SEPT14 PEST CTRL WTC	70.00	
50918	11/03/14	131.47	079		SANTA CRUZ MUNICIPAL UTILITIES		61930	SEPT14 PEST METROMKT	48.50	
50919	11/03/14	44.00	T267		SIMS, JANE C		61931	SEPT14 PEST BETTYS	53.00	
50920	11/03/14	520.11	001976		SPORTWORKS NORTHWEST, INC.		61932	SEPT14 PEST CAFELENA	48.50	
50921	11/03/14	24.22	003177		STANLEY SUPPLY & SERVICES CORP		61933	SEPT14 PEST VERNON	183.00	
50922	11/03/14	117.00	003010		TOYOTA MATERIAL HANDLING	7	62012	RADIATOR RPR	802.50	
50923	11/03/14	68,219.98	003044		TRC ENGINEERS, INC.		61968	SVC REV OSMOSIS SYST	1,303.24	
50924	11/03/14	411.56	003152		UNIFIRST CORPORATION		61915	ELECTRICAL BREAKER	93.34	
							61916	ELECTRICAL COMPONENT	10.42	
							61899	DRIP PAN	52.33	
							61998	9/11-10/10 1217RIVER	131.47	
							61927	11 TICKETS @ \$4/EA	44.00	
							61983	INVENTORY ORDER	520.11	
							62005	TOOLS	24.22	
							61995	FORKLIFT SERVICE	117.00	
							61889	8/23-9/26 MB ENG SVC	68,219.98	
							61902	MATS & TOWELS	6.99	
							61904	MAT TOWELS	23.01	
							61922	MATS DUBOIS	6.48	
							61969	UNIFORMS TOWELS	14.19	
							61970	UNIFORMS	14.19	
							61971	UNIFORMS	14.19	
							61972	MOPS TOWELS MATS	22.10	
							61975	MATS	6.48	
							61977	TOWELS MATS	6.99	
							61978	UNIFORMS	69.01	
							61996	UNIFORMS	213.74	
							61940	UNIFORMS	14.19	
							61923	FREIGHT	39.81	
							61951	10/8-11/4 FENCE RENT	64.98	
							61952	INVENTORY ORDER	29.37	
							61990	INVENTORY ORDER	306.84	
							61887	INVENTORY ORDER	141.44	
							61934	9/13-10/12 WIFI BUS	950.25	
							61946	INVENTORY ORDER	488.50	
							62006	DMV EXAM	75.00	
							62112	DMV EXAM	75.00	
							62048	BULK OIL	2,561.80	
							62088	MAINT MGR AD	327.00	
							62090	INVENTORY PARTS	39.44	
							62097	INVENTORY PARTS	46.37	
							62108	INVENTORY PARTS	37.37	
								INVENTORY PARTS	102.91	
								INVENTORY PARTS	179.55	
								9/19-10/18 CEMENT PL	280.60	
								9/19-10/18 SKYLINE	280.60	
								9/19-10/18 CALNET2	4,975.56	

Attachment A

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

DATE: 11/01/14 THRU 11/30/14

CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
50935	11/10/14	85.82 001G	AT&T	62119	10/7-11/6 REPEATERS			85.82	
50936	11/10/14	8,750.00 001348	ATHENS INSURANCE SERVICE, INC.	62111	NOV 14 TEA FEES			8,750.00	
50937	11/10/14	64.44 002689	B & B SMALL ENGINE CORP	62054	ENGINE OIL			64.44	
50938	11/10/14	13,036.13 003129	B PLUS U LLP	62125	7/1-9/30 WTC EXP			71.13	
50939	11/10/14	774.00 011	BEWLEYS CLEANING	62126	7/1-9/30 WTC EXP			12,965.00	
50940	11/10/14	582.90 580	BLOCK AND COMPANY, INC.	62100	OCT 14 CUSTODIAL SVC			774.00	
50941	11/10/14	78.30 034	BLUEPRINT EXPRESS	62018	OFFICE SUPPLIES			582.90	
50942	11/10/14	9,934.43 001356	BRENCO OPERATING-TEXAS, LP	62083	BLUEPRINTS SVTC			78.30	
50943	11/10/14	878.99 002929	CHEVROLET OF WATSONVILLE LLC	62026	INVENTORY ORDER			6,671.35	
50944	11/10/14	11,662.43 001346	CITY OF SANTA CRUZ-FINANCE	62027	INVENTORY PARTS			3,263.08	
50945	11/10/14	1,040.13 130	CITY OF WATSONVILLE UTILITIES	62032	RPR VEH #504			743.89	
50946	11/10/14	40,809.05 001124	CLEAN ENERGY	62051	SMOG TEST #2800 PC			135.10	
50947	11/10/14	258.88 E957	CLIFFORD, ALEX	62127	PAC STAT REDEVELOPME			11,662.43	
50948	11/10/14	23.10 075	COAST PAPER & SUPPLY INC.	62116	9/15-10/21 WTC FIRE			298.26	
50949	11/10/14	121.93 002063	COSTCO	62117	9/15-10/21 WATER WTC			30.55	
50950	11/10/14	3,863.39 003116	CUMMINS PACIFIC LLP	62118	10/22SOLID WASTE WTC			711.32	
50951	11/10/14	1,163.63 480	DIESEL MARINE ELECTRIC, INC.	62042	LNG 10/14/14			10,706.90	
50952	11/10/14	121.00 001329	DOC AUTO LLC	62104	LNG 10/16/14			9,067.79	
50953	11/10/14	163.41 001172	FERGUSON ENTERPRISES INC. #795	62105	LNG 10/21/14			10,880.40	
50954	11/10/14	3,171.27 002295	FIRST ALARM	62106	LNG 10/18/14			10,153.96	
50955	11/10/14	12,409.66 002952	FLYERS ENERGY LLC	62043	TRAVEL REIMBURSEMENT			258.88	
50956	11/10/14	412.31 001189	GARY KENVILLE LOCKSMITH	62053	PLUNGERS			23.10	
50957	11/10/14	2,721.48 002954	GCR TIRES & SERVICE	62016	OFFICE SUPPLIES			121.93	
50958	11/10/14	32.89 117	GILLIG LLC	62024	RPR BUS #1202			615.00	
50959	11/10/14	132.03 282	GRAINGER	62025	RPR VEH #1204			1,468.13	
50960	11/10/14	41.00 E169	HERNANDEZ, JUAN ULLOA	62056	RPR BUS #1203			615.00	
50961	11/10/14	616.16 166	HOSE SHOP, THE INC	62145	RPR BUS #1003			1,163.63	
50962	11/10/14	24.60 036	KELLY-MOORE PAINT CO., INC.	62094	INVENTORY ORDER			121.00	
50963	11/10/14	2,932.88 001233	KIMBALL MIDWEST	62103	RPR VEH #1106 PC			163.41	
50964	11/10/14	375,236.19 003058	LEWIS C NELSON AND SONS INC	62019	SINK 1217 RIVER			3,171.27	
50965	11/10/14	78.61 003059	MAILFINANCE INC	62043	PROPANE			18.59	
50966	11/10/14	110.00 003180	MICHALAK, GENE	62062	10/1-10/15 FUEL PC			12,391.07	
50967	11/10/14	2,682.69 001052	MID VALLEY SUPPLY INC.	62124	DISTRICT REKEY			412.31	
				62030	TIRES			2,252.37	
				62044	TIRES			451.11	
				62045	TIRES			18.00	
				62040	INVENTORY ORDER			32.89	
				62079	HIGH PRESS SODIUM			132.03	
				62059	DMV REIMBURSEMENT			41.00	
				62041	VALVE			216.17	
				62049	HOSES			365.40	
				62050	REUS FITTING			34.59	
				62055	SPACKLING PASTE			24.60	
				62047	HARDWARE FOR SHOP			2,932.88	
				62141	CONST MB THRU9/25/14			375,236.19	
				62136	POSTAGE PC			78.61	
				62146	BOD MEETING 8/22/14			110.00	
				62076	CLEANING PRODUCTS			173.04	
				62080	CLEANING SUPPLIES			2,509.65	

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50968	11/10/14	961.55 001454	MONTEREY BAY SYSTEMS	62046	7/1-9/30 MAINT FLEET	961.55			
50969	11/10/14	4,803.90 001063	NEW FLYER IND. CANADA ULC DBA	62028	INVENTORY ORDER	2,221.73			
				62063	INVENTORY ORDER	277.49			
				62101	INVENTORY PARTS	1,596.11			
				62102	INVENTORY PARTS	708.57			
50970	11/10/14	3,158.73 004	NORTH BAY FORD LINC-MERCURY	62034	INVENTORY ORDER	1,253.98			
				62036	RPR VEH #711	394.05			
				62037	RPR VEH #1107 PC	100.00			
				62061	INVENTORY PARTS	526.92			
				62084	RPR VEH #1104 PC	41.51			
				62085	RPR VEH #1106 PC	135.53			
				62086	RPR VEH #1106 PC	68.28			
				62091	INVENTORY PARTS	463.45			
				62092	RPR VEH #1105 PC	175.01			
50971	11/10/14	2,392.03 003115	OFFICE TEAM	62109	TEMP W/E 10/24/14	1,216.80			
				62110	TEMP W/E 10/17/14	1,175.23			
50972	11/10/14	15,083.77 009	PACIFIC GAS & ELECTRIC	62120	9/26-10/24 1200RIVER	35.13			
				62121	9/25-10/23 138 GOLF	5,597.02			
				62122	9/25-10/23 VERNON	6,670.49			
				62123	9/25-10/23 1200RIVER	2,592.56			
				62133	9/25-10/23 1217RIVER	-13.68			
				62134	9/25-10/23 1217RIVER	202.25			
50973	11/10/14	1,066.75 043	PALACE ART & OFFICE SUPPLY	62020	OFFICE SUPPLIES	399.26			
				62031	OFFICE SUPPLIES	170.52			
				62058	OFFICE SUPPLIES	331.71			
				62093	OFFICE SUPPLIES	30.28			
				62107	OFFICE SUPPLIES	75.78			
				62128	OFFICE SUPPLIES	59.20			
				62023	HAND SCRUB	810.72			
50974	11/10/14	810.72 001240	PHOENIX INDUSTRIES INC	62023	HAND SCRUB	810.72			
50975	11/10/14	70.00 481	PIED PIPER EXTERMINATORS, INC.	62065	AUG 14 PEST WTC	70.00			
50976	11/10/14	43,736.80 002939	PREFERRED BENEFIT	62143	NOV 14 DENTAL	43,736.80			
50977	11/10/14	96.79 882	PRINT SHOP SANTA CRUZ	62132	BUS CARD ANDREW KRBC	96.79			
50978	11/10/14	413.25 215	RICOH USA, INC. TX	62017	10/18-11/17LEASE OPS	413.25			
50979	11/10/14	2,489.55 001379	SAFETY-KLEEN INC	62114	PARTS WASHER CHEMICA	2,489.55			
50980	11/10/14	6,011.13 018	SALINAS VALLEY FORD SALES INC	62038	INVENTORY ORDER	1,715.21			
				62039	INVENTORY ITEM	1,887.49			
				62052	INVENTORY ORDER	2,408.43			
50981	11/10/14	18.37 135	SANTA CRUZ AUTO PARTS, INC.	62035	RPR VEH #707	18.37			
50982	11/10/14	30.00 345	SANTA CRUZ COUNTY OFFICE OF	62113	FINGERPRINTING	30.00			
50983	11/10/14	19.38 848	SANTA CRUZ ELECTRONICS, INC.	62074	ELECTRONIC PART	19.38			
50984	11/10/14	7,865.06 079	SANTA CRUZ MUNICIPAL UTILITIES	62021	9/18-10/17 WATER PC	196.59			
				62066	9/11-10/10IRRIG GOLF	2,560.55			
				62067	9/11-10/10IRRIG GOLF	111.11			
				62068	9/11-10/10 PAC ISL	102.87			
				62069	9/11-10/10 WATER GOL	1,090.67			
				62070	9/11-10/10 920 PACIF	2,872.72			
				62071	9/11-10/10 WATER VER	177.71			
				62072	9/11-10/10 IRRIG VER	51.11			
50985	11/10/14	4,921.29 681	SCOTTIS BODY SHOP CORP	62073	9/11-10/10 BUS STOP	701.73			
				62087	RPR VEH #1116 PC	4,921.29			

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50986	11/10/14	264.00 957	SECURITY SHORING & STEEL PLT	62131	9/24-10/23 MUD PLATE	264.00			
50987	11/10/14	1,276.84 115	SNAP-ON INDUSTRIAL	62029	SHOP PLIERS	148.97			
50988	11/10/14	22,050.48 003160	STANGE, MICHAEL	62129	TIRE SENSOR	1,127.87			
50989	11/10/14	1,905.53 002871	STATE ELECTRIC GENERATOR	62138	OCT14 TEMP MAINT MGR	21,150.00			
50990	11/10/14	407.78 001008	SWAGELOK NORTHERN CALIFORNIA	62139	OCT 14 MILEAGE	900.48			
50991	11/10/14	109.56 003152	UNIFIRST CORPORATION	62075	RPR DUBOIS PARK LOT	1,905.53			
50992	11/10/14	46.80 007	UNITED PARCEL SERVICE	62033	INVENTORY ORDER	407.78			
50993	11/10/14	55.09 434B	VERIZON CALIFORNIA	62077	UNIFORMS TOWELS	40.42			
50994	11/10/14	11,125.56 001043	VISION SERVICE PLAN	62078	MATS	6.48			
50995	11/10/14	300.00 001165	VU, THANH DR. MD	62081	MATS	6.48			
50996	11/10/14	1,021.43 003128	ZEP VEHICLE CARE INC.	62082	MATS CLEANING SUPPLY	49.19			
50997	11/10/14	868.91 003057	ZOOM IMAGING SOLUTIONS, INC.	62099	LAUNDRY SERVICE	6.99			
50998	11/17/14	36,190.00 003183	A PLUS PAINTING	62144	FREIGHT	46.80			
50999	11/17/14	30.60 002941	AA SAFE & SECURITY CO	62115	10/16-11/15 SKYLINE	55.09			
51000	11/17/14	310.00 382	AIRTEC SERVICE	62142	NOV 14 VISION PLAN	11,125.56			
51001	11/17/14	32.18 002861	AMERICAN MESSAGING SVCS, LLC	62060	DMV EXAM	75.00			
51002	11/17/14	6.53 294	ANDY'S AUTO SUPPLY	62064	DMV EXAM	75.00			
51003	11/17/14	955.31 003105	AT&T MOBILITY	62095	DMV EXAM	75.00			
51004	11/17/14	56.53 002363	BATTERIES PLUS #314	62096	DMV EXAM	75.00			
51005	11/17/14	5,000.00 001324	CAPITALEGE ADVOCACY, INC.	62022	BUS WASHER SUPPLY	1,021.43			
51006	11/17/14	1,839.41 003081	CAPITOLA MALL LLC	62130	LRG PAPER FEEDER	868.91			
51007	11/17/14	80.00 T269	CARVAHLO, SHARY	62168	SVTC REPAINTING PROJ	36,190.00			
51008	11/17/14	5,535.39 001159	CATTO'S GRAPHICS, INC.	62183	REKEY FINANCE LOCK	30.60			
51009	11/17/14	5,714.27 909	CLASSIC GRAPHICS	62256	SERVER RM A/C RPR	310.00			
51010	11/17/14	446.97 003102	CLEVER DEVICES LTD	62225	RPR VEH #707	32.18			
51011	11/17/14	2,890.00 003034	COASTAL LANDSCAPING INC. DBA	62250	9/24-10/23 BUS WIFI	955.31			
51012	11/17/14	4,234.54 002814	CREATIVE BUS SALES, INC.	62188	BATTERIES	56.53			
51013	11/17/14	28,373.00 858	CSAC EXCESS INSURANCE AUTHORITY	62154	NOV 14 LEGISLATE SVC	5,000.00			
51014	11/17/14	110.00 003120	CSMFO MEMBERSHIP	62209	DEC 14 RENT	1,839.41			
51015	11/17/14	9,351.83 003116	CUMMINS PACIFIC LLP	62171	20 TICKETS @ \$4/EA	80.00			
51016	11/17/14	39.95 001329	DOC AUTO LLC	62180	BUS STOP SIGNAGE	5,535.39			
51017	11/17/14	50.00 T271	DOWNTOWN ASSOCIATION	62149	RPR VEH#1120 PC	1,989.58			
51018	11/17/14	2,160.75 432	EXPRESS SERVICES INC.	62241	RPR BUS #9802	3,724.69			
51019	11/17/14	225.18 001172	FERGUSON ENTERPRISES INC. #795	62203	RPR BUS #1305	446.97			
				62221	OCT 14 LANDSCAPE SVC	2,890.00			
				62263	INVENTORY PARTS	996.18			
				62264	GAS SENSOR VEH #2306	3,215.35			
				62162	7/1-7/30/14 WORKCOMP	28,373.00			
				62164	MEMBERSHIP DUES	110.00			
				62226	TRANSMISSION RPR	8,736.83			
				62261	RPR BUS #1210	615.00			
				62265	SMOG VEH #401	39.95			
				62252	PARADE DEC 6TH	50.00			
				62155	TEMP W/E 10/19/14	256.50			
				62156	TEMP W/E 10/26/14	1,100.25			
				62248	TEMP W/E 11/2/14	804.00			
				62178	RPR WATER FOUNTAINS	209.83			
				62220	WATER COOLER RPR	15.35			

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51020	11/17/14	77.85 959		FIRST ADVANTAGE OCCUPATIONAL		62161	DOT DRUG TESTS	77.85	
51021	11/17/14	60.00 T270		FIRST FRIDAY		62251	FIRST FRIDAY DEC 5TH	60.00	
51022	11/17/14	1,574.09 002962		FIS		62249	SEPT14 MERCHANT FEES	1,574.09	
51023	11/17/14	100.00 E675		FLEISLER, CLAIRE		62167	TRAINING REIMBURSEME	100.00	
51024	11/17/14	72.46 003077		FREEDMAN SEATING COMPANY		62199	RESTRAINT KITS PC	72.46	
51025	11/17/14	233.64 001302		GARDA CL WEST, INC.		62173	NOV 14 SERVICES	233.64	
51026	11/17/14	3,349.20 002954		GCR TIRES & SERVICE	7	62231	TIRES	1,016.39	
						62232	TIRES	437.34	
						62233	TIRES	376.21	
						62234	TIRES	223.35	
						62235	TIRES	495.39	
						62236	TIRES	637.48	
						62237	TIRES	163.04	
51027	11/17/14	269.29 282		GRAINGER		62187	PAINTING SUPPLIES	165.93	
						62227	INVENTORY ORDER	103.36	
51028	11/17/14	29.38 546		GRANITEROCK COMPANY		62182	RPR RESTROOM WALL	29.38	
51029	11/17/14	21,022.50 003109		HANSON BRIDGETT LLP		62258	M# 032117.000002	14,257.00	
						62259	M# 032117.000003	6,765.50	
51030	11/17/14	14,739.96 001745		HARTFORD LIFE AND ACCIDENT INS		62147	NOV 14 LTD	11,189.69	
						62148	NOV 14 LIFE AD&D	3,550.27	
51031	11/17/14	24,452.29 003178		HILL INTERNATIONAL INC		62253	9/22-9/30 MB PM SVC	24,452.29	
51032	11/17/14	27.04 166		HOSE SHOP, THE INC		62181	PARTS WATER COOLER	21.66	
						62219	RP SBF OIL DISPENSER	5.38	
51033	11/17/14	4,000.00 002117		IULIANO #2 LLC	7	62207	DEC 14 RENT	4,000.00	
51034	11/17/14	3,096.71 110		JESSICA GROCERY STORE, INC.		62211	NOV 14 CUSTODIAL SVC	3,096.71	
51035	11/17/14	50.90 003179		JIFFY STEAMER COMPANY LLC		62260	STEAMER PART	50.90	
51036	11/17/14	3,929.30 878		KELLY SERVICES, INC.		62157	TEMP W/E 10/26/14	1,368.40	
						62169	TEMP W/E 10/26/14	1,223.60	
						62192	TEMP W/E 10/19/14	1,337.30	
51037	11/17/14	9,310.00 003066		KIM FAMILY ENTERPRISES LLP	7	62208	DEC 14 RENT NNN PARK	9,310.00	
51038	11/17/14	112.00 852		LAW OFFICES OF MARIE F. SANG		62217	CL# 2010226708	112.00	
51039	11/17/14	50.00 880		LEXISNEXIS INC		62165	OCT 14 SERVICES	50.00	
51040	11/17/14	192.36 196		LIFT-U-INC.		62224	CHAIN GREASE	192.36	
51041	11/17/14	1,530.15 511		LUMINATOR HOLDING LP		62198	INVENTORY ORDER	1,530.15	
51042	11/17/14	157.10 003059		MAILFINANCE INC		62193	10/28-11/27 RENTAL	157.10	
51043	11/17/14	22,536.24 003017		MANSFIELD OIL CO OF GAINSVILLE		62269	DIESEL 10/17/14	22,536.24	
51044	11/17/14	8,000.00 003163		MARUCCO, STODDARD, FERENBACH		62214	WEB ADA COMPLIANCE	8,000.00	
51045	11/17/14	2,220.00 001330		MAXIM HEALTH SYSTEMS, LLC		62247	2014 FLU SHOTS	2,220.00	
51046	11/17/14	399.72 001063		NEW FLYER IND. CANADA ULC DBA		62150	INVENTORY ORDER	82.57	
						62151	INVENTORY ORDER	211.43	
						62204	INVENTORY ORDER	105.72	
51047	11/17/14	109.98 002721		NEXTEL COMMUNICATIONS/SPRINT		62160	9/26-10/25 TVM WIREL	109.98	
51048	11/17/14	382.83 004		NORTH BAY FORD LINC-MERCURY		62228	RPR VEH #1111 PC	218.20	
						62268	RPR VEH #1106 PC	164.63	
51049	11/17/14	1,352.00 003115		OFFICE TEAM		62246	TEMP W/E 10/31/14	1,352.00	
51050	11/17/14	6,990.93 009		PACIFIC GAS & ELECTRIC		62189	9/30-10/28 920PACIFI	3,804.38	
						62254	10/6-11/3 PNR SVT WT	3,126.16	
						62257	10/6-11/3 SVTC	60.39	
51051	11/17/14	623.01 043		PALACE ART & OFFICE SUPPLY		62195	OFFICE SUPPLIES	33.01	
						62196	OFFICE SUPPLIES	375.63	

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51052	11/17/14	4,101.33 003086		PAPE MACHINERY INC		62213	OFFICE SUPPLIES	214.37	
51053	11/17/14	1,058.00 002947		PEDALERS EXPRESS	7	62238	INVENTORY ORDER	4,067.30	
51054	11/17/14	130.00 003097		PHILLIPS-ANDERSON INC		62273	RPR VEH #2213	34.03	
51055	11/17/14	250.50 003020		QUEST DIAGNOSTIC INC.		62194	OCT 14 COURIER SVC	1,058.00	
51056	11/17/14	87.00 019		RAYNE OF SANTA CRUZ, INC.		62163	EMP CANDIDATE TESTIN	130.00	
51057	11/17/14	120.38 061		REGISTER PAJARONIAN LLC		62216	DOT DRUG TEST	250.50	
51058	11/17/14	413.62 001153		REPUBLIC ELEVATOR COMPANY INC		62152	SALT	87.00	
51059	11/17/14	699.12 003024		RICOH USA, INC CA		62184	LEGAL AD 10/24/14	120.38	
51060	11/17/14	638.79 215		RICOH USA, INC. TX		62184	NOV14 ELEVATOR MAINT	413.62	
51061	11/17/14	114.19 045		ROYAL WHOLESale ELECTRIC		62172	8/19-9/18 IMAGES HR	561.88	
51062	11/17/14	136.29 018		SALINAS VALLEY FORD SALES INC		62218	9/19-10/18 IMAGES HR	137.24	
51063	11/17/14	1,760.15 107A		SAN LORENZO LUMBER & HOME CTR		62244	10/26-11/25 RENT OPS	638.79	
51064	11/17/14	228.22 002459		SCOTT'S VALLEY WATER DISTRICT		62222	DEEP STRUT VERNON	114.19	
51065	11/17/14	13,322.53 001075		SOQUEL III ASSOCIATES	7	62197	INVENTORY ORDER	136.29	
51066	11/17/14	3,223.75 002871		STATE ELECTRIC GENERATOR		62212	NOV 14 STATEMENT	1,760.15	
51067	11/17/14	97.66 104		STATE STEEL COMPANY		62174	OCT14 SVT WATER IRRI	25.55	
51068	11/17/14	399.43 001040		TERRYBERRY CO., LLC	0	62179	OCT14 WATER SVTC	202.67	
51069	11/17/14	1,172.33 001800		THERMO KING OF SALINAS, INC		62210	DEC 14 RENT	13,322.53	
51070	11/17/14	454.78 002675		THOMSON REUTERS BARCLAYS WEST		62159	RPR PARK LIGHT DUBOI	3,223.75	
51071	11/17/14	4,892.91 001014		TRANSIT RESOURCE CENTER		62223	ANGLE IRON	97.66	
51072	11/17/14	150.00 003028		TRIAD ELECTRIC, INC		62191	LONGEVITY AWARD	181.03	
51073	11/17/14	704.03 003152		UNIFIRST CORPORATION		62271	LONGEVITY AWARD	115.79	
						62272	LONGEVITY AWARD	102.61	
						62266	INVENTORY ORDER	1,172.33	
						62243	OCT 14 SERVICES	454.78	
						62190	9/30-10/31 FTA EXPEN	4,892.91	
						62158	RPR PARK LIGHT VERNO	150.00	
						62177	LAUNDRY SERVICES	40.42	
						62239	LAUNDRY SERVICES	6.48	
						62229	LAUNDRY SERVICES	255.35	
						62230	LAUNDRY SERVICES	69.01	
						62239	LAUNDRY SERVICE	69.01	
						62240	LAUNDRY SERVICE	249.57	
						62242	LAUNDRY SERVICE	14.19	
51074	11/17/14	96.47 007		UNITED PARCEL SERVICE		62262	FREIGHT	48.94	
51075	11/17/14	1,249.19 002829		VALLEY POWER SYSTEMS, INC.		62267	FREIGHT	47.53	
51076	11/17/14	319.14 434		VERIZON WIRELESS	0	62200	INVENTORY ORDER	639.28	
51077	11/17/14	92.16 001165		VU, THANH DR. MD	7	62201	INVENTORY ITEMS	609.91	
51078	11/17/14	950.00 E526		WARNOCK, APRIL		62255	10/2-11/1 PUSH2TALK	319.14	
51079	11/17/14	3,500.00 003074		WAVE CREST DEVELOPMENT INC.		62245	NEW HIRE DMV EXAM	92.16	
51080	11/17/14	70.00 682		WEISS, AMY L.		62166	TRAVEL REIMBURSEMENT	950.00	
51081	11/17/14	319.00 915		WORKIN.COM, INC.	7	62206	DEC 14 RENT	3,500.00	
51082	11/17/14	109.44 147		ZEE MEDICAL SERVICE CO.		62153	BOD MEETING 10/24/14	70.00	
51083	11/17/14	32.00 T268		ZIMMERMAN, JOEL		62215	JOB PLACEMENT AD	319.00	
51084	11/24/14	462.00 002069		A TOOL SHED, INC.		62185	REPLENISH FIRST AID	75.58	
51085	11/24/14	113.92 003151		ABC BUS INC		62186	REPLENISH FIRST AID	33.86	
						62170	REFUND 31DAY PASS	32.00	
						62363	SMC RAIL PAINTING	462.00	
						62335	INVENTORY ORDER	45.57	
						62360	INVENTORY ORDER	68.35	

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
51086	11/24/14	AIRTEC SERVICE	1,342.82			62277	RPR A/C VERNON	292.82	
51087	11/24/14	ALWAYS TOWING & RECOVERY, INC	1,225.00			62365	HVAC RPR SECURITY RM	1,050.00	
51088	11/24/14	ANDY'S AUTO SUPPLY	175.62		0	62407	TOWING BUS #1001	700.00	
51089	11/24/14	AT&T	394.75			62416	TOWING VEH #1301	525.00	
51090	11/24/14	B PLUS U LLP	13,304.99			62315	INVENTORY PARTS	65.15	
51091	11/24/14	B&C TRUCK ELECTRIC SERVICE INC	576.07			62316	KEY VEH #707	3.26	
51092	11/24/14	BATTERIES USA, INC.	8,040.78			62427	INVENTORY PARTS	107.21	
51093	11/24/14	BATTERY SYSTEMS CORP	1,714.50			62361	11/5-12/4 REPEATERS	308.93	
51094	11/24/14	BOSS MANUFACTURING CO.	128.33			62362	11/7-12/5 REPEATERS	85.82	
51095	11/24/14	BRINKS INCORPORATED	7,012.73			62274	OCT 14 WTC EXP	2,858.49	
51096	11/24/14	BROWN ARMSTRONG	12,000.00			62275	OCT 14 WTC EXP	10,446.50	
51097	11/24/14	CA PUBLIC EMPLOYEES'	683,507.27			62439	RPR VEH #1103 PC	576.07	
51098	11/24/14	CABRILLO COLLEGE	4,450.00			62299	BATTERIES	5,446.98	
51099	11/24/14	CALTRONICS BUSINESS SYSTEMS	1,050.01			62300	BATTERIES	2,593.80	
51100	11/24/14	CAPELLA, KATHLEEN	83.66		0	62340	BATTERIES VEH 1303,4	1,714.50	
51101	11/24/14	CHEVROLET OF WATSONVILLE LLC	581.90		7	62443	RAIN SUITS	128.33	
51102	11/24/14	CITY OF SANTA CRUZ-FINANCE	1,050.00			62278	OCT 14 1200B SERVICE	4,110.85	
51103	11/24/14	CLASSIC GRAPHICS	3,724.69			62279	OCT 14 1200B SERVICE	2,901.88	
51104	11/24/14	CLEAN ENERGY	46,150.66			62456	FY14 AUDIT	12,000.00	
51105	11/24/14	CSMFO MEMBERSHIP	110.00			62283	DEC 14 MEDICAL	683,507.27	
51106	11/24/14	CUMMINS PACIFIC LLP	8,059.06			62339	PROJ MGMT THRU 12/2	4,450.00	
51107	11/24/14	D & G SANITATION	257.85		0	62398	OFFICE SUPPLIES	105.01	
51108	11/24/14	DAVILA, ANA MARIA	41.83			62396	DEC 14 RETIREE SUPP	83.66	
51109	11/24/14	DEPARTMENT OF JUSTICE	64.00			62397	RPR VEH #504	581.90	
51110	11/24/14	DIESEL RADIATOR CO, INC.	840.00			62293	JAN15-JUN PARK PERMI	1,050.00	
51111	11/24/14	DOC AUTO LLC	356.87			62314	RPR UNIT 2229	3,724.69	
51112	11/24/14	EPICOR SOFTWARE CORP	1,900.00			62379	OCT 14 MAINTENANCE	14,842.60	
						62429	LNG 10/23/14	9,767.61	
						62430	LNG 10/25/14	10,211.82	
						62431	LNG 10/28/14	11,329.23	
						62400	MEMBERSHIP DUES AA	110.00	
						62321	RPR BUS #2204	335.33	
						62334	INSITE RENEWAL	1,477.91	
						62337	SEALS VEH #1204	12.61	
						62358	CREDIT RETURN	-134.81	
						62359	CORE CREDIT	-113.10	
						62369	INVENTORY ORDER	16.33	
						62373	INVENTORY ITEMS	304.88	
						62374	RPR BUS #1204	303.71	
						62375	INVENTORY ORDER	32.98	
						62413	INVENTORY ORDER	2,253.90	
						62437	RPR VEH #2205	2,627.33	
						62444	RPR VEH #2202	941.99	
						62284	FENCING 5/3-9/26/14	257.85	
						62389	DEC 14 RETIREE SUPP	41.83	
						62280	FINGERPRINTING	64.00	
						62320	AIR COOLER	840.00	
						62372	RPR VEH #1124 PC	356.87	
						62401	IVANTAGE TRAINING	650.00	
						62402	IVANTAGE TRAINING	400.00	

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51113	11/24/14	2,889.00 432	EXPRESS SERVICES INC.			62403	IVANTAGE TRAINING	650.00	
						62404	IVANTAGE TRAINING	200.00	
						62305	TEMP W/E 10/19/14	969.00	
						62306	TEMP W/E 10/26/14	960.00	
						62355	TEMP W/E 11/9/14	960.00	
51114	11/24/14	75.00 002295	FIRST ALARM			62328	OCT 14 DISPATCH PC	75.00	
51115	11/24/14	14,528.28 002952	FLYERS ENERGY LLC			62380	10/15-10/31 FUEL	3,386.90	
						62415	10/15-10/31 FUEL PC	11,141.38	
51116	11/24/14	21,456.09 002954	GCR TIRES & SERVICE		7	62294	TIRES	512.07	
						62295	TIRES	2,252.37	
						62307	TIRES	1,192.59	
						62308	TIRES	858.40	
						62309	TIRES	1,519.53	
						62310	TIRES	3,378.56	
						62311	TIRES	2,685.41	
						62312	TIRES	129.94	
						62313	TIRE REBALANCE	27.00	
						62417	TIRES	1,528.07	
						62418	TIRES	3,760.47	
						62419	TIRES	159.37	
						62420	TIRES	1,126.19	
						62428	TIRES	1,126.19	
						62432	TIRES	626.75	
						62433	TIRES	259.87	
						62434	TIRES	313.31	
51117	11/24/14	244.30 647	GENFARE A DIV OF SPX CORP			61586	CREDIT	-561.15	
						62057	INVENTORY ORDER	56.12	
						62410	INVENTORY ORDER	749.33	
51118	11/24/14	1,181.59 117	GILLIG LLC			62352	AIR SPRING	430.65	
						62446	INVENTORY ORDER	375.47	
						62447	INVENTORY ORDER	375.47	
51119	11/24/14	83.66 M041	GOUVEIA, ROBERT		0	62390	DEC 14 RETIREE SUPP	83.66	
51120	11/24/14	280.00 632	GOVERNMENT FINANCE OFFICERS			62348	14/15 MEMBERSHIP AA	280.00	
51121	11/24/14	1,431.18 282	GRAINGER			62291	SUPPLIES FOR LIGHTS	650.11	
						62345	CLEANING SUPPLIES	445.99	
						62351	TOOL	66.65	
						62351	TOOL	66.65	
						62366	12 LIGHTS MMF	268.43	
51122	11/24/14	27.24 546	GRANITEROCK COMPANY			62276	RPR MATERIALS	27.24	
51123	11/24/14	481.76 001097	GREENWASTE RECOVERY, INC.			62333	OCT 14 GARBAGE PC	234.68	
						62342	OCT 14 GARBAGE SVTC	247.08	
51124	11/24/14	1,802.13 002979	HUNT & SONS, INC.			62297	BULK COOLANT	1,204.00	
						62298	BULK COOLANT	598.13	
51125	11/24/14	443.56 002117	IULIANO #2 LLC		7	62285	14/15 PROPERTY TAX#1	443.56	
51126	11/24/14	2,126.00 878	KELLY SERVICES, INC.			62338	TEMP W/E 11/2/14	1,185.36	
						62356	TEMP W/E 11/9/14	940.64	
51127	11/24/14	3,240.00 003159	KEY HOUSING CONNECTIONS INC			62455	NOV14 TEMP HOUSING	3,240.00	
51128	11/24/14	162.62 167	KEYSTON BROTHERS			62441	UPHOLSTERY ITEMS	162.62	
51129	11/24/14	169.85 001233	KIMBALL MIDWEST			62440	TOOLS	169.85	
51130	11/24/14	8,637.44 003181	KL2 CONNECTS LLC			62346	FLEET MGR RECRUITMEN	8,637.44	
51131	11/24/14	976.00 852	LAW OFFICES OF MARIE F. SANG		7	62281	CL# 2010223492	880.00	

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51132	11/24/14	84.24 511	LUMINATOR HOLDING LP		62282	CL# 5105939 7164812		96.00	
51133	11/24/14	208.09 003059	MAILFINANCE INC		62438	INVENTORY ORDER		84.24	
51134	11/24/14	302.87 001342	MCW ASSOCIATES, INC.		62331	12/7-3/6 LEASE PC		208.09	
51135	11/24/14	573.49 001052	MID VALLEY SUPPLY INC.		62330	OCT 14 SERVICES		302.87	
51136	11/24/14	97.37 041	MISSION UNIFORM		62304	CLEANING SUPPLIES		573.49	
51137	11/24/14	600.00 003061	NEOFUNDS BY NEOPOST DBA		62347	LAUNDRY SERVICES		97.37	
51138	11/24/14	7,448.91 001063	NEW FLYER IND. CANADA ULC DBA		62387	*****-****-1598		600.00	
					62336	INVENTORY ORDER		180.10	
					62367	INVENTORY ORDER		2,815.75	
					62368	INVENTORY ORDER		169.80	
					62381	INVENTORY ORDER		854.22	
					62411	INVENTORY ORDER		288.66	
					62412	RPR BUS #2232		150.35	
					62435	INVENTORY ORDER		26.23	
					62436	INVENTORY ORDER		700.65	
					62448	RPR BUS #2237		587.80	
					62450	INVENTORY ORDER		1,420.64	
					62451	INVENTORY ORDER		254.71	
					62317	RPR VEH # 1109 PC		100.00	
51139	11/24/14	510.54 004	NORTH BAY FORD LINC-MERCURY		62318	RPR VEH #1103 PC		66.60	
					62319	CREDIT NOTE		-92.44	
					62422	INVENTORY PARTS		436.38	
51140	11/24/14	1,347.61 003115	OFFICE TEAM		62388	TEMP W/E 11/7/14		1,347.61	
51141	11/24/14	3,779.44 009	PACIFIC GAS & ELECTRIC		62303	9/25-10/23 DUBOIS		2,898.88	
					62322	10/10-11/6 PARACRUZ		880.56	
51142	11/24/14	82.00 043	PALACE ART & OFFICE SUPPLY		62326	OFFICE SUPPLIES		82.00	
51143	11/24/14	15,319.94 003086	PAPE MACHINERY INC		62409	REMAN BLOCK JOHN DEE		12,555.93	
					62391	INVENTORY ORDER		2,764.01	
					62391	DEC 14 RETIREE SUPP		41.83	
51144	11/24/14	41.83 M109	PEREZ, CHERYL		62290	RPR PLUMBING METROCT		422.00	
51145	11/24/14	422.00 001149	PREFERRED PLUMBING, INC.		62327	10/18-11/17 RENT PC		388.62	
51146	11/24/14	388.62 215	RICOH USA, INC. TX		62288	BULBS		13.64	
51147	11/24/14	88.19 536	RIVERSIDE LIGHTING & ELECTRIC		62289	BALLASTS		65.89	
					62341	CREDIT		-3.80	
					62344	BALLASTS & WIRE		52.55	
					62364	BALLAST RETURN		-40.09	
					62392	DEC 14 RETIREE SUPP		83.66	
51148	11/24/14	83.66 M085	ROSSI, DENISE	0	62393	DEC 14 RETIREE SUPP		41.83	
51149	11/24/14	41.83 M030	ROWE, RUBY		62343	FLUORESCENT LAMP		151.71	
51150	11/24/14	151.71 045	ROYAL WHOLESALE ELECTRIC		62449	INVENTORY ORDER		934.58	
51151	11/24/14	934.58 018	SALINAS VALLEY FORD SALES INC		62445	RPR VEH #302		1,123.50	
51152	11/24/14	1,123.50 002713	SANTA CRUZ AUTO TECH, INC.		62270	CREDIT RETURN		-110.14	
51153	11/24/14	70.40 135	SANTA CRUZ AUTO PARTS, INC.		62423	RPR VEH #2237		1.04	
					62424	INVENTORY PARTS		32.85	
					62425	TOOL		37.88	
					62426	INVENTORY PART		21.28	
					62453	RESPIRATOR		87.49	
51154	11/24/14	16,895.64 977	SANTA CRUZ TRANSPORTATION, LLC		62324	OCT 14 TRANSPORT PC		16,895.64	
51155	11/24/14	168.96 122	SCMTD PETTY CASH - OPS		62385	PETTY CASH REPLENISH		168.96	
51156	11/24/14	1,500.00 001277	SUB GLOBALNET, INC.		62399	NOV 14 SERVICES		1,500.00	

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51157	11/24/14	41.83 M054	41.83	SLOAN, SUZANNE	0	62394	DEC 14 RETIREE SUPP	41.83	
51158	11/24/14	481.90 115	481.90	SNAP-ON INDUSTRIAL		62370	TOOL	314.60	
						62383	TOOL	10.07	
						62384	TOOLS	157.23	
51159	11/24/14	300.92 001040	300.92	TERRYBERRY CO., LLC		62302	LONGEVITY AWARD	300.92	
51160	11/24/14	145.00 003148	145.00	THOMSON REUTERS BARCLAYS CODE		62371	10/14-15 T19 SAFETY	145.00	
51161	11/24/14	331.24 170	331.24	TOWNSEND'S AUTO PARTS		62357	AUTO PAINT	331.24	
51162	11/24/14	3,864.56 057	3,864.56	U.S. BANK		62452	****-****-****-4048	2,812.74	
						62454	****-****-****-5056	1,051.82	
51163	11/24/14	559.19 003152	559.19	UNIFIRST CORPORATION		62286	LAUNDRY SERVICES	6.48	
						62287	LAUNDRY SERVICES	40.42	
						62301	LAUNDRY SERVICES	43.87	
						62329	LAUNDRY SERVICES	6.99	
						62332	LAUNDRY SERVICES	6.99	
						62376	LAUNDRY SERVICES	69.01	
						62377	LAUNDRY SERVICES	385.43	
51164	11/24/14	29.37 946	29.37	UNITED SITE SERVICES OF CA INC		62386	11/5-12/2 FENCE RENT	29.37	
51165	11/24/14	332.65 002829	332.65	VALLEY POWER SYSTEMS, INC.		62353	GASKET	17.45	
						62354	GASKET	7.67	
						62408	INVENTORY ORDER	307.53	
51166	11/24/14	2,996.56 221	2,996.56	VEHICLE MAINTENANCE PROG INC		62292	OIL FILTERS	2,996.56	
51167	11/24/14	1,040.30 434	1,040.30	VERIZON WIRELESS	0	62323	10/2-11/1 TELECOM PC	308.88	
						62414	10/2-11/1 TELECOM PC	731.42	
51168	11/24/14	2,074.50 001353	2,074.50	VISION COMMUNICATIONS		62378	NOV 14 MAINTENANCE	1,754.50	
						62421	RADIO SWAP VEH #717	320.00	
51169	11/24/14	392.16 001165	392.16	VU, THANH DR. MD	7	62325	DMV EXAM	75.00	
						62349	DMV EXAM	75.00	
						62397	NEW HIRE DMV EXAM	92.16	
						62405	DMV EXAM	75.00	
						62406	DMV EXAM	75.00	
51170	11/24/14	3,307.24 001506	3,307.24	WESTERN STATES OIL CO.		62296	BULK OIL FLUIDS	3,307.24	
51171	11/24/14	41.83 M088	41.83	YAGI, RANDY	0	62395	DEC 14 RETIREE SUPP	41.83	
TOTAL		2,131,652.23	2,131,652.23	ACCOUNTS PAYABLE			TOTAL CHECKS	302	2,131,652.23



DATE: February 13, 2015

TO: Board of Directors

FROM: Alex Clifford, CEO

**SUBJECT: ACCEPT AND FILE MINUTES OF THE SANTA CRUZ METRO BOARD
OF DIRECTORS MEETING OF JANUARY 23, 2015**

I. RECOMMENDED ACTION

That the Board of Directors Accept and File the Minutes for the Santa Cruz Metropolitan Transit District (METRO) Board of Directors Meeting of January 23, 2015

II. SUMMARY

- Staff is providing minutes from the Santa Cruz Metropolitan Transit District (METRO) Board of Directors Meeting of January 23, 2015.
- Each meeting, staff will provide minutes from the previous METRO Board of Directors meeting

III. DISCUSSION/BACKGROUND

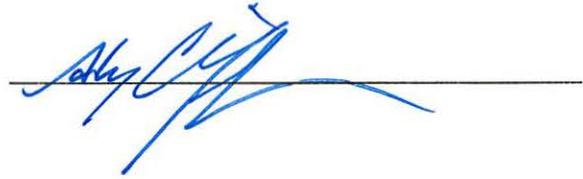
The Board requested that staff include, in the Board Packet, minutes for previous METRO Board of Directors meetings. Staff is enclosing the minutes from these meetings as a mechanism of complying with this request.

IV. ATTACHMENTS

Attachment A: Draft minutes for the Board of Directors Meeting of January 23, 2015

V. APPROVALS:

Alex Clifford, CEO/General Manager



Attachment A

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
BOARD OF DIRECTORS MEETING MINUTES
REGULAR MEETING
JANUARY 23, 2015 – 9:00 AM
SANTA CRUZ CITY CHAMBERS
809 CENTER STREET
SANTA CRUZ, CA 95060**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, January 23, 2015, at the Santa Cruz City Chambers located at 809 Center Street in Santa Cruz, CA.

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

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SECTION I: OPEN SESSION

1 SWEAR IN NEW DIRECTORS

Leslyn Syren, METRO General Counsel, was present to swear in METRO's new Directors:

Cynthia Chase, representing City of Santa Cruz;
Jimmy Dutra, representing City of Watsonville

2 CALL TO ORDER at 9:03A

3 ROLL CALL: The following Directors were present, representing quorum:

Director Dene Bustichi (Chair)	City of Scotts Valley
Director Ed Bottorff	City of Capitola
Director Cynthia Chase	City of Santa Cruz
Director Jimmy Dutra	City of Watsonville
Director Zach Friend	County of Santa Cruz
Director Deborah Lane	County of Santa Cruz
Director Bruce McPherson	County of Santa Cruz
Director Mike Rotkin	County of Santa Cruz
Ex-Officer Director Donna Blitzer	UCSC

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8-02A.1

Attachment A

Board of Directors Meeting Minutes
January 23, 2015
Page 2 of 9

STAFF PRESENT:

Alex Clifford, CEO
Leslyn Syren, General Counsel

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

Heather Adamson, AMBAG
Angela Aitken, METRO
Erron Alvey, METRO
Carolyn Derwing, METRO
George Dondero, SCCRTC
Liseth Guizar, METRO
Thomas Hiltner, METRO

Debbie Kinslow, METRO
Clay Kompf, Area Agency on Aging
Peter Pethoc, SCHS
Allen Pierce, METRO
April Warnock, METRO
Daniel Zaragoza, METRO

Director Rotkin requested that Agenda Item 9.05, Accept and File the METRO Paracruz Operations Status Report for October and November 2014 be pulled from Consent and inserted into the Regular Agenda as Item 10A.

4 ANNOUNCEMENTS

Chair Bustichi announced that Spanish language interpretation is being provided by Carlos Landaverry for any agenda item for which these services are needed. Mr. Landaverry approached the podium, introduced himself and alerted attendees as to his position in the Chambers.

Chair Bustichi added that today's meeting is being broadcast by Community Television of Santa Cruz County.

Chair Bustichi opened the microphone to attendees for announcements. Hearing none, the meeting proceeded with the Public Hearing.

5 PUBLIC HEARING: DISCUSS POSSIBLE OPTIONS FOR ROUTES 6 AND 68

Erich Friedrich, Sr. Transit Planner, provided an introduction and history of the proposal. Carolyn Derwing, Scheduling Analyst, explained the costs associated with service to the La Posada area.

Directors Rotkin and Chase asked questions regarding how the costs, how they were developed and the impact to revenue with connection changes. Carolyn addressed his concerns. She noted that Route 68 is expensive, non-profitable and does impact ridership.

Chair Bustichi opened the floor for public comment at 9:20A

The attached letter from the Committee for La Posada Bus Service was distributed by the clerk to the attending board members, CEO Clifford and General Counsel Syren.

Public comments were addressed to the board and assembly from the podium.

Elaine Gallagher, representing La Posada, spoke from the podium and expressed her excitement to be at public hearing with potential for regular service as promised

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8-02A.2

Attachment A

approximately 9 years ago. Their Committee submitted two petitions in support of Route 68. She relayed her hazardous experience when crossing at Frederick Street last week. She and her friend have discovered that although an electric wheelchair fits between two power poles, a manual wheelchair does not.

Becky Taylor, representing the Santa Cruz County Commission on Disabilities, noted the importance of a neighborhood bus as it represents freedom and independence.

Sara Schifferen, along with Patti Miller, rode various routes to experience them through the communities. She noted that 9 people got on at the downtown station; by the time they reached the mall, the bus was full where everyone got off. She looked for connecting buses; there were none which meant they needed to wait 40 minutes for the return bus (68) which they missed. Instead, they rode another bus into Santa Cruz where they experienced broken sidewalks and dangerous encounters with automobiles.

Patti Miller, La Posada resident, acknowledged that the bus system is very complex and expressed her appreciation for mass transit and the METRO. The recent opening of Arana Gulch provides the potential for additional ridership on Route 68. Plus an additional "swing around" would assist La Posada, Dominican Rehab and other businesses in the area. She also mentioned the cracked sidewalks.

Mary Chamberlain, La Posada resident, reminded the assembly that confined mobility affects mental and physical abilities. The La Posada shuttle service is limited; the residents appreciate METRO services as an alternative.

Maria Gardenia, Central Coast for Independent Living, stressed the desire for an active, independent lifestyle of those with limited mobility and their dependence on mass transit. She asked the board to consider themselves as elderly, without a car, and what it would mean to have the ability to use a bus / bus stop directly in front of their home. She stressed consideration of the safety of the La Posada community.

Clay Kompf, Seniors Council, agreed that based on costs, the route should be cut but added that METRO is known for supporting independence. He noted that La Posada was built where it is due to the existing bus lines at the time of construction. Transit is a key component to community planning. He recommends an alternate route be considered to serve the community in a safe manner.

Peter Pethoc is a weekday passenger who uses the service to get to work. As such, he asked that the board meetings be switched to another date/time since he works Fridays. He also asked that Routes 6 and 7 be combined to better serve the beach area, Route 10 nighttime service be increased and that our Supervisors ride the buses as passengers.

Eduardo Montesino, UTU Representative, echoed the need to do something for those in our community with limited mobility. He recommended a re-investigation of RTC funding which was for two years; perhaps there are other options.

Ernestina Saldana, Chair of the Commission of Disabilities, urged the board to keep in mind the public needs. The Commission wrote a letter in support of La Posada in June 2013.

DRAFT

8-02A.3

Attachment A

Hearing no other comments, Chair Bustichi closed the public comment period at 9:47A.

CEO Clifford spoke of his appreciation for the process which allows the public to express their opinions and thanked the public for their support and ridership. Metro staff has presented their recommendation and will proceed as the board recommends. To summarize, Route 6 has not achieved the productivity criteria set by the board, does not meet La Posada needs and has not been requested; i.e., can be eliminated. While it may be possible to make a modification on route 68's run time to include the La Posada ridership, the additional 6-10 minutes to achieve a slightly larger customer base would impact hundreds of other riders with the potential to miss connections, be late to work, etc. This change would also increase operating costs. As a public service, we cannot be all things to all people and there is a cost in trying to do so. The recent structural deficit exercise emphasizes the budget constraints. Public transit service is generally scheduled to be within $\frac{3}{4}$ mile of the major corridors; buses meandering through neighborhood streets raise safety issues and don't serve the core ridership. While he heard the concerns surrounding inadequate lighting and cracked sidewalks, he reminded the assembly that these issues aren't the responsibility of the METRO, but the City and/or County. CEO Clifford requested the board consider the staff recommendation and approve the changes requested.

Director Rotkin expressed concern that a manual wheelchair cannot fit through the power poles on the sidewalk and would like the Board to advocate on behalf of our riders. He recommended that the City examine the light timing at the corner; perhaps install a flashing yellow light at the intersection. In response to his question, Carolyn Derwing noted that all of the route 68 buses are interlined.

Director Lane stated that the bus system has always been about the people in our communities. If Santa Cruz wishes to continue to be a leader in accessibility for the public, she believes we must support our people.

Director Friend asked that we recognize the realities of being a board member; the reality is it's a question of tradeoffs. Director Friend agreed that the numbers do not support continuing the present service. Our changes have the potential to affect the entire county through routes, costs, etc. He suggested an option may be to explore a contract service specifically provided to La Posada as a connection to the METRO system. CEO Clifford responded that we have not approached La Posada regarding this specifically; however, METRO did speak with La Posada management and verified that they do provide shuttle service for their residents but that it may require some adjustment to accommodate the needs of their residents.

Directors Dutra and Chase thanked the public for attending and asked the attendees to reach out to their City to ensure their safety by properly maintaining the sidewalks, lighting, etc.

Director McPherson stated he would follow the recommendation of the METRO staff after Finance Manager Aitken and George Dondero, Executive Director of SCCRTC, verified the termination date of RTC's funding of the route.

DRAFT

8-02A.4

Attachment A

ACTION: MOTION THAT THE BOARD ACCEPT STAFF'S RECOMMENDATION TO ELIMINATE ROUTE 6 AND RETAIN ROUTE 68 AS CURRENTLY SCHEDULED EFFECTIVE MARCH 12, 2015.

MOTION: DIRECTOR FRIEND SECONDED: MCPHERSON

MOTION WAS PASSED WITH SEVEN AYES (Directors Bustichi, Bottorff, Chase, Dutra, Friend, McPherson, Rotkin) AND ONE NAY (Director Deborah Lane)

Chair Bustichi added that former Mayor Robinson had been tenacious in getting safety issues addressed when brought to the City's attention. He recommended the Board write a letter to the City of Santa Cruz addressing the sidewalk, light and road safety issues.

METRO staff was requested to return to the Board in the March/April timeframe with an update re the legalities to the contract with La Posada.

6 COMMUNICATIONS TO THE BOARD OF DIRECTORS

Chair Bustichi opened the microphone to attendees for announcements at 10:22A. .

John Strange, Santa Cruz resident, brought the Board's attention to what he felt is a potential safety issue at the northbound Highway 17 Pasatiempo exit. He would like the buses to come to a mandatory full stop, even when no riders are at the bus stop, as they seem to go too fast.

Chair Bustichi called for a brief break at 10:25A.

Return to Chambers at 10:35A

7 LABOR ORGANIZATION COMMUNICATIONS

Chair Bustichi opened the microphone to the assembly.

Speaking from the podium, Will Regan, VMU Representative, welcomed the new board members.

Carolyn Derwing, SEIU-SEA President, introduced herself, welcomed the new Board members and wished them luck.

Many Martinez, SEIU Representative, also welcomed the new Board members noting working together is a joint effort.

Eduardo Montesino, representing UTU/ParaCruz Operators, welcomed the new Board members to the METRO family.

8 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

Chair Bustichi announced additional documentation had been distributed at each Board Member's chair and was available for the public at the rear of the Chambers. CEO Clifford clarified that the organization chart was supplemental to Agenda Item 10, Creation of a Planning and Development Manager Position and that Slide 16 was a revision to the Structural Deficit presentation.

Attachment A

CONSENT AGENDA

- 9-01 NOTICE OF ACTIONS TAKEN IN CLOSED SESSION
- 9-02 ACCEPT AND FILE PRELIMINARY APPROVED CHECKS JOURNAL DETAIL FOR THE MONTH OF OCTOBER 2014
- 9-03 ACCEPT AND FILE MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS MEETING OF JANUARY 9, 2015
- 9-04 ACCEPT AND FILE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION MEETING MINUTES FROM DECEMBER 4, 2014
- 9-05 ACCEPT AND FILE THE METRO PARACRUZ OPERATIONS STATUS REPORT FOR OCTOBER AND NOVEMBER 2014
- 9-06 ACCEPT AND FILE METRO SYSTEM RIDERSHIP REPORTS FOR THE MONTHS OF OCTOBER AND NOVEMBER 2014
- 9-07 ACCEPT AND FILE STATUS REPORT OF ACTIVE GRANTS AND SUBMITTED GRANT PROPOSALS FOR JANUARY 2015
- 9-08 SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION PASSENGER RAIL STUDY UPDATE
- 9-09 NOTICE OF INTENTION TO AMEND SANTA CRUZ METRO'S CONFLICT-OF-INTEREST CODE

ACTION: MOTION TO APPROVE THE CONSENT AGENDA WITH AGENDA ITEM 9-05 PULLED FROM CONSENT AND INSERTED INTO THE REGULAR AGENDA AS ITEM 10A.

MOTION: DIRECTOR ROTKIN SECONDED: DIRECTOR FRIEND

MOTION PASSED UNANIMOUSLY WITH 8 AYES (Directors Bustichi, Bottorff, Chase, Deborah Lane, Dutra, Friend, McPherson, Rotkin).

REGULAR AGENDA

- 10 CREATION OF A PLANNING AND DEVELOPMENT MANAGER POSITION
See org chart distributed at meeting
CEO Clifford thanked the Board for allowing him the time to review the organization's structure and provided a short history of the department and position request. He has determined that the department requires a leadership position. Chair Bustichi provided background to the new Board Members regarding classification of staff.

ACTION: MOTION TO APPROVE THE CREATION OF A PLANNING AND DEVELOPMENT MANAGER POSITION
MOTION: DIRECTOR ROTKIN SECONDED: DIRECTOR McPHERSON

DRAFT

8-02A.6

Attachment A

MOTION PASSED UNANIMOUSLY WITH 8 AYES (Directors Bustichi, Bottorff, Chase, Dutra, Friend, McPherson, Rotkin).

10A. (PREVIOUSLY 9-05) ACCEPT AND FILE THE METRO PARACRUZ OPERATIONS STATUS REPORT FOR OCTOBER AND NOVEMBER 2014

Director Rotkin asked why the on time incidences reflected in 9-05A.1 were lower in 2014 than in 2013; specifically, 94.88% in 2013 vs 90.02% in 2014. April Warnock, ParaTransit Superintendent, responded it was due to increased ridership. 2014 October's ridership was the largest October in the history of METRO. Additionally, the new system has allowed for increased data accuracy. METRO remains committed to improving on-time performance.

Regarding Item 9-05B1 Director Rotkin noted that the actual performance is below the stated performance goal.. What are METRO's plans to achieve the performance goal? April responded that we continue to encourage off-peak ridership.

ACTION: MOTION TO ACCEPT AND FILE THE METRO PARACRUZ OPERATIONS STATUS REPORT FOR OCTOBER AND NOVEMBER 2014

MOTION: DIRECTOR ROTKIN SECONDED: DIRECTOR FRIEND

MOTION PASSED UNANIMOUSLY WITH 8 AYES (Directors Bustichi, Bottorff, Chase, Dutra, Friend, McPherson, Rotkin).

11 STRUCTURAL DEFICIT WORKSHOP V OF VII - Correction from VIII to VII

Director Rotkin asked for clarification of legislative support. CEO Clifford noted that this is a major effort by APTA. Chair Bustichi added that there is general universal support for continuing this effort.

Referring to the revised slide 16 distributed at the meeting, Maintenance Manager, Al Pierce, elaborated on the facilities deferred maintenance, PMI program and the development of a plan to address priorities.

Director Rotkin questioned the addition of new bus stops, shelters, etc. CEO Clifford responded that the current plan does not include this but it is a future opportunity.

Director Deborah Lane asked if it was possible to increase the Highway 17 passenger cost in a phased approach. Erich Friedrich, Sr. Transit Planner, will investigate options and advise. He added that the route has seen increased ridership and, when the price was last increased in 2010, the ridership remained flat for a couple of months then continued to rise.

Director Dutra asked what impact the low gas prices have. Erich responded that 2011 also saw a lowering of gas prices but ridership continued to rise.

Chair Bustichi suggested advertising of onboard wifi as a selling point. A number of Directors agreed and noted the increase in overall traffic on highway 17. Director Dutra asked staff to investigate advertising on bus TV monitors. (There are no monitors on the current buses.)

Chair Bustichi asked if adding stops in Los Gatos or express routes to other venues such as Levi Stadium have begun. CEO Clifford responded that he will be speaking with

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8-02A.7

Attachment A

the CEO of VTA and that Director Leopold and Chair Bustichi may also meet with the VTA team to discuss. Chair Bustichi emphasized the importance of their participation and/or assistance.

Director McPherson asked if there is any upcoming legislation that might assist with student transportation. For example, is there a portion of President Obama's program that we could participate in? Erich wasn't aware of any but stressed our grants team is great at locating funding.

2016 Sales Tax Initiative: Chair Bustichi recommended METRO specify a dollar amount required, rather than a percentage. Much discussion among the Board regarding the pros and cons of participating in RTC's polling efforts versus conducting METRO's own as well as voters' possible reaction and resultant opportunities. George Dondero, SCCRTC, advised the Board that the RTC poll scheduled for March 2015 is privately funded with a focus on county transportation needs (road maintenance, highway 1 improvement, bike/pedestrian projects, and public transit); therefore, not a public document. CEO Clifford committed to provide an estimate for METRO polling costs at a future meeting, and will continue to monitor RTC results.

Chair Bustichi opened the floor for public comment.

Manny Martinez, SEIU Representative, wondered effect the sales tax would have on the public.

Director Friend departed at 11:50A

Director Rotkin wanted to know the percentage of overall operating costs for fixed route versus Paratransit.

Chair Bustichi asked how realistic the FY16 ridership and marketing numbers are. CEO Clifford recognizes the risk and that the numbers are aggressive. Chair Bustichi advised caution.

Discussions around the use of the Scotts Valley Transit Center parking lot being utilized by private charters and others who are not using the METRO services ensued with Directors theorizing and strategizing how to realize profit from the existing structure. METRO does not want to disallow the use and possible revenue stream. It was noted that the cities and county have the legal ability to limit pick-ups and drop-offs of riders throughout the region.

Over-the-road (OTR) buses were discussed. Director McPherson was curious as to possible savings with the upgrade to OTR buses. Maintenance Manager, Al Pierce, reminded the Board that the current engines aren't engineered for over the road use. Anecdotally, on time performance, quicker transport times and overall savings are anticipated.

Director Rotkin departed at 12:30P

Attachment A

ParaTransit savings options were discussed. Chair Bustichi asked about out of range service areas during various seasonal offerings. April Warnock, Paratransit Superintendent, answered this would be addressed with premium fares.

Due to staff and timing constraints, CEO Clifford recommended conducting three public hearings in the north, central and south areas of the county to collect public feedback. Staff will then return to the Board with recommendations. Chair Bustichi agreed with the three public meetings concept and suggested presentations to each of the city councils and board of supervisors' meetings be held. The Sales Tax Initiative will not be addressed at either venue.

Chase and McPherson left at 12:45P, which resulted in a loss of quorum

12 MONTHLY BUDGET STATUS REPORT YEAR TO DATE AS OF OCTOBER 31, 2014
Finance Manager, Angela Aitken, presented the above subject. General discussion followed.

13 CEO TO GIVE ORAL REPORT
CEO Clifford brought the Board's attention to the End of the Year Accomplishments, Summary and Goals documents distributed at the meeting and asked that they review in preparation for goal setting in the organization.

The next Structural Deficit presentation will be at the February 27, 2015 board meeting.

14 REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION
None per Leslyn Syren, District Counsel

15 Chair Bustichi announced the next meeting is FRIDAY, FEBRUARY 13, 2015 AT 8:30 AM, SANTA CRUZ METRO ADMIN OFFICES, 110 VERNON STREET, SANTA CRUZ REGULAR AGENDA

16 ADJOURNMENT
Chair Bustichi adjourned at 12:50P

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

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8-02A.9

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DATE: February 13, 2015
TO: Board of Directors
FROM: Alex Clifford, CEO
**SUBJECT: ACCEPT AND FILE MINUTES FOR THE METRO ADVISORY
COMMITTEE (MAC) MEETING OF JANUARY 21, 2015**

I. RECOMMENDED ACTION

**That the Board of Directors Accept and File the Minutes for the METRO
Advisory Committee (MAC) Meeting of January 21, 2015.**

II. SUMMARY

- Staff is providing minutes from the MAC meeting on January 21, 2015.
- Each month staff will provide the minutes from the previous MAC meeting.

III. DISCUSSION/BACKGROUND

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

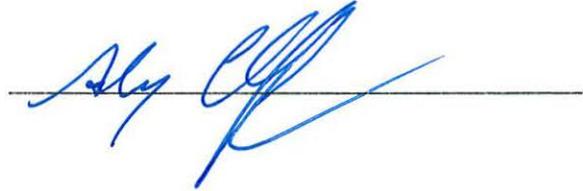
IV. ATTACHMENTS

Attachment A: Draft Minutes for the MAC meeting of January 21, 2015

Prepared By: Dawn Martin, Administrative Assistant
Date Prepared: January 21, 2015

V. APPROVALS:

Alex Clifford, CEO/General Manager



MINUTES

MAC MEETING OF JANUARY 21, 2015

Attachment A



The METRO Advisory Committee (MAC) met on Wednesday, January 21, 2015 in the Pacific Station Conference Room located at 920 Pacific Avenue in Santa Cruz, California.

1. CALL TO ORDER

Chair, Veronica Elsea, called the meeting to order at 6:02 p.m.

ROLL CALL

MEMBERS PRESENT

Veronica Elsea, Chair
Donald "Norm" Hagen
Niconia Keesaw
Joseph Martinez
Donald Peattie
Ernestina Saldana

MEMBERS ABSENT

Len Burns
Naomi Gunther, Vice-Chair

STAFF PRESENT

None

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

Ciro Aguirre, Santa Cruz METRO
Daniel Zaragoza, Santa Cruz METRO
Gina Pye, Santa Cruz METRO
Dawn Martin, Santa Cruz METRO

Anna Gouveia, Santa Cruz METRO
Tom Hiltner, Santa Cruz METRO
Harlan Glatt, Santa Cruz METRO

2. INTRODUCTION TO THE NEW ADMINISTRATIVE ASSISTANT, DAWN MARTIN

Chair Elsea introduced Dawn Martin. Ms. Pye and Ms. Martin spoke briefly, and Ms. Martin was warmly welcomed by MAC members.

3. AGENDA ADDITIONS/DELETION

Ms. Pye requested that Mr. Glatt present Item 14 first, due to a commitment requiring him to depart the meeting early. Chair Elsea announced that would not be a problem.

Mr. Hagen expressed that he had six items that he would like to be added to the next meeting. Chair Elsea asked that these items be addressed in Item 18.

4. WEBSITE AND PDF ACCESSIBILITY REMEDIATION PROGRESS REPORT

The background on the website is that a year ago, a selection committee chose MSF&W as the accessibility consultant to work with METRO on website and document remediation. In September, the consultant conducted an audit and Mr. Glatt is now beginning work on the areas that need it. Three trainings were conducted with METRO staff on document remediation and METRO is beginning to take steps to produce accessible documents, starting with packets for public meetings. He reported that it would take most of 2015 to get through the majority of the documents. He stated that he had turned off CAPTCHAs on the website so that all customers could sign up for METRO accounts and file customer service reports. He added that people should sign up for both email and text alerts if they want both. He suspects that there may be progress to report by the end of the fiscal year.

Mr. Hagen asked if there will be access on tablets, as Mr. Hagen has had some difficulty printing. This may be an individual equipment issue.

Attachment A

5. ELECT NEW CHAIR AND VICE-CHAIR

Chair Elsea gave a description of both the Chair and Vice-Chair positions.

Mr. Hagen nominated Veronica Elsea for the position of Chair, Ms. Saldana, second, all in favor
Chair Elsea nominated absentee Naomi Gunther for Vice-Chair, Ms. Saldana, second, all in favor

NEW CHAIR FOR MAC: VERONICA ELSEA

NEW VICE-CHAIR FOR MAC: NAOMI GUNTHER

6. ORAL/WRITTEN COMMUNICATION

Mr. Hagen expressed concerns regarding the unfilled MAC Board positions and requested that Ms. Felipa DeLeon fill one of the vacancies. It was determined there is an application process to be followed and all applications must be considered. Chair Elsea would like to add this to the Board of Directors meeting agenda in February 2015.

The committee asked Chair Elsea to write a letter to the board asking them to fill the remaining vacancies on the committee. Ciro Aguirre pointed out that the Board would be fully staffed by February 27, 2015 and Chair Elsea suggested that the letter be included in the February 13th board packet.

7. COMMUNICATIONS FROM METRO ADVISORY COMMITTEE

None

8. ACCEPT & FILE STATUS REPORT OF ACTIVE GRANTS AND SUBMITTED GRANT PROPOSALS FOR DECEMBER 2015

Mr. Hiltner provided highlights of the active grants and proposals.

Mr. Hiltner announced that Ms. Claire Fliesler has taken a position with the City of Santa Cruz and will be greatly missed by METRO and MAC.

9. ACCEPT & FILE MINUTES FROM THE METRO ADVISORY COMMITTEE MEETING ON SEPTEMBER 17, 2014

Item 11 – Minutes should reflect that changes have not happened; Mr. Navarro proposed the change happen.

ACTION: ACCEPT MINUTES FROM THE MAC MEETING ON NOVEMBER 19, 2014

MOTION: MS. SALDANA

SECOND: MS. KEESAW

MOTION: PASSED WITH SIX AYES: (ELSEA, HAGEN, KEESAW, MARTINEZ, PEATTIE, SALDANA)

TWO ABSENT: (BURNS, GUNTHER)

10. REPORT OUT OF THE BUS STOP ADVISORY COMMITTEE (BSAC) MEETING

Mr. Burns was absent. It was noted there was no quorum at the BSAC meeting. Nothing new to report at this time; more should be available at the next meeting. Clarification, that this a METRO committee, not a MAC committee.

Attachment A

11. UPDATE ON PACIFIC STATION REDESIGN PROJECT

Mr. Hiltner referenced the article in the Sentinel, front page of the local section, on Thursday, January 15, 2015. Devcon and city staff will be meeting to discuss in February, and March 27th will be important for public discussion on final design recommendations.

12. DISCUSSION OF TICKET VENDING MACHINE (TVM) STATUS

Mr. Aguirre reported the TVM machine has been delivered, but not in service at this time as METRO is still working with GFI with respect to the Braille placards. Design is estimated to take four to six months. Chair Elsea is recommending an outreach program to test the TVM when completed.

13. DISCUSSION OF BUS IDENTIFICATION ANNOUNCEMENTS

Ms. Gouveia has sent memos and reminders to operators, supervisors are monitoring situations and Ms. Gouveia is going out checking. Six more new operators have been hired and are being trained.

14. DISCUSSION ON CHANGES TO ROUTES 72 AND 77

Carolyn Derwing was not available at this meeting for discussion.

Mr. Hagen brought this item for discussion:

72 – Does not run on weekends

77 – Pajaro and back

71/77 – Independence/Madison Square

Chair Elsea suggested not making a committee recommendation about the services levels at this time, but perhaps on an individual discussion level.

ACTION: MOTION TO TABLE DISCUSSION OF 72 AND 77 ROUTES FROM THE AGENDA LEAVING IT OPEN TO DISCUSSION IF IT COMES UP IN THE FUTURE, AND THAT WE SUPPORT SERVICE CHANGES THAT INCREASE ACCESS TO ANY SENIOR LIVING CENTERS FOR SEVEN DAY SERVICE.

MOTION: CHAIR ELSEA SECOND: MR. HAGEN

MOTION: CARRIED WITH SIX AYES: (ELSEA, HAGEN, KEESAW, MARTINEZ, PEATTIE, SALDANA)

TWO ABSENT: (BURNS, GUNTHER)

15. COMMUNICATIONS TO THE SANTA CRUZ METRO CEO

None

16. COMMUNICATIONS TO THE SANTA CRUZ METRO BOARD OF DIRECTORS

Chair Elsea to write a note to encourage the Board to fill MAC vacancies and consider Ms. Felipa DeLeon who has been regularly attending the MAC meetings.

Mr. Hagen presented Chair Elsea money to purchase a card for Ms. Fliesler to thank her for the tremendous effort she has provided for the committee. She has been a wonderful person and we want to say “thank you” for her years of service.

Attachment A

17. DISTRIBUTION OF VOUCHERS

Vouchers were distributed.

18. ITEMS FOR NEXT MEETING AGENDA

Items added by Mr. Hagen

Would like to meet individually with the sponsoring Board members
Support the drivers in the negotiations

Discussion: Mr. Hagen asked about the cost of each Paracruz ride, which was explained by Mr. Aguirre and Mr. Zaragoza to have included the cost of retirement. Mr. Hagen asked about having regular busses for Cabrillo students. Mr. Aguirre explained that the Cabrillo student body would be voting on adding a fee to cover the cost of bus passes in April.

19. ADJOURNMENT

Meeting adjourned at 7:37 p.m.

Respectfully submitted,

Dawn Martin
Administrative Assistant

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: February 13, 2015
TO: Board of Directors
FROM: April Warnock, Paratransit Superintendent
SUBJECT: ACCEPT AND FILE THE ACCESSIBLE SERVICES REPORTS FOR THE MONTHS OF OCTOBER, NOVEMBER, AND DECEMBER 2014

I. RECOMMENDED ACTION

To Accept and File the Accessible Services Reports for the Months of October, November and December 2014.

II. SUMMARY OF ISSUES

- These Accessible Services Reports track activity of Santa Cruz Metropolitan Transit District's (METRO) Accessible Services Program (ASP) for the months of October, November and December 2014.
- The Accessible Services Coordinator (ASC) provides ongoing outreach to the disability and senior/older adult communities to promote METRO bus use and accessibility. ASC services included in METRO's Accessible Services Program are group orientations using METRO services and outreach to community groups.
- The ASC participates in METRO staff training and policy review regarding accessibility.
- The ASC represents METRO on outside Committees and Commissions.

III. DISCUSSION/BACKGROUND

The ASC's daily responsibilities are broken out into four categories as follows:

1. Mobility training that is customized support to allow access to METRO services.
 2. Community outreach to promote METRO bus use and accessibility.
 3. Participation in METRO staff training and policy review regarding accessibility.
 4. Provides METRO representation on outside Committees and Commissions.
1. **Mobility Training that is customized support to allow access to METRO services can include:**
 - **An Assessment:** The ASC meets the trainee to assess the trainee's capabilities to use METRO's service. They discuss the trainee's experience using public transit and set goals for training sessions. An assessment typically takes two to four hours.
 - **Trip Planning:** Practice to use bus route schedules, maps, online resources and other tools to plan ahead for trips on METRO fixed route and METRO ParaCruz services. All mobility training includes some trip planning. Trip planning sessions typically take one to four hours.
 - **Boarding/Alighting Training:** Practice to board, be secured, and alight (get off) METRO buses. This training is requested by persons using walkers,

wheelchairs, scooters and service animals. The ASC coordinates the training session with the Operations Department to arrange working with an operator and an 'out of service' fixed route bus. Boarding/alighting training typically lasts three to five hours.

- **Route Training:** Practice using METRO buses to travel to destinations chosen by trainees. The training session includes practice on handling fares, bus riding rules and emergency situations. One training session can take two to eight hours. One or two sessions to learn one destination is typical. The number of training sessions varies with each trainee.

2. Ongoing community outreach to promote METRO bus use and accessibility includes:

- Set up and carry out class and group orientation to ride the bus: The ASC works with teachers, counselors, activity coordinators, and residents who request orientations for groups. After being introduced to METRO services by the ASC, the ASC facilitates groups in setting up field trips to ride buses together, receiving orientations at various destinations, including the Santa Cruz METRO Center and the Capitola Mall. The ASC provides guidance in obtaining Discount Fare Cards and other tools to encourage bus use.
- The ASC regularly attends meetings – such as the Santa Cruz County Seniors Commission and Commission on Disabilities – where transportation issues affecting older adults and people with disabilities are discussed and acted upon.
- The ASC is also invited to speak to other community groups to promote METRO and its accessibility. ASC time spent for each meeting may include preparation such as agenda review, research on meeting topics, and assembling handouts. After attending the meeting, follow up activity may include reports on the meeting, individual information requests and referrals for mobility training and further outreach.

3. Participation in METRO staff training and policy review regarding accessibility includes:

- The ASC assists in specialized training sessions with newly hired Operators, for example; the 'Securement Testing' for new Operators.

4. Provides METRO representation on outside Committees and Commissions

- The ASC attends regular committee and commission meetings, such as the Santa Cruz County Commission on Disabilities and the Elderly and Disabled Transportation Advisory Committee as a METRO Representative. This includes all sub-committees of the committees/commissions.

IV. FINANCIAL CONSIDERATIONS/IMPACT

The October boarding/alighting training took 2 ½ hours, at a marginal cost of approximately \$44 for an Operator and a bus, for a total cost of \$110.

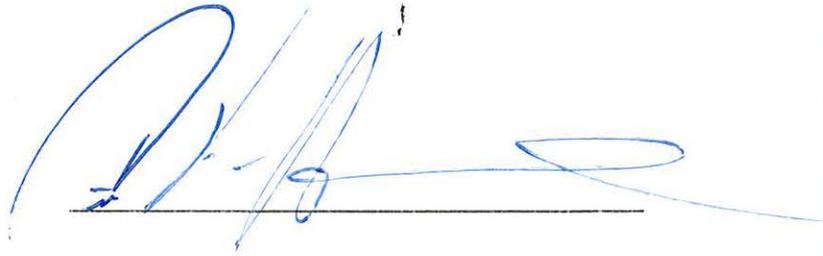
The ASC provided a one day pass to a trainee, to complete route training sessions during the months of October, November, and December 2014. The value of a day pass is \$6.00 each; total amount for day passes was \$6.00.

V. ATTACHMENTS

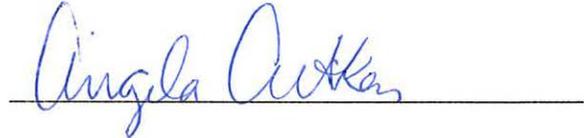
- Attachment A:** Accessible Services Program Report for October 2014
- Attachment B:** Accessible Services Program Report for November 2014
- Attachment C:** Accessible Services Program Report for December 2014

VII. APPROVALS:

Approved:
Ciro Aguirre, COO



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

Board Meeting of February 13, 2015

Accessible Services Program Report for October 2014

NOTE: TR is a generic reference for "Trainee" and the associated number is a unique identifier for each new trainee. This method is used in order to respect the confidentiality of the trainees.

Mobility training that is customized support to allow access for METRO services

- October 1- TR1 requests boarding/alighting training with a new wheelchair at Watsonville High School (1 hour).
- October 1- TR30 and the ASC travel round trip between San Lorenzo Valley (SLV) High School and Pacific Station. While at Pacific Station TR30 obtained a Discount Fare card and participated in a downtown orientation (12:45-3:15). Total time for the route training was 2 ½ hours, ASC travel time (1 ½ hours)
- October 17- The ASC met TR30 at SLV High School to travel round trip to TR30's job site, the New Leaf Market in Felton (12:15 to 2:45). Total time for the route training was 2 ½ hours, ASC travel time (1 ½ hours)
- October 22- Watsonville High School counselor Mr. Balas confirms TR33 and TR34 will be joining TR1 for boarding/disembarking training. (1 hour).
- October 30- Boarding/alighting training completed for TR1, TR 33 and TR 34 utilizing one operator and one bus at Watsonville High School.(9:15-10:30). ASC travel time with operator and bus was 1 hour.
- October 31- The ASC contacted TR29 to check on progress since route training performed September 19. Time taken for follow up contact, phone messages and written summary was 2 hours.
- The amount of time dedicated to performing two different route trainings with TR30, one boarding/alighting training with TR1, TR33 and TR34 present, and follow up activity was approximately 28 hours.
- Tracking of scheduled appointments vs. cancelled: appointments scheduled on October 1, October 10 and October 22. No appointments cancelled.

Community outreach to promote METRO bus use and accessibility

- There were no class or group presentations as part of community outreach during October.

Attachment A

Board Meeting of February 13, 2015

- Throughout October, the ASC communicated with approximately 31 individuals in person and/or over the phone. Most contacts regard training, outreach, and trip planning and information requests.

Staff training and policy review regarding accessibility

- October 28 In-house Service Animal Policy training: The ASC and four other METRO employees participated in training from Safety and Training Coordinator Mr. Bauer and Training Assistant Ms. Toline on current METRO policy regarding service animals. (9:30-10:30).

Provides METRO representation on outside Committees and Commissions.

- October 2 -ASC attended the Santa Cruz County Commission on Disabilities meeting at the Santa Cruz Community Credit Union. Also attending were six Commissioners and two members of the public. (12:30-2:30). ASC round trip travel time between METRO's Pacific Station and the credit union was 15 minutes.
- October 14 –ASC attended the Elderly and Disabled Transportation Advisory Committee meeting at the Regional Transportation Commission (RTC) offices in Santa Cruz. METRO CEO Mr. Clifford and staff announced a public hearing scheduled regarding Route 6 service. In attendance were five other Committee members along with six RTC staff, five METRO staff and one guest. (1:00-4:00). ASC travel time between METRO's Pacific Station and the RTC offices was ½ hour.
- October 16 –ASC attended the Pedestrian Safety Work Group (PSWG) meeting at the RTC offices in Santa Cruz. Work group members, including PSWG Chair Ms. Elsea, finalized the Pedestrian Safety brochure and updated other outreach projects. In attendance were four other members of the committee. (10:00-12:00). ASC travel time between METRO's Pacific Station and the RTC offices was ½ hour.
- October 21 –ASC attended the Seniors Commission meeting at the RTC offices in Santa Cruz. Commissioners asked questions about bus service and discount fares following a brief overview of METRO's accessible services. Eight Commissioners, Coordinator Ms. Thuerwachter, and four other guests were present. (1:30-3:30). ASC travel time between METRO's Pacific Station and the RTC offices was ½ hour.

Attachment B

Board Meeting of February 13, 2015

Accessible Services Program Report for November 2014

NOTE: TR is a generic reference for "Trainee" and the associated number is a unique identifier for each new trainee. This method is used in order to respect the confidentiality of the trainees.

Mobility training that is customized support to allow access for METRO services

- November 5- ASC completed the written summary for TR1's October 1 and 17 boarding/alighting trainings and closed the file (6 hours).
- November 6- ASC completed the written summary TR33 and TR34's October 30 boarding/alighting training (6 hours). Their counselor, Mr. Balas, also received Discount Fare ID certification form and was offered an invitation for TR33, TR34, and other Watsonville High School students to take a field trip to obtain Discount Fare ID cards (3 hours).
- November 25- Contact with Ombudsman Mr. Edwards result in conversation regarding progress for TR29. ASC left a follow up phone message for TR29 (2 hours).
- November 26 the ASC closed files for TR2, TR3, TR6, TR10, TR11, TR17, and TR23. (7 hours).
- The amount of time dedicated to written summaries and follow up activity for the activities noted above was approximately 16 hours.
- Tracking of scheduled appointments vs. cancelled: no appointments were scheduled or cancelled.

Community outreach to promote METRO bus use and accessibility

- November 13 -ASC presented an outreach session to a Life Skills Class at Aptos High School. Workability counselor Ms. Kruller, teacher Ms. Sterling, 13 students and 3 aides attended. The presentation was focused on METRO's mobility training program and how it assists individuals and groups to use METRO's fixed route service. Using a projector, METRO's web page, and Google Transit, the class was shown to plan a bus trip. (9:30-10:45) ASC travel time between METRO's Pacific Station and Aptos was 2 ½ hours.
- Throughout November, the ASC communicated with approximately 20 individuals in person and/or over the phone to set up and plan outreach, provide trip planning and assist training. Four of the individuals were referrals from the Eligibility Coordinator.

Attachment B

Board Meeting of February 13, 2015

Staff training and policy review regarding accessibility

- There were no staff training and policy review activities during November.

Provides METRO representation on outside Committees and Commissions.

November 13 –ASC attended the Santa Cruz County Commission on Disabilities meeting at the Regional Transportation Commission (RTC) conference room. Present at the meeting were six other Commissioners including Chair Ms. Saldana, along with Coordinator Ms. Thuerwachter and two members of the public present. (12:30-2:30). The ASC round trip travel time between METRO's Pacific Station and the RTC conference room was ½ hour.

Attachment C

Board Meeting of February 13, 2015

Accessible Services Program Report for December 2014

NOTE: TR is a generic reference for "Trainee" and the associated number is a unique identifier for each new trainee. This method is used in order to respect the confidentiality of the trainees.

Mobility training that is customized support to allow access for METRO services

- December 9 -The ASC met TR29 at Hearts and Hands skilled nursing facility in Santa Cruz. TR29 was unable to leave the facility and cancelled route training (11:00-12:30). ASC travel time between METRO's Pacific Station and the facility was 1 ½ hours.
- December 10 -TR7 requested route training to new destinations (1 hour).
- December 17 -The ASC scheduled an assessment with TR35 for December 17 at Scotts Valley High School. (2hours). The assessment was for route training. (10:00-11:15) ASC travel time between METRO's Pacific Station and Scotts Valley High School was 1 ½ hours.
- December 18 -the ASC spoke with TR29 and Hearts and Hands staff to understand the difficulty TR29 faces when arranging to leave from the facility. (2 hours). TR29 cancels second route training session scheduled for December (1hour).
- December 18 -the ASC completed the written summary for TR35 and opened a file. (3 hours).
- December 19- The ASC closed the file for TR20. (1hour)
- Total time for one assessment, one mobility training session, and related activity noted above was approximately 17.75 hours.
- Tracking of scheduled appointments vs. cancelled: Appointments scheduled on December 8, December 12 and December 15. Appointments were cancelled for December 9 and December 18.

Community outreach to promote METRO bus use and accessibility

- December 8 -Presentation to East Cliff Village Apartments residents- The ASC described METRO services to nine persons, including Service Coordinator Ms. Arthur. The ASC offered to escort and train individuals to ride METRO buses and answered questions on discount fares, the Highway 17 Express service, the talking bus and personal care attendants (10:15-12:15). ASC travel time between METRO's Pacific Station and the East Cliff Village Apartments was 1 hour.

Attachment C

Board Meeting of February 13, 2015

- Throughout December, the ASC communicated with approximately 23 individuals in person and/or over the phone. Most contacts regarded training, meeting follow up and outreach.

Staff training and policy review regarding accessibility

- There were no staff training and policy review activities during December.

Provides METRO representation on outside Committees and Commissions.

- December 3 -Pedestrian Safety Work Group (PSWG) meeting at the RTC offices in Santa Cruz: The ASC and three other work group members including Chair Ms. Elsea worked on outreach for group projects including Pedestrian/Motorist safety brochure (10:00-12:00). ASC travel time between METRO's Pacific Station and the RTC offices was ½ hour.
- December 16- 5310 Grants Scoring Committee- the ASC, Seniors Council Director Mr. Kempf and RTC staff Ms. Blakeslee, met at RTC offices to review applications for 5310 grant funds. (1:30-4:00). ASC travel time between the METRO's Pacific Station and RTC offices was ½ hour.



DATE: February 13, 2015
TO: Board of Directors
FROM: Alex Clifford, CEO
SUBJECT: **ACCEPT AND FILE SANTA CRUZ COUNTY REGIONAL
TRANSPORTATION COMMISSION (SCCRTC) MEETING MINUTES
FROM JANUARY 15, 2015**

I. RECOMMENDED ACTION

That the Board of Directors Accept and File the Minutes of the Santa Cruz County Regional Transportation Commission (SCCRTC).

II. SUMMARY

- Per the action taken by the Board of Directors, staff is providing the minutes from the most recent meeting of the SCCRTC.
- Each month staff will provide the minutes from the previous SCCRTC meeting.

III. DISCUSSION/BACKGROUND

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

IV. FINANCIAL CONSIDERATIONS/IMPACT

None.

V. ALTERNATIVES CONSIDERED

None.

VI. ATTACHMENTS

Attachment A: Minutes of the January 15, 2015 Regular SCCRTC Meeting

VII. APPROVALS:

Alex Clifford, CEO/General Manager



Attachment A



Santa Cruz County Regional Transportation Commission

Minutes

Thursday, January 15, 2015

**Santa Cruz City Council Chambers
809 Center St.
Santa Cruz, CA**

1. Roll call

The meeting was called to order at 9:06 a.m.

Members present:

Aileen Loe (ex-officio)

Dennis Norton

Greg Caput

Zach Friend

Lowell Hurst (alt.)

Tony Gregorio (alt.)

Don Lane

Randy Johnson

Ryan Coonerty

Bruce McPherson

John Leopold

Staff present:

Luis Mendez

Rachel Moriconi

Maggie Bardacke

Grace Blakeslee

Cory Caletti

2. Oral Communications – *none*

3. Additions or deletions to consent and regular agendas

Two replacement pages of the agenda, a handout for Item 18, a handout for Item 19 and the Director's Report were distributed.

CONSENT AGENDA

Commissioner Lane moved and Commissioner Caput seconded the consent agenda. The motion passed, with Commissioners Lane, Leopold, McPherson, Caput, Friend, Norton, Hurst and Johnson voting "aye." Coonerty abstained

from voting on the draft minutes but voted 'aye' on the rest of the consent agenda.

MINUTES

4. Approved draft minutes of the December 4, 2014 Regional Transportation Commission meeting
5. Approved draft minutes of the December 4, 2014 Service Authority for Freeway Emergencies (SAFE)
6. Accepted draft minutes of the December 4, 2014 Budget and Administration/Personnel Committee meeting
7. Accepted draft minutes of the November 20, 2014 Interagency Technical Advisory Committee meeting
8. Accepted draft minutes of the December 8, 2014 Bicycle Advisory Committee meeting

POLICY ITEMS

No consent items

PROJECTS and PLANNING ITEMS

9. Approved City of Santa Cruz FY 14-15 Article 8 Transportation Development Act Claim for \$25,000 for Bikeway Striping and Minor Improvements
(Resolution 11-15)
10. Approved designating FY2015 Proposition 1B Transit Security funds to Santa Cruz METRO **(Resolution 12-15)**

BUDGET AND EXPENDITURES ITEMS

11. Accepted status report on Transportation Development Act (TDA) revenues

ADMINISTRATION ITEMS

No consent items

INFORMATION/OTHER ITEMS

12. Accepted monthly meeting schedule
13. Accepted correspondence log

14. Accepted letters from RTC committees and staff to other agencies – *None*
15. Accepted miscellaneous written comments from the public on RTC projects and transportation issues
16. Accepted information items

“Despite Falling Gas Prices, Amtrak California Sets Ridership Records” – Caltrans Press Release, Dec. 24, 2015

REGULAR AGENDA

17. Commissioner reports – oral reports

Commissioner Leopold reported that he attended the ribbon cutting for the Arana Gulch Multi-Use Trail and said that it was a great event with 300-400 people in attendance. He congratulated all staff on the completion of the project and praised its connection to the ongoing Safe Route to Schools program.

18. Director’s report – oral report
(*Luis Mendez, Deputy Director*)

Deputy Director Luis Mendez updated the Commission on RTC staff’s participation at the annual Transportation Research Board (TRB) conference in Washington, DC. He also spoke about Governor Jerry Brown’s recently released FY 15/16 State Budget proposal and the need for expanded financing for the transportation system. He also reported that the Land Trust of Santa Cruz County met their fundraising goal for the Highway 17 Wildlife Crossing, a project that will help wildlife safely cross the highway and improve highway travel for motorists. He also announced the completion of the Arana Gulch Multiuse Trail and the Vine Hill School Road and Tabor Drive bike lanes and sidewalks in Scotts Valley.

Commissioners congratulated the Land Trust on the fundraising for the Highway 17 Wildlife Crossing and stated their appreciation for projects already being used by many people.

19. Caltrans report and consider action items - oral report

Aileen Loe, Caltrans, presented the Caltrans report. Aileen Low announced that Caltrans and the California State Transportation Agency are working on new guidelines to fund a program on cap and trade (called the Transit and Inter City Rail Capital Program). She said that three workshops will be held and that these projects will modernize the transit system to reduce green house gas emissions. She also reminded the Commission that a full closure of Highway 9 will begin on February 9th and closures are expected to last 6 months.

Commissioner Caput left the meeting and Alternate Commissioner Tony Gregorio took his place.

Amelia Conlen, Director of People Power, stated that cyclists report that freeway on-ramps are the most dangerous part of cycling and asked if Caltrans could provide local jurisdictions with guidelines on how to proceed with taking action to address freeway issues.

Aileen Loe, Caltrans, said that there are guidelines and that she would follow up to share them.

20. Federal Transit Administration Section 5310 Grant Applications

Senior Transportation Planner Grace Blakeslee presented the staff report.

Raymond Cancino, CEO of Community Bridges, explained how important these vans would be to their program and appreciated RTC on their support.

Claire Fliesler, Metro, stated that if granted funding for four para-transit vehicles it would make an immediate positive impact to the disabled and elderly population.

Commissioners discussed the eligibility of programs that provide services outside the county, why there weren't more applicants, the need for more transportation funding, and the amount of people served by each program.

Commissioner Friend moved, and Commissioner McPherson seconded to certify Santa Cruz County's score for the Traditional Section 5310 grant application, confirm the receipt of Expanded Section 5310 grant application, and certify that the applications meet federal statutory and program regulations. The motion passed (**Resolution 13-15**) with Commissioners Coonerty, Friend, Gregorio, Johnson, Lane, Leopold, McPherson, and Hurst voting "aye" and Commissioner Norton voting "no."

21. Federal Lands Access Program grant submission for a North Coast Section of the Monterey Bay Sanctuary Scenic Trail Network

Cory Caletti presented the staff report.

Commissioners thanked RTC staff for looking at creative funding sources to support this project, congratulated staff on the application, discussed the importance of the matching funds, the construction management of the project, how the RTC could do some of the preliminary work on the project without having an engineer on staff, how to meet federal requirements to be eligible for grant funds, and how best to partner with the jurisdictions.

Aileen Loe, Caltrans, stated she did not have a definitive answer to Commissioners questions about meeting federal requirements but would look into it and let the Commissioners know the answers.

Piet Canin, Ecology Action and board member of the Friends of the Rail and Trail (FORT), urged Commissioners to support the RTC staff recommendation stating that Ecology Action and FORT completely support this project. A handout was given on FORT's 2014 accomplishments.

Amelia Conlen, People Power, stated her strong support for this project, particularly with the goal to keep cyclists off of Highway 1.

Maura Noel, President, Santa Cruz Cycling Club, expressed support for this project and stated that the local cycling and tourism communities are very excited about this project.

Stephen Slade, Deputy Director of the Land Trust, thanked the RTC for all their work on this project and for making the RTC's application competitive.

Commissioners discussed how jurisdictions can help with the project.

Commissioner Coonerty motioned and Commissioner McPherson seconded to authorize the Executive Director to apply for funding and execute agreements with the Federal Highway Administration for Federal Lands Access Program funds and with partner agencies and non-profits for matching funds. The motion passed unanimously (**Resolution 14-15**), with Commissioners Coonerty, Friend, Gregorio, Johnson, Lane, Leopold, McPherson, Hurst, and Norton voting "aye."

The meeting adjourned at 10:42 am.

22. Next meetings

The next RTC meeting is scheduled for February 5, 2015 at 9:00 a.m. at the Watsonville City Council Chambers, 275 Main St, Suite 400, Watsonville, CA.

The next meeting of the Transportation Policy Workshop is scheduled for Thursday, February 19, 2015 at 9:00 a.m. at the RTC Offices, 1523 Pacific Avenue, Santa Cruz, CA.

Respectfully Submitted,

Maggie Bardacke, Staff

Attendees

Erich Friedrich

Santa Cruz Metro

Claire Fliesler
Stephen Slade
Rachel Moriconi
Grace Blakeslee
Cory Caletti
Heather Adamson
Amelia Conlen
Maura Noel,
Piet Canin
Raymond Cancino

Santa Cruz Metro
Land Trust of Santa Cruz County
RTC Staff
RTC Staff
RTC Staff
Association of Monterey Bay Area Governments
People Power
President, Santa Cruz Cycling Club
Ecology Action
Community Bridges

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DATE: February 13, 2015
TO: Board of Directors
FROM: Robyn D. Slater, Human Resources Manager
SUBJECT: APPROVAL OF CLASS SPECIFICATIONS AND WAGE SCALES FOR PREVIOUSLY APPROVED POSITIONS

I. RECOMMENDED ACTION

That the Board approve the new and revised Class Specifications which were outlined in the November 14, 2014 and January 23, 2015 board meeting as well as some accompanying wage scales. That the Board also approve revised class specifications.

II. SUMMARY

- In May 2014 CEO, Alex Clifford informed the Board he was reviewing the organizational structure and would provide a report with suggestions when the review was complete.
- At the November 14, 2014 board meeting Mr. Clifford provided that report which included suggestions for creating, revising, and budgeting for a variety of positions.
- Based on activities within the organization Mr. Clifford suggested adding another position at the January 23, 2015 meeting.
- With the Board's approval, Human Resources Manager Robyn D. Slater began writing and revising class specifications for review by Management, and the union where applicable.
- The wage scales for revised Management positions remain the same. Wage scales for newly created Management positions were slotted into existing wage scales.
- Staff worked collaboratively with the unions to develop new class specifications and wage scales for identified unionized positions.
- Staff requests the Board approve the class specifications and, where needed, new wage scales for the positions as listed below.

III. DISCUSSION/BACKGROUND

In May, shortly after Mr. Clifford began working as the new CEO for Santa Cruz METRO (METRO) he informed the Board of his intentions to review the structure and functionality of the organization. Based on his review he would prepare a

Board report with suggestions for funding new positions and/or existing positions critical to METRO's functioning.

Mr. Clifford completed his review and provided a comprehensive report of his findings at the November 14, 2014 Board meeting. In his report Mr. Clifford explained the criteria he used to make his recommendation which was accepted by the Board.

In January 2015, Mr. Clifford provided a staff report which requested authorization to add one more position to the list approved in November. The Board agreed to the addition of a Planning and Development Manager to oversee the activities of the grants, scheduling and planning department.

As a result of the Board approvals Human Resources Manager Robyn D. Slater began the process of developing new, and revising existing class specifications. This was performed in collaboration with the Department Managers and, where applicable, Union representation. Ms. Slater also worked with Erron Alvey to create a Purchasing Manager class specification and Liseth Guizar to revise the Security and Risk Administrator class specification.

In total nine (9) class specifications are being submitted today for Board approval. Please see the list below for class specification titles, a short description of the action taken. Class specifications and wage information is provided in the attachments.

1. Safety Specialist/Senior Safety Specialist: Represented by SEIU. This is a new position with two wage scales (one for the Safety Specialist, one for the Senior Safety Specialist).
2. Assistant Safety and Training Coordinator: Represented by SEIU. This is a new position and wage scale. The new wage scale is 5% less than the existing Safety and Training Coordinator.
3. Electronic Technician: Represented by SEIU. This is a new position. The existing wage scale for the FM Mechanic III will be used for this position.
4. Database Administrator/Senior Database Administrator: Management position. Revised existing specification. The wage scales will remain as stated in the Management Compensation Plan.
5. Marketing, Communications and Customer Service Manager: Management position. This specification replaces the Planning and Marketing Manager specification. The wage scale for the Planning and Marketing Manager stated in the Management Compensation Plan will be used.

6. Assistant Superintendent: Management position. This specification replaces the Assistant ParaCruz Superintendent allowing flexibility within the Operations department for cross training between ParaCruz and Fixed Route. The incumbent in the Assistant ParaCruz Superintendent position will be converted to an Assistant Superintendent and an additional Assistant Superintendent will be hired for the Fixed Route division. The existing wage scale for the Assistant ParaCruz Superintendent will be used.
7. Purchasing Manager: Management position. This position was approved in 2013 but a class specification had not been created. The Board existing wage scale for the Purchasing Manager will be used.
8. Safety, Security and Risk Manager: Management position. This specification adds safety functions and replaces the existing Security and Risk Administrator specification. The existing wage scale for the Security and Risk Administrator will be used.
9. Planning and Development Manager: Management Position. This is a new position and will be responsible for a newly formed department. The existing wage scale for the Operations Manager will be used for this position.

Outside agency specifications, management and employee expertise, and wage survey assistance from Assistant HR Manager Suzanne Silva were all used to create the class specifications and wage information used in this report and the attachments.

If the Board approves the class specifications and wage scales where relevant, METRO will begin the recruitment process for all new and vacant, revised positions.

IV. FINANCIAL CONSIDERATIONS/IMPACT

This is an ongoing funding responsibility. Funding for the positions in FY15 were approved at the November and December 2014 meeting as follows.

The following positions are currently filled, the class specifications were changed to reflect current job responsibilities:

Purchasing Manager
Safety, Security and Risk Manager

The following positions are cost neutral. The funding was assigned to a position which will not be filled in FY15:

Position

Safety Specialist/Sr Safety Specialist - replacing the previously funded Claims Investigator

Assistant Superintendent - replacing the previously funded Operations Manager

Assistant Safety and Training Coordinator - replacing the previously funded Clerk

Planning and Development Manager - funding from vacant Grants/Legislative Analyst will be used

The following positions required additional funding which was approved at the November 14, 2014 Board meeting:

Position	Funding Approved
Database Administrator/Sr Database Administrator	\$33,417
Marketing, Communications and Customer Service Manager	\$44,424
Electronic Technician	\$49,891

V. ALTERNATIVES CONSIDERED

- Take no action at this time – This approach is not recommended since the positions were identified as mission critical positions and previously approved by the Board.

VI. ATTACHMENTS

Class Specifications

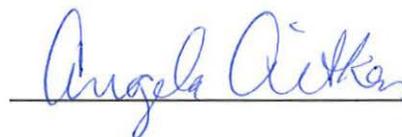
- Attachment A:** Safety Specialist/Senior Safety Specialist
- Attachment B:** Assistant Safety and Training Coordinator
- Attachment C:** Electronic Technician
- Attachment D:** Database Administrator/Senior Database Administrator
- Attachment E:** Marketing, Communications and Customer Service Manager
- Attachment F:** Assistant Superintendent
- Attachment G:** Purchasing Manager
- Attachment H:** Safety, Security and Risk Manager
- Attachment I:** Planning and Development Manager
- Attachment J:** New Wage Scale - SEIU
- Attachment K:** Management Wage Scale

VII. APPROVALS:

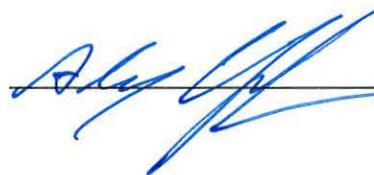
Robyn D. Slater, HR Manager



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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Attachment A



SAFETY SPECIALIST/SENIOR SAFETY SPECIALIST

DEFINITION

Under supervision of the Safety, Security and Risk Manager, the Safety Specialist develops, implements, updates and audits Santa Cruz Metropolitan Transit District's (METRO) safety programs, collects and analyzes data related to METRO's safety and produces reports; develops training programs related to workplace safety and OSHA requirements and complies with METRO policies and procedures. The Safety Specialist also investigates accidents/incidents and claims filed against METRO; conducts field inspections in coordination with other agencies and METRO staff to gather and compile information, documents and other evidence; analyzes claims in accordance with established procedures; pursues property recovery activities and recommends claim settlements

DISTINGUISHING CHARACTERISTICS

The Safety Specialist position will be primarily involved in reviewing compliance with policies and procedures, investigations and report writing.

The Senior Safety Specialist differs from the Safety Specialist by having more autonomy in the execution of duties. The Senior Safety Specialist will perform the work of the Safety specialist; additionally the Senior Safety Specialist will develop policies and procedures.

EXAMPLES OF DUTIES

Designs, develops and maintains safety programs throughout METRO.

Researches changes in Federal and State health and safety laws and codes, including Occupational Safety and Health (OSHA) regulations at both the State and Federal levels. Makes recommendations to the Safety, Security and Risk Manager of policy changes needed to maintain compliance.

Provides support to the System Safety Program Plan and other METRO safety programs by implementing and assisting with departmental programs, reviewing and conducting inspections of facilities and hazardous materials, evaluating workplace chemical usage, maintaining compliance data, conducting hazard assessments and compliance audits, discussing procedural changes and requirements with departments and addressing recurring issues.

Coordinates training programs by implementing, assisting with, and facilitating safety and environmental training programs, producing and scheduling monthly safety awareness topics, assisting team members in other safety areas, and maintaining training records.

Determines training needs. Recommends, develops and conducts training of employees regarding safety related issues such as safety awareness, ergonomics, OSHA requirements, and proper use of safety equipment.

Attachment A

Assists with regulatory compliance by submitting compliance related reports, inspection forms, and other records, evaluating corrective action issues and regulatory changes/interpretations, obtaining sampling for analytical analysis.

Develops various safety analysis tools such as key performance indicators, dashboard and scorecards to track and analyze trends and monthly outcomes. Thoroughly reviews all workplace injuries and performs focused training to help other employees avoid such injuries. Regularly performs field safety observations to assess safety on buses and at METRO facilities.

Assists other departments with the implementation of emergency response planning, coordinates drills implementing emergency plans and makes recommendations on areas of improvement and efficiency, responds to various emergencies.

Investigates accidents/incidents for both internal METRO incidents and external incidents; interviews and takes statements of claimants, employees, and witnesses; visits accident/incident scenes taking pictures and measurements, analyzing events, and examining property damage; obtains injury information, interprets best management practices, assesses findings in order to make recommendations regarding cause, severity and action, and generates a final written report.

Provides information to Safety, Security and Risk Manager for review of injury and property damage claims to assist in the determination of METRO liability; collects accident/incident information; verifies medical treatment expenses and lost wages; compiles value of property damage.

Identifies and processes recovery actions for damages METRO sustained from vehicle accidents, tenant lease agreements, and other related expenses.

Prepares and provides appropriate information and required documentation as needed for small claims court hearings.

Maintains and tracks records; prepares reports on status of claims; organizes materials and documents claim files; maintains accurate records and files.

Operates field investigation tools including photographic equipment; operates METRO vehicles, computer programs and equipment and other office machines.

EMPLOYMENT STANDARDS

Knowledge of:

- OSHA regulations.
- Applicable federal, state and local safety regulations, laws and standards.
- Proper presentation of safety regulatory compliance regulations such as legal placement of warning signs.
- Industry standards and best management practices.
- Demonstrate effective presentation skills.
- Hazard analysis and its implication throughout the system life cycle.
- Tools and techniques of data collection, on scene evidence collection, interviewing witnesses.

Attachment A

- Applied preventative/predictive failure analysis, risk assessment and deductive reasoning.
- Accident investigation and hazard analysis.
- Office procedures and practices including preparation of correspondence, reports, and record keeping procedures and practices.
- Intermediate word processing, spreadsheet, presentation and database software
- Claims investigation methods, techniques and settlement negotiations.
- Interviewing principles and techniques.
- Procedures and techniques of evidence collection; methods of legal and factual research and discovery techniques.
- Operation of standard office equipment, computers, and basic photographic equipment.
- Safe work methods and safety regulations pertaining to hazardous materials at an accident/incident site.

Ability to:

- Interpret safety laws and regulations and resolve conflicting regulations
- Perform basic mathematical calculations, analyze information
- Ensure compliance from employees and supervisors regarding issues with METRO's safety programs.
- Procure required documentation from vendors, i.e., MSDS sheets to ensure compliance.
- Perform timely notification of incidents in accordance with safety and risk management program requirements.
- Use tools and equipment for incident/accident investigations and hazard assessments.
- Understand and apply laws and administrative policies and procedures in the evaluation of routine property and liability insurance claims.
- Investigate accident scenes, analyze events, and draw sound conclusions.
- Prepare file documents, charts, write reports, business letters and other correspondence.
- Effectively and tactfully communicate in English in both oral and written forms.
- Interview subjects in English and Spanish on the telephone and in person.
- Safely perform job duties in the field under various climatic conditions.
- Establish and maintain cooperative working relationships with the public, District employees, and others.

TRAINING AND EXPERIENCE

Any combination of training and experience equivalent to:

Bachelor's degree or equivalent in Environmental or Occupational Health and/or Safety or a related field.

Directly related experience beyond the minimum requirement may substitute for the required education based on the ratio of one and a half (1.5) years of experience for each (1) year of education

Required: Occupational Safety and Health Certification OR Advanced Safety & Health Certification.

Advanced Safety and Health Certificate (CSUDH) preferred for the Safety
Safety Specialist/Sr Safety Specialist

Attachment A

Specialist position; required for the Senior Safety Specialist.

Courses taken through other official OSHA Training Institute Education Centers can be used to fulfill up to four (4) of the courses required for the CSUDH certificate if they were completed within the five (5) years allocated for Certificate Completion.

AND

Experience in system safety program planning, industrial hygiene, environmental health and safety or occupational health and safety is required as specified:

A minimum of one (1) year of experience for the Safety Specialist

A minimum of three (3) years experience for the Senior Safety Specialist

Additional training and experience is desirable:

Course work related to risk management and claims resolution.

Six (6) months of experience performing property and liability claims investigation.

OSHA 511, 521 and other OSHA courses.

PHYSICAL REQUIREMENTS

While performing the duties of this job, the employee is frequently required to sit, use hands to finger, handle or feel objects or controls, key and use a computer mouse. The employee is regularly required to bend and twist at the neck, reach with hands and arms. Occasional to frequent standing, walking, overhead reaching and lifting up to 20 pounds is required. Visual abilities required include close vision, distance vision, and the ability to adjust focus.

The job duties may expose the employee to the outdoors, which may include exposure to inclement weather, noise, fumes, dust, grease, and air contaminants, hazardous chemicals and materials. Road calls may subject the employee to hazardous roads and conditions.

Attachment B



ASSISTANT SAFETY AND TRAINING COORDINATOR

DEFINITION

Under direction of the Safety & Training Coordinator, the Assistant Safety and Training Coordinator trains new operators and retrains veteran operators in the proper and safe operation of transit buses and Santa Cruz Metropolitan Transit District (METRO) vehicles in accordance with Federal, State, and local laws and METRO policies and procedures; and provides other technical training programs as needed. Performs other related duties as assigned.

EXAMPLES OF DUTIES

Assists in the development of/and updates curriculum, lesson plans, training and reference materials for Bus Operators, Transit Supervisors and other METRO employees, as needed, in conformance with State and Federal guidelines and regulations, and with METRO policies and procedures; helps in maintaining all training records and documentation.

Plans, coordinates, and conducts Bus Operator training and retraining programs; may assist in other Operations department trainings; maintains, updates, and complies with State and Federal mandated bus operator programs, METRO policies and procedures; trains and coordinates with Transit Supervisors who assist in training and retraining of Bus Operators and other METRO employees.

Participates in the development and update of METRO accident investigation procedures and processes and departmental safety procedures.

Performs ride checks during new Operator probation period and in-service checks for veteran Operators.

Observes driving skills and evaluates Trainee Operators; recommends corrective action; may perform retraining with fully qualified Bus Operators/Line Instructors as directed or needed. Acts as the designated examiner in the testing and certification of Bus Operators.

Assists Superintendent with administration of the Department of Motor Vehicles (DMV) Employer Testing Program, maintenance of examiner credentials, and performs related duties as assigned; monitors DMV "pull program" and licensing requirements for all employees within METRO who are required to maintain a Class B license; coordinates activities with Transit Supervisors who are certified to perform DMV exams; maintains related records; participates in CHP/DMV and other audits.

Participates in selection of new Bus Operators, monitors progress of new Operators during training, and provides periodic counseling and evaluations; makes recommendations regarding new Bus Operator retention based on training information.

Enforces METRO rules, policies, and procedures; applies provisions of Labor agreements within the scope of duties.

May represent METRO at disciplinary hearings, legal proceedings, and other meetings, as required.

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Responsible for the implementation of ongoing line-instruction program, including selection, training, and evaluation of line instructors regarding monitoring, grading, reporting, and program compliance criteria.

Conducts Verification of Transit Training (VTT) classes as required; provides customized training as requested by Superintendents, Assistant Superintendents, Operations and Maintenance Manager; participates in development, revision and update of incident and accident investigation procedures and safety procedures; maintains records of METRO accidents; prepares summary reports of accidents; and coordinates the accident review process.

May assist in conducting surveys of other organizations to compile, and analyze data, prepare reports and perform calculations, as needed.

May assist in evaluating efficiency and cost effectiveness of training and retraining program content and methods of instruction; prepares documents and reports, and develops recommendations for improvements.

Provides information for the Operator Training Budget, as requested.

Communicates orally and in writing with Operations and other departments and agencies.

Develops, maintains, and updates training material for Bus Operators to comply with "Talking Bus" requirements (call stops and announcements); develops training and audit criteria; trains Call Stop Auditors and serves as liaison with auditors; monitors and tracks Operator compliance; provides retraining and recommends corrective action including discipline.

Assists with data collection and archiving of phone and radio recording system information and other equipment, as needed.

Under the direction of the Safety & Training Coordinator, incorporates information into training curriculum on new equipment, and changes in existing equipment.

May serve as liaison with local emergency responders, such as police and fire, by providing information and orientation regarding METRO vehicle fleet, fuels utilized, emergency access, and other public safety related information.

May participate on committees and project teams, may make recommendations related to safety, training, licensing requirements, accident investigations, and other position related topics as assigned; serves as hazardous materials trainer for the Operations department.

May assist with development of departmental policies, procedures, programs, and budget on safety related issues in cooperation with the Safety, Security and Risk Department.

EMPLOYMENT STANDARDS

Knowledge of:

- Federal, State, and local laws and regulations regarding transit buses, Department of Motor Vehicle and Federal Highway Administration laws; safe and proper use of transit

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buses and METRO vehicles.

- Basic mechanical features of transit buses.
- Principles of supervision, training, and employee development.
- Effective curriculum development, current teaching theory, methods, and practices.
- Principles of organization and administration, fiscal and program management.
- Office computers and software programs such as Word, Excel, PowerPoint, etc;
- knowledgeable about audio / visual equipment.
- Manual and automated record-keeping systems.
- METRO policies and procedures, labor contract language for METRO and other transit agencies, and defensive driving techniques.
- Procedures of Operator evaluation, counseling, and discipline;
- Safety and health related regulations.

Ability to:

- Develop, organize, and coordinate an effective Bus Operator training program.
- Assist in the development of course curriculum and lesson plans.
- Assist in the development, assessment and evaluation of training materials.
- Assist in the development and presentation of customized training.
- Use audio-visual equipment, training aides, and materials; review, interpret, and apply laws, regulations and labor contract provisions.
- Define problem areas and evaluate, recommend and implement alternative solutions to complex issues and problems.
- Instruct others in the safe operation of METRO vehicles and adapt training procedures to the needs of the individual.
- Establish and maintain cooperative working relationships with the public, METRO employees, and others.
- Act as liaison with community groups, transit districts and regulatory agencies.
- Communicate effectively in oral and written form.
- Develop and write plans, procedures, reports, forms and tests.
- Conduct field investigations to identify patterns and problem areas and make recommendations.
- Motivate, train and evaluate staff.
- Exercise tact and discretion in dealing with the public and in handling confidential or sensitive information.
- Perform mathematical calculations including ratios and percentages.
- Maintains individual certification credential as DOT Instructor.

TRAINING AND EXPERIENCE

Any combination of training and experience equivalent to:

An AA degree from an accredited college. Additional directly related experience beyond the minimum requirement may be substituted for the required education based on the ratio of one and a half (1.5) years of experience for each (1) year of education.

AND

One year experience in development and presentation of driver safety and training programs, preferably with a public bus transportation system.

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OR

Three years of experience as a transit supervisor for a medium to large agency that provides public bus transportation, including responsibility for driver training and VTT training.

SPECIAL REQUIREMENTS

Possession of a valid Class B commercial driver's license with passenger endorsement at time of appointment and an acceptable safe driving record/history.

AND

Upon being hired, an employee will be required to successfully complete the Department of Transportation (DOT) transit instructor course.

This position is considered a safety sensitive position and requires participation in METRO's Drug and Alcohol testing program.

Must be able available to work alternating days and times, including evenings and weekends, with advance notice.

PHYSICAL REQUIREMENTS

Must be able to stand frequently or continually; bend, crouch, twist (at the waist and neck), kneel and balance frequently while simultaneously reaching with arms. This position requires grasping, repetitive hand movement and fine coordination when typing, using a mouse or keyboard, occasionally to frequently. A full field of vision and good depth perception with the ability to adjust focus is required. Must be able to communicate orally to groups frequently to occasionally. Acute hearing is required when speaking to classes.

Attachment C



ELECTRONIC TECHNICIAN

DEFINITION

Under general supervision, performs skilled testing, diagnostics, repair, preventative maintenance and installation of various Santa Cruz Metropolitan Transit District's (METRO) electronic equipment such as fare boxes, Ticket Vending Machines (TVM's), electronic enunciation systems, surveillance, WiFi equipment and other related duties as required.

EXAMPLES OF DUTIES

Performs a variety of skilled tasks in the maintenance and repair of advanced technology computer based systems, and electronic components and devices installed in vehicles and facilities throughout METRO.

Removes, installs, tests and repairs fare boxes, destination signs, communications devices and other electronic equipment as required. Diagnoses and Identifies defects in electronic components and devices and performs appropriate repairs.

Troubleshoots and repairs equipment related to Fare Collection System such as Ticket Vending Machines (TVM)'s, fare boxes and other related equipment owned or operated by METRO.

Following manufacturers' guidelines, schedules and performs preventative maintenance on electronic devices throughout METRO. Researches and maintains documents associated with the preventative maintenance, defects, and repairs of electronic devices used by METRO.

May design and fabricate mounting devices to install electronic devices on METRO vehicles and in METRO facilities. May be required to modify electronic components and devices for use on METRO vehicles and in METRO facilities.

Compiles and organizes updated manufacturers' specifications to keep service manuals current. Provides the Parts Department with updates of parts and material changes and/or substitutions.

Works with Procurement and the Parts Department to develop a parts/materials inventory to insure METRO electronic equipment failures do not impact the ability of METRO to function without interruption.

Uses software systems to keep records of preventative maintenance and repairs performed on electronic equipment, and to establish component duty-cycle intervals. Insures that the Parts Department is notified of required parts, changes in part specifications and required inventory.

May be assigned to instruct and/or assist mechanics.

EMPLOYMENT STANDARDS

Knowledge of:

- Solid state circuitry diagnostic, maintenance and repair techniques and procedures.
- Principles and practices of electronic equipment and systems preventive maintenance
- Safe work practices in the shop and in the field.
- Test equipment and tools needed for diagnosis, repair, installation and maintenance of electrical/electronic systems and equipment.

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Ability to:

- Perform testing, diagnosis, and corrective maintenance on METRO's electronics systems and equipment.
- Perform preventive maintenance on equipment in accordance with the manufacturers' specifications.
- Read and interpret blue prints, maintenance manuals, schematics, and specifications.
- Effectively read, understand and use technical information found in repair manuals, service change bulletins, and applicable technical documents, including parts and supply manuals.
- Learn and stay current on all new technologies related to the transit industry, surveillance and communications equipment.
- Learn and effectively use METRO's computer hardware and software.
- Physical stamina to operate mechanical and servicing equipment.
- Establish and maintain cooperative working relationships with the public, METRO employees, and others.
- Communicate effectively in oral and written form.

TRAINING AND EXPERIENCE

Any combination of training and experience equivalent to:

An AA or AS degree from an accredited college in Electronic or Computer Technology.

OR

Minimum of (2) years of experience in electrical/electronic systems maintenance and repair.

SPECIAL REQUIREMENTS

Possession of a valid Class B driver's license with Passenger Endorsement or the ability to obtain permit within one month and license within three months of employment.

This position is considered a safety sensitive position and requires participation in METRO's Drug and Alcohol testing program.

Must possess general tools necessary to perform the duties of the position and a rollaway toolbox.

Available to work shifts including weekdays, weekends, days, swing and graveyard, and available for emergency or call-back duty 24 hours a day, seven days a week.

The incumbent will be required to utilize appropriate personal protective equipment (PPE) based on the assigned tasks; the use of safety shoes is required at all times.

Driving record will be reviewed as part of application process.

Must be able to distinguish basic colors and shades of colors.

PHYSICAL REQUIREMENTS

Must be able to stand, walk, sit, push, pull, balance, kneel, crouch, twist (at the waist and neck), and reach occasionally to frequently, work in confined spaces. Must be able to lift up to 30

Attachment C

pounds occasionally, and between 30 and 80 rarely. The position also requires grasping, repetitive hand movement and fine coordination when using small hand tools, electronic components and computer keyboards occasionally to frequently. A full field of vision and good depth perception with the ability to adjust focus and distinguish basic colors and shades of colors. When reading schematics, instructions and other documents and far vision is required when out in the field. Acute hearing is required when speaking on the radio and providing phone and personal service.

The job duties may expose the employee to the outdoors, which may include exposure to inclement weather, noise, fumes, dust, grease, and air contaminants, hazardous chemicals and materials. Road calls may subject the employee to hazardous roads and conditions.

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Attachment D



DATABASE ADMINISTRATOR SENIOR DATABASE ADMINISTRATOR

DEFINITION

Under the direction of the IT Manager, the Data Base Administrator (DBA) administrates vendor enterprise software and underlying databases, website content, web server software, website CMS software / database, and provides technical support and other duties as required. The DBA closely coordinates with management, staff and vendors to identify emerging software needs and implement solutions.

Duties can include: custom software and database design and development, software updates, responding to support tickets from staff and public, maintaining various export/import scripts, report development, systems integration, performance tuning, development of security and backup strategies, analysis and research, process improvements, technical writing, procedure documentation, and project management.

DISTINGUISHING CHARACTERISTICS

While the DBA and the Sr. DBA positions require the same skill set stated in **Employment Standards**, the DBA position receives daily direct supervision from the Sr. DBA, and formally reports to the IT Manager.

As knowledge and skill increases, the DBA performs work more independently. The DBA must be experienced in the foundation of database and software programming and design techniques and be able to independently troubleshoot and solve complex problems.

The Sr. DBA position is distinguished by the acquired in-depth experience and expert knowledge of all METRO software systems and publications, and familiarity with organizational procedure and workflow, and provides supervision to lower-level staff.

EXAMPLES OF DUTIES

Installs, configures, maintains, and monitors performance of database platforms and associated and applications.

Stages, tests, and deploys software updates. Maintains user access to software applications.

Verifies and improves data security, fault tolerance, and backup/recovery.

Develops and modifies database reports for all departments as required.

Provides training and technical assistance to staff.

Consults with vendors to resolve technical issues.

Prepares technical specifications for procurements.

Performs quarterly schedule publication to print and web media and maintains related export/import scripts and documentation.

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Leads projects or portions of projects coordinating staff, consultants, and vendors.

Generates long-term plans for database migration and data-warehousing strategies.

As directed, completes minor budgeting and procurement activities, email memoranda, or technical reports.

EMPLOYMENT STANDARDS

Knowledge of:

- Windows Server administration fundamentals.
- UNIX / LINUX and standard shell scripting.
- Working knowledge of MS SQL Server and MySQL administration.
- In depth knowledge of relational database architecture, including table structure, data types, joins, views, triggers, permissions, advanced queries, ETL, data warehousing.
- Fault tolerance and backup and recovery strategies.
- Crystal Reports and MS Report Writer using ODBC.
- Software application design and development in major modern languages.
- Technical writing.

Additional knowledge desirable, but not required:

- Apache Web Server configuration.
- Joomla CMS component and template development in PHP/HTML5/CSS3.
- Browser debugging tools.
- Mobile Application design basics for IOS and Android.
- Adobe Indesign suite (Indesign/Illustrator/Photoshop) as related to publication.
- Adobe Acrobat tools general usage and as related to Accessibility.

Ability to:

- Install and maintain vendor database applications, and maintain relations with vendors
- Design, develop, modify and implement complex relational database systems
- Independently analyze and troubleshoot software problems
- Write user procedures in concise plain language
- Document IT procedures in sufficient technical detail
- Establish and maintain cooperative working relationships with management and staff, and the public as needed
- Work with staff to define software requirements to be applied to procurements
- Research and learn new technology as required

TRAINING AND EXPERIENCE

Knowledge is normally acquired through four (4) years of an accredited college or university resulting in a Bachelor's degree or equivalent in Computer Science, Computer Engineering, Management Information Systems or a related field.

Experience which demonstrates substantial knowledge and abilities pertinent to specific job functions may be substituted for the required education on a basis of 1.5 years of experience to 1 year of education.

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For promotion to the Sr. DBA position, the DBA must have four years of progressively advancing database administration functions; a minimum of two years of experience at Santa Cruz METRO is highly desirable.

PHYSICAL REQUIREMENTS

While performing the duties of this job, the employee is frequently required to sit, use hands to finger, handle or feel objects or controls, key and use a computer mouse. The employee is regularly required to bend and twist at the neck, reach with hands and arms. Occasional standing, walking, overhead reaching and lifting up to 10 pounds is required. Visual abilities required include close vision, distance vision, and the ability to adjust focus.

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Attachment E



MARKETING, COMMUNICATIONS AND CUSTOMER SERVICE MANAGER

DEFINITION

Under the direction of the CEO/General Manager, plans, organizes, directs, develops and coordinates marketing activities, branding and rebranding, acts as Santa Cruz Metropolitan Transit District's (METRO) primary media spokesperson; creates press releases, develops and oversees community outreach events/projects; oversees the content of the METRO web site and social media; oversees the customer service interfaces of the agency including fare media and fare media distribution; manages the customer complaint process and is responsible for timely and responsive responses; develops, analyzes and oversees all customer surveys; develops and oversees all aspects of the advertising program, both revenue generating and agency promotion; and develops an annual marketing plan which includes ridership growth targets. Performs other related duties as assigned.

EXAMPLES OF DUTIES

Manages and conducts marketing studies, market analysis, cost/benefit analysis, customer surveys and provides economic and financial feasibility analysis where applicable.

Prepares technical and administrative reports, correspondence, written recommendations, and makes oral presentations to the METRO Board of Directors, management, governmental officials, and other agencies and representatives.

Responds orally and in writing to inquires and provides information regarding METRO programs, marketing projects, fares and other aspects of the organization.

Assumes the lead in web content and partners with the IT Department to develop METRO's web site and social media pages, including updates and expanding the content and appearance of the site. Insures that all electronic correspondence complies with Americans with Disabilities requirements.

Develops, coordinates and implements METRO's advertisement and marketing programs for revenue generation agency promotion and to build ridership.

Serves as METRO's primary spokesperson and media contact (Public Relations) for information relating to METRO and collaborates with and shares responsibility for media contact with the Manager of Safety, Security and Risk during security or crisis events.

Works in conjunction with METRO's planning department to develop public outreach for route changes, short range transportation plan, grant activities and other events and functions in which METRO should interface with the public and seek public input.

Develops tools to ensure METRO creates and fosters an environment of transparency.

Attachment E

Oversees various public relations activities and functions designed to increase public awareness of, and promote the use of, public transportation using written materials, web, social media and other forms of communication.

Responsible for the development of a Marketing Plan and annual marketing budget.

Responsible for developing a proposal for branding and re-branding the agency.

Responsible for developing and implementing an annual customer survey and presenting the results to the CEO/General Manager and the Board along with survey results trend analysis.

Develops Key Performance Indicators (KPI's), scorecards, dashboards, and other analysis tools that will assist the CEO/General Manager in his/her goals of measuring productivity, efficiencies and to set stretch goals.

EMPLOYMENT STANDARDS

Knowledge of:

- Principles, practices, and techniques relating to marketing.
- Mass marketing and public relations techniques including the ability to utilize video, print, and social media to communicate information to the public.
- Program analysis, cost/benefit evaluation, budget preparation, capital and financial forecasting techniques, project management and project control.
- Principles of advertising and promotional program development and evaluation.
- Principles and practices of strategic communications, and community outreach.
- Branding
- Customer service
- Survey techniques

Ability to:

- Provide in-depth analysis of market trends and supporting recommendations.
- Plan, organize and direct METRO's customer service, fare media and marketing programs.
- Prepare administrative and complex technical reports, correspondence, written recommendations, and make effective oral presentations and use computers and software programs and make reports.
- Prepare budget forecasts and projections of revenues and expenditures plans for planning projects. Assist in capital project budget preparation.
- Direct, organize, and evaluate departmental programs and the performance of staff.
- Serve as the spokesperson for the agency and represent METRO in a professional and courteous manner.
- Communicate strategically and effectively in oral and written form.
- Establish and maintain effective working relationships with employees, union representatives, Board members, stakeholders, elected and appointed officials, media representatives, and members of the public.

TRAINING AND EXPERIENCE

Any combination of training and experience equivalent to:

Bachelor's Degree from an accredited college in Public Relations, or Marketing, or a closely

Attachment E

related field, and experience which demonstrates substantial knowledge and leadership experience related to marketing and customer service.

Directly related experience beyond the minimum requirement may substitute for the required education based on the ratio of one and a half (1.5) years of experience for each (1) year of education.

AND

Five years professional experience in the public or private sector working in marketing or communications.

AND

Two (2) years supervisory experience.

PHYSICAL REQUIREMENTS

While performing the duties of this job, the employee is frequently required to sit, use hands to finger, handle or feel objects or controls, key and use a computer mouse. The employee is regularly required to bend and twist at the neck, reach with hands and arms. Occasional standing, walking, overhead reaching and lifting up to 10 pounds is required. Visual abilities required include close vision, distance vision, and the ability to adjust focus.

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Attachment F



ASSISTANT SUPERINTENDENT

DEFINITION

Under general direction of the Fixed Route or ParaCruz Superintendent, plans, organizes and manages delivery of METRO's fixed route and ParaCruz service. Ensures Santa Cruz Metropolitan Transit District (METRO) Operations employees meet system performance and customer service standards and comply with related internal policies and procedures, federal and state law; performs related duties as assigned.

EXAMPLES OF DUTIES

Provides leadership and works with staff to develop and maintain a high performance, customer service-oriented work environment that supports achieving METRO's goals.

Communicates effectively and respectfully with people from different racial, ethnic, cultural groups, physical and intellectual abilities, lifestyle choices and ages. Demonstrates an ability to be sensitive to the needs of clients.

Participates in establishing operational plans and initiatives to meet department goals and objectives and works to achieve overall departmental performance results.

Participates in developing and monitoring performance against the annual departmental budget.

Participates in the development, implementation, and review of rules and regulations that further METRO's goal of delivering exceptional public transportation service to Santa Cruz County.

Communicates with employees in the field to provide advice and assistance on how to handle difficult, sensitive, or potentially dangerous situations as they arise.

Ensures staff conformance with Federal, State and local laws and regulations, METRO rules and regulations, including the Drug and Alcohol Testing Policy, as well provisions of labor contracts and agreements.

Participates in the resolution of employee concerns and grievances; makes standard interpretations of labor contract provisions to supervisors and/or staff.

Evaluates employee attendance, performance and other issues; makes recommendations on discipline as required.

Participates in the selection and training of Operations staff.

Prepares and maintains department records and reports, including payroll, attendance and system performance statistics; assists in determining staffing needs.

Prepares written and oral responds to questions from the public. May represent METRO in court appearances as needed. Prepares and presents reports at internal and external meetings.

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Must be willing to attend and satisfactorily complete additional specialized training as required by METRO.

Will be on call for accident investigation and for response to urgent and/or sensitive situations 24x7.

May monitor in-field operations and communicates with Maintenance and other departments as needed.

May operate METRO equipment for the purpose of operator training or in emergency situations.

EMPLOYMENT STANDARDS

Knowledge of:

- Federal, State and local laws and regulations pertaining to transit operations.
- Principles and practices of transit bus operations.
- Principles and practices of Bus Operator scheduling.
- Oral and written communication skills sufficient to complete paperwork, effectively communicate with the majority of clients, employees, and the public.
- Working knowledge of standard office software (e.g., Microsoft Office) systems.

Ability to:

- Work independently.
- Effectively motivate, train and evaluate the performance of staff.
- Communicate effectively in oral and written form.
- Establish and maintain an effective working relationship with employees, customers and the public.

TRAINING AND EXPERIENCE

Any combination of training and experience equivalent to:

Two (2) years of college level course work in management, business or related field. Experience which demonstrates substantial knowledge and abilities pertinent to specific job functions may be substituted for the required education based on the ratio of one and a half (1.5) years for each one (1) year of education.

AND

Two (2) years of professional experience in transportation operations.

AND

Two (2) years of supervisory experience.

SPECIAL REQUIREMENTS

Possession of a valid Class B commercial driver's license with passenger endorsement) at time of appointment and an acceptable safe driving record/history.

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AND

Upon being hired, an employee will be required to successfully complete the Department of Transportation (DOT) transit instructor course.

Must be able available to work alternating days and times, including evenings and weekends, with advance notice.

This position is considered Safety Sensitive position and is subject to Drug and Alcohol testing as required by FTA CFR 49.

Available for emergency or call-back duty 24 hours a day, seven days a week, including holidays.

Fluency in Spanish is preferred.

PHYSICAL REQUIREMENTS

While performing the duties of this job the employee is frequently required to sit, talk or hear, both in person and by telephone, use hands to finger, handle or feel objects or controls, reach with hands and arms. The employee is regularly required to stand, walk and twist at the neck. Occasional overhead reaching is required. Visual abilities required include close vision, distance vision, and the ability to adjust focus.

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Attachment G



PURCHASING MANAGER

DEFINITION

Under the direction of the CEO/General Manager, plans, organizes, directs, develops and coordinates the activities of the Purchasing and Parts department. Ensures compliance with applicable Federal, State, and local laws and regulations. Performs complex procurement activities; is responsible for all purchasing, contracting and materials management at Santa Cruz Metropolitan Transit District (METRO). Supervises staff directly and indirectly. Performs other duties as assigned.

EXAMPLES OF DUTIES

Oversees and prepares formal procurement documents (solicitations) and conducts negotiations of contracts. Ensures contract compliance with Federal, State and local requirements, as well as METRO policies.

Directs and manages all formal solicitations: Invitation for Bids (IFBs), Request for Proposals (RFPs), and Request for Quotations (RFQs).

Coordinates all pre-bid meetings and bid openings. Responds orally and formally in writing to question and clarification inquires from perspective bidders. Confers with other public agencies, contractors, vendors, and manufacturers.

Primary contact for vendors. Responsible for maintaining vendor relationships and fostering open competition.

Evaluates the proposals and bids to determine whether or not the responder has met all the requirements of the solicitation. Checks references, performs cost/price analysis, and coordinates activities of the Evaluation Team.

Prepares technical and administrative reports, correspondence, written recommendations, and makes oral presentations to the METRO Board of Directors, management, governmental officials, and other organizations or groups as needed.

Oversees records retention and management; OSHA required documentation and distribution to, and training of, employees. Creates and reviews METRO procurement policies and procedures to ensure changes are made in compliance with Federal, State, and local laws and regulations.

Evaluates all procurement and inventory activities for compliance with METRO's policies and procedures. Creates and tracks Key Performance Indicators for the department.

Provides planning support, training, and oversight of procurement process for user departments, as well as contract management, vendor performance, and records retention.

Oversees and makes recommendations for parts and materials inventory management, and control.

Develops tools to ensure METRO creates and fosters an environment of transparency and oversight in the spending of public funds.

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Manage, train, supervise, motivate, and evaluate the work of technical and clerical staff.

Develops Key Performance Indicators (KPI's), scorecards, dashboards, and other analysis tools that will assist the CEO/General Manager in his/her goals of measuring productivity, efficiencies and to set stretch goals.

EMPLOYMENT STANDARDS

Knowledge of:

- Principles and practices of public agency procurement, including conducting and administrating formal bid or proposal processes.
- Principles and practices of contract administration related to professional services, materials, supplies, equipment, transit revenue vehicles and construction
- Principles and practices of negotiated and qualification based procurements; joint agency procurements; RFP/solicitation document requirements; scope of work/technical specification preparation, and terms and conditions.
- Warehouse procedures including the analysis of receipt, storage, issuance and inventory control methods.
- Federal, State, and local laws and regulations applicable to local government procurement.
- Common office software systems at the advanced level.

Ability to:

- Supervise and/or conduct the procurement process including contract negotiations, qualification based procurements, IFBs, RFPs and RFQs.
- Plan, organize and direct the functions of the Purchasing and Parts department.
- Prepare administrative and complex technical reports, formal correspondence, written recommendations, oral presentations, and use computers and software programs.
- Prepare departmental budgets and projections of expenditure for proposed contracts. Assist in cost estimating for capital project budget preparation.
- Direct, organize, and evaluate departmental programs and the performance of staff.
- Interpret and apply applicable Federal, State, and local laws and regulations related to the procurement process.
- Communicate strategically and effectively in oral and written form.
- Establish and maintain effective working relationships with employees, union representatives, Board members, stakeholders, elected and appointed officials, media representatives, and members of the public.

TRAINING AND EXPERIENCE

Any combination of training and experience equivalent to:

Bachelor's Degree or equivalent from an accredited college in Business Administration, Public Administration, Management, or a closely related field, completion of the NTI/FTA Procurement Training series or the ability to complete the series within 12 months of hire.

Directly related experience beyond the minimum requirement may substitute for the required education based on the ratio of one and a half (1.5) years of experience for each (1) year of education.

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AND

Four years of professional experience in the public or private sector in procurement.

AND

Two (2) years of supervisory experience.

Certified Public Procurement Officer desired.

PHYSICAL REQUIREMENTS

While performing the duties of this job, the employee is frequently required to sit, use hands to finger, handle or feel objects or controls, key and use a computer mouse. The employee is regularly required to bend and twist at the neck, reach with hands and arms. Occasional standing, walking, overhead reaching and lifting up to 10 pounds is required. Visual abilities required include close vision, distance vision, and the ability to adjust focus.

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Attachment H



SAFETY, SECURITY AND RISK MANAGER

DEFINITION

Under the direction of the CEO/General Manager is responsible for management and oversight of the Risk Department and its functions. This position plans, organizes, implements and administers occupational, environmental, and industrial safety programs, security and risk management programs, processes, policies and procedures; oversees security and emergency preparedness functions; enforces Santa Cruz Metropolitan Transit District (METRO) rules and regulations at METRO facilities and fleet; conducts system safety, security and risk assessments; coordinates security and emergency response protocols; and provides reports and updates to CEO and/or District Counsel regarding safety, security and risk management related issues. Performs other related duties as assigned.

EXAMPLES OF DUTIES

Develops and implements safety programs and processes by researching Federal, State and local safety regulations, including but not limited to Federal Transit Administration (FTA) Rules and Guidelines, Fed/OSHA and Cal/OSHA Regulations, Cal/EPA and APTA best practices.

Develops corrective action plans and follows up with departments through completion, prepares reports and analysis on safety issues.

Directs investigation of field safety and accidents which includes inspecting facilities, infrastructure, bus stops, vehicles, and equipment for reported unsafe conditions; directs formal audits of field conditions to ensure safety compliance; reviews accident/incident investigations and recommends corrective actions to avoid recurrence of similar accidents.

Directs the development and implementation of effective safety and security training and education programs for METRO employees, contractors and the general public.

Consults with METRO department leaders in the formation of and adherence to safety, security and emergency management programs and initiatives.

Develops and implements programs that ensure the personal safety of transit passengers and METRO employees, the protection of METRO property against theft and vandalism, and the control of access to facilities.

Develops, implements, evaluates and ensures adherence to METRO security policies, programs, and procedures to ensure that activities are in accordance with METRO goals.

Oversees, directs and monitors contracts of contracted security services.

Develops and implements emergency preparedness programs.

Coordinates national and local crisis management and incident response protocols.

Performs as Public Information Officer during emergency situations.

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Attachment H

Oversees the Risk Department's recordkeeping procedures, including surveillance recordings retention.

Keeps abreast of current developments in the field of risk management and insurance and incorporates any necessary changes into METRO's policies affecting the comprehensive insurance and risk management programs.

Serves as liaison on safety, security and risk matters with local and state regulatory agencies and represents METRO on transit industry boards and commissions and other venues as assigned.

Directs and supervises Risk Department staff and oversees work as required; develops departmental budget; monitors department expenditures; directs staff; conducts performance evaluations; sets performance goals and objectives; provides training, guidance, coaching and counseling to staff; assigns and monitors tasks.

Develops Key Performance Indicators (KPI's), scorecards, dashboards, and other analysis tools that will assist the CEO/General Manager in his/her goals of measuring productivity, efficiencies and to set stretch goals.

EMPLOYMENT STANDARDS

Knowledge of:

- Applicable local, State and Federal laws and regulations governing public transportation systems, including but not limited to FTA Rules and Guidelines, Fed/OSHA and Cal/OSHA, Cal/EPA and APTA Best practices.
- Investigation methods and findings, techniques, and settlement negotiations.
- Procedures and techniques of evidence collection, methods of legal and factual research and discovery techniques.
- Principles, practices, and techniques of comprehensive industrial and transit system safety programs.
- Principles, practices and techniques of security protection for buildings, grounds, and public transit systems.
- Methods and techniques of emergency preparedness programs and accident investigation.
- Safe work methods and safety regulations pertaining to hazardous materials at an accident/incident site.
- Budget management principles and practices.

Ability to:

- Plan, organize, direct, and evaluate the activities and programs of the Risk Department.
- Understand and apply laws and administrative policies and procedures in the evaluation of routine property and liability insurance claims.
- Learn safety management of FTA, OSHA, FRA and CPUC.
- Manage the District wide safety program.
- Investigate accident, scenes, analyze events and draw sound conclusions, recommend settlement on property and liability claims.
- Define problem areas, evaluate, recommend and implement solutions to complex issues and problems.
- Prepare and present comprehensive documents, charts, reports and correspondence.
- Direct, organize, and evaluate departmental programs and the performance of staff.

Attachment H

- Establish and maintain effective working relationships with employees, union representatives, Board members, stakeholders, elected and appointed officials, media representatives, and members of the public.
- Ability to speak before and facilitate discussions with large, diverse groups of people.
- Serve as the spokesperson for the agency in emergency situations and represent METRO in a professional and courteous manner.

TRAINING AND EXPERIENCE

Any combination of training and experience equivalent to:

Bachelors Degree from an accredited college in Environmental or Occupational Health and/or Safety, Criminal Justice, or a closely related field.

Directly related experience beyond the minimum requirement may substitute for the required education based on the ratio of one and a half (1.5) years of experience for each (1) year of education.

AND

Four years of experience performing property and liability claims investigation and/or four years experience performing environmental and/or occupational health and safety.

AND

One year of supervisory experience.

SPECIAL REQUIREMENTS

Fluency in Spanish is preferred.

Available for emergency duty 24 hours a day, seven days a week, including holidays.

PHYSICAL REQUIREMENTS

While performing the duties of this job, the employee is frequently required to sit, use hands to finger, handle or feel objects or controls, key and use a computer mouse. The employee is regularly required to bend and twist at the neck, reach with hands and arms. Occasional standing, walking, overhead reaching and lifting up to 10 pounds is required. Visual abilities required include close vision, distance vision, and the ability to adjust focus.

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Attachment I



PLANNING AND DEVELOPMENT MANAGER

DEFINITION

Under the direction of the CEO/General Manager, plans, develops, organizes and directs Santa Cruz Metropolitan Transit District's (METRO) planning, grants, governmental affairs, and scheduling department. This position oversees the research, review, preparation and administration of grants to be used for capital and operations funding. Works with local, State, and Federal representatives as well as legislative advocates to develop and/or support local, State and Federal legislation that is beneficial to METRO and the region. Oversees route development, various planning activities, route scheduling and service planning functions. Performs other related duties as assigned.

EXAMPLES OF DUTIES

Manages the grants and legislative process including identification of funding sources, the oversight of all Federal, State, and local grant applications, and the administration of awarded grants.

In coordination with the CEO, works with Federal, State, and local legislators directly, or through legislative advocates and transit organizations to develop, introduce and support legislation that improves the financial and operating ability of METRO.

Monitors Federal, State and local developments and legislation that could affect transportation and provides periodic reports to the CEO/General Manager and the Board on the effects of proposed legislation on METRO.

Makes policy recommendations to the CEO/General Manager and the Board related to proposed or existing legislation and grant opportunities for short and long term capital and operating funding strategies.

Works with staff to review statistical information regarding ridership, traffic congestion and other available data used in the formation of productivity/efficiency measurements of bus routes.

Supervises and provides direction to staff on the development and implementation of the fixed route bids. Participates in meetings with the union(s) regarding service compliance with the Collective Bargaining Agreement/Memorandum of Understanding and the service change and bidding process.

Responsible for scheduling any mandated outreach programs associated with grants, and route planning including but not limited to Title VI analysis and major services changes requiring a public hearing.

Plans, directs, coordinates, and reviews the work of department staff. Reviews and evaluates work products and develops/updates procedures and/or policies for the department and METRO in areas assigned.

Attachment I

Develops, administers and manages the department's annual budget. Responsible for forecasting the funds required for staffing, equipment, training, etc. and then monitors and approves spending to insure compliance within the authorized budget limits.

Participates in the selection, training, supervision and evaluations of staff. Establishes professional standards for work quality, quantity, performance and accountability within the department. Fosters a continuous improvement environment and sets stretch targets for team members.

Prepares written reports and presentations for staff and the Board of Directors; represents METRO at various meetings; and communicates with government officials and personnel from other transit agencies.

Develops Key Performance Indicators (KPI's), scorecards, dashboards, and other analysis tools that will assist the CEO/General Manager in his/her goals of measuring productivity, efficiencies and to set stretch goals.

EMPLOYMENT STANDARDS

Knowledge of:

- Policies, procedures and regulatory requirements governing funding programs from Federal, State, and local sources.
- Controls required by State, Federal and local funding agencies, including those that will be audited by METRO's annual outside auditor, Caltrans and in a Triennial or other FTA audit.
- Requirements for grant writing, administration, document control and budgeting.
- Principles and practices of public funding, the grant applications process, grants management and administration.
- Budget management methods for operating, short and long term capitol funding.
- Principles and practices of supervision and leadership.
- Current software programs for work processing, spreadsheets, and presentations at the intermediate level.
- Principles of transit operations and route development.
- The Development of key performance indicators, scorecards and dashboards.
- Project management, project controls and project management software
- CEQU and NEPA

Ability to:

- Direct the planning and administration of a grants program.
- Aggressively pursue potential and innovative funding options from Federal, State, and local sources.
- Investigate, analyze, evaluate, and make recommendations on complex legislative issues.
- Effectively motivate, train and evaluate the performance of staff.
- Work as part of a team to develop consensus and problem solve.
- Develop conclusions and implement policy to further the agency's mission statement by evaluating data and interacting with staff.
- Communicate effectively both orally and in writing.
- Establish and maintain effective working relationships with employees, union representatives, Board members, stakeholders, elected and appointed officials, media

Attachment I

representatives, and members of the public.

TRAINING AND EXPERIENCE:

Bachelor's degree from an accredited college in business, political science, public administration, transportation planning, engineering, or a related field. Directly related experience beyond the minimum requirement may substitute for the required education based on the ratio of one and a half (1.5) years of experience for each (1) year of education.

AND

Five (5) years of recent and increasingly responsible management experience in grant administration, planning and service planning.

AND

Experience with air quality and sustainability concepts and laws (AB375, AB32, etc.).
Experience with CEQA and NEPA.

Additional training and experience desirable, but not required:

- FTA National Transit Institute coursework.
- Certified Planner through the American Institute of Certified Planners (AICP), with Certified Transportation Planner (CTP) specialty.
- Intermediate level experience using project management software.
- Experience with construction project management and contract management.
- Experience with transit oriented development.
- Experience with full funding grant agreements and other State and Federal funding tools.
- Experience with public-private partnerships.
- Extensive knowledge of run-cutting software (HASTUS and/or Trapeze).

SPECIAL REQUIREMENTS

Must be able to travel to attend meetings occurring outside the local area, including meetings that may take place at night. Must be willing to travel to Washington D.C., Sacramento and other key areas where direct legislative contact may be required.

PHYSICAL REQUIREMENTS

While performing the duties of this job, the employee is frequently required to sit, talk or hear, both in person and by telephone use hands to finger, handle or feel objects or controls, key and use a computer mouse. The employee is occasionally required to bend and twist at the neck, reach with hands and arms, stand, walk. Limited overhead reaching and lifting up to 20 pounds is required. Visual abilities required include close vision, distance vision, and the ability to adjust focus.

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New Wage Scales SEIU Represented Positions

FY '15 WAGE SCALE

Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Safety Specialist	32.53	34.13	35.86	37.64	39.50	41.49
Senior Safety Specialist	37.64	39.50	41.49	43.59	45.76	48.06
Asst Safety and Training Coordinator	29.70	31.17	32.72	34.35	36.08	37.88
Electronic Technician	26.05	27.35	28.72	30.16	31.67	33.25

FY '16 WAGE SCALE

Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6
Safety Specialist	33.18	34.81	36.58	38.39	40.29	42.32
Senior Safety Specialist	38.39	40.29	42.32	44.46	46.68	49.02
Asst Safety and Training Coordinator	30.29	31.79	33.38	35.04	36.80	38.64
Electronic Technician	26.58	27.91	29.31	30.78	32.32	33.94

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Attachment K

MANAGEMENT HOURLY RATES SCHEDULE

REVISED

Effective 06/18/15
Updated - 06/17/14
Updated - 08/22/14
Updated - 12/12/14
Updated - 02/13/15

<u>Title</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>
CEO/General Manager****	86.23	90.54	95.06	99.82	104.81	110.06
District Counsel	66.38	69.70	73.19	76.85	80.68	84.73
Chief Operations Officer *****	57.46	60.33	63.35	66.52	69.85	73.35
Operations Manager	52.23	54.85	57.60	60.48	63.51	66.68
Maintenance Manager	52.23	54.85	57.60	60.48	63.51	66.68
Finance Manager	52.23	54.85	57.60	60.48	63.51	66.68
Planning and Development Manager + + + +	52.23	54.85	57.60	60.48	63.51	66.68
Human Resources Manager	47.05	49.40	51.88	54.48	57.19	60.05
Information Technology Manager	47.05	49.40	51.88	54.48	57.19	60.05
Marketing, Communications and Customer Service Manager +	47.05	49.40	51.88	54.48	57.19	60.05
Purchasing Manager**	47.05	49.40	51.88	54.48	57.19	60.05
Senior Database Administrator	42.06	44.18	46.38	48.71	51.12	53.68
Asst. Manager of Information Technology *	42.06	44.18	46.38	48.71	51.12	53.68
Assistant Finance Manager	39.31	41.27	43.33	45.49	47.78	50.16
Assistant HR Manager	39.31	41.27	43.33	45.49	47.78	50.16
Fixed Route Superintendent	39.31	41.27	43.33	45.49	47.78	50.16
Paratransit Superintendent	39.31	41.27	43.33	45.49	47.78	50.16
Project Manager	39.31	41.27	43.33	45.49	47.78	50.16
Facilities Maintenance Manager	38.20	40.12	42.12	44.22	46.44	48.76
Database Administrator	36.33	38.16	40.07	42.06	44.18	46.38
Safety, Security and Risk Manager *** + + +	36.33	38.16	40.07	42.06	44.18	46.38
Assistant Superintendent + +	32.84	34.49	36.21	38.03	39.92	41.92
Executive Assistant *****	30.77	32.31	33.93	35.62	37.41	39.29

* Asst Manager of Information Technology position added as per Board Action March 11, 2011

** Purchasing Manager position added as per Board Action June 28, 2013

*** Security and Risk Administrator position added per Board Action September 13, 2013

**** CEO/General Manager title / salary change per Board Action March 28, 2014

***** Added Executive Assistant per BOD Action Aug 22, 2014

***** Changed Assistant General Manager to Chief Operations Officer per BOD action Dec 12, 2014

+ Replaced Planning and Marketing Manager with **Marketing, Communications and Customer Service Manager** per BOD action Feb 13, 2015

++ Changed position title from Assistant Paratransit Superintendent to **Assistant Superintendent** per BOD action Feb 13, 2015

+++ Replaced Security and Risk Administrator with **Safety, Security and Risk Manager** per BOD action Feb 13, 2015

++++ Add **Planning and Development Manager** per BOD action Feb 13, 2015

8-06K.1

Attachment K

MANAGEMENT MONTHLY SALARY SCHEDULE

REVISED

Effective 06/18/15
Updated - 06/17/14
Updated - 08/22/14
Updated - 12/12/14
Updated - 02/13/15

<u>Title</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>
CEO/General Manager****	14,947	15,694	16,477	17,302	18,167	19,077
District Counsel	11,506	12,081	12,686	13,321	13,985	14,687
Chief Operations Officer *****	9,960	10,457	10,981	11,530	12,107	12,714
Operations Manager	9,053	9,507	9,984	10,483	11,008	11,558
Maintenance Manager	9,053	9,507	9,984	10,483	11,008	11,558
Finance Manager	9,053	9,507	9,984	10,483	11,008	11,558
Planning and Development Manager + + + +	9,053	9,507	9,984	10,483	11,008	11,558
Human Resources Manager	8,155	8,563	8,993	9,443	9,913	10,409
Information Technology Manager	8,155	8,563	8,993	9,443	9,913	10,409
Marketing, Communications and Customer Service Manager +	8,155	8,563	8,993	9,443	9,913	10,409
Purchasing Manager**	8,155	8,563	8,993	9,443	9,913	10,409
Senior Database Administrator	7,290	7,658	8,039	8,443	8,861	9,305
Asst. Manager of Information Technology *	7,290	7,658	8,039	8,443	8,861	9,305
Assistant Finance Manager	6,814	7,153	7,511	7,885	8,282	8,694
Assistant HR Manager	6,814	7,153	7,511	7,885	8,282	8,694
Fixed Route Superintendent	6,814	7,153	7,511	7,885	8,282	8,694
Paratransit Superintendent	6,814	7,153	7,511	7,885	8,282	8,694
Project Manager	6,814	7,153	7,511	7,885	8,282	8,694
Facilities Maintenance Manager	6,621	6,954	7,301	7,665	8,050	8,452
Database Administrator	6,297	6,614	6,945	7,290	7,658	8,039
Safety, Security and Risk Manager *** + + +	6,297	6,614	6,945	7,290	7,658	8,039
Assistant Superintendent + +	5,692	5,978	6,276	6,592	6,919	7,266
Executive Assistant *****	5,333	5,600	5,881	6,174	6,484	6,810

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++++ Add **Planning and Development Manager** per BOD action Feb 13, 2015

8-06K.2

Attachment K

MANAGEMENT HOURLY RATES SCHEDULE

REVISED

Effective 06/19/2014
Corrected - 06/17/13
Updated - 03/28/14
Updated - 08/22/14
Updated - 12/12/14

<u>Title</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>
CEO/General Manager****	84.54	88.76	93.20	97.86	102.75	107.90
District Counsel	65.08	68.33	71.75	75.34	79.10	83.07
Chief Operations Officer *****	56.33	59.15	62.11	65.22	68.48	71.91
Operations Manager	51.21	53.77	56.47	59.29	62.26	65.37
Maintenance Manager	51.21	53.77	56.47	59.29	62.26	65.37
Finance Manager	51.21	53.77	56.47	59.29	62.26	65.37
Planning and Development Manager +++++	51.21	53.77	56.47	59.29	62.26	65.37
Human Resources Manager	46.13	48.43	50.86	53.41	56.07	58.87
Information Technology Manager	46.13	48.43	50.86	53.41	56.07	58.87
Marketing, Communications and Customer Service Manager +	46.13	48.43	50.86	53.41	56.07	58.87
Purchasing Manager**	46.13	48.43	50.86	53.41	56.07	58.87
Senior Database Administrator	41.24	43.31	45.47	47.75	50.12	52.63
Asst. Manager of Information Technology *	41.24	43.31	45.47	47.75	50.12	52.63
Assistant Finance Manager	38.54	40.46	42.48	44.60	46.84	49.18
Assistant HR Manager	38.54	40.46	42.48	44.60	46.84	49.18
Fixed Route Superintendent	38.54	40.46	42.48	44.60	46.84	49.18
Paratransit Superintendent	38.54	40.46	42.48	44.60	46.84	49.18
Project Manager	38.54	40.46	42.48	44.60	46.84	49.18
Facilities Maintenance Manager	37.45	39.33	41.29	43.35	45.53	47.80
Database Administrator	35.62	37.41	39.28	41.24	43.31	45.47
Safety, Security and Risk Manager ***+++	35.62	37.41	39.28	41.24	43.31	45.47
Assistant Superintendent ++	32.20	33.81	35.50	37.28	39.14	41.10
Executive Assistant *****	30.17	31.68	33.26	34.92	36.68	38.52

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+++ Replaced Security and Risk Administrator with Safety, Security and Risk Manager per BOD action Feb 13, 2015

++++ Add Planning and Development Manager per BOD action Feb 13, 2015

8-06K.3

Attachment K

MANAGEMENT MONTHLY RATES SCHEDULE

REVISED

Effective 06/19/2014
Corrected - 06/17/13
Updated - 03/28/14
Updated - 08/22/14
Updated - 12/12/14

<u>Title</u>	<u>Step 1</u>	<u>Step 2</u>	<u>Step 3</u>	<u>Step 4</u>	<u>Step 5</u>	<u>Step 6</u>
CEO/General Manager****	14,654	15,385	16,155	16,962	17,810	18,703
District Counsel	11,281	11,844	12,437	13,059	13,711	14,399
Chief Operations Officer *****	9,764	10,253	10,766	11,305	11,870	12,464
Operations Manager	8,876	9,320	9,788	10,277	10,792	11,331
Maintenance Manager	8,876	9,320	9,788	10,277	10,792	11,331
Finance Manager	8,876	9,320	9,788	10,277	10,792	11,331
Planning and Development Manager ++++	8,876	9,320	9,788	10,277	10,792	11,331
Human Resources Manager	7,996	8,395	8,816	9,258	9,719	10,204
Information Technology Manager	7,996	8,395	8,816	9,258	9,719	10,204
Marketing, Communications and Customer Service Manager +	7,996	8,395	8,816	9,258	9,719	10,204
Purchasing Manager**	7,996	8,395	8,816	9,258	9,719	10,204
Senior Database Administrator	7,148	7,507	7,881	8,277	8,687	9,123
Asst. Manager of Information Technology *	7,148	7,507	7,881	8,277	8,687	9,123
Assistant Finance Manager	6,680	7,013	7,363	7,731	8,119	8,525
Assistant HR Manager	6,680	7,013	7,363	7,731	8,119	8,525
Fixed Route Superintendent	6,680	7,013	7,363	7,731	8,119	8,525
Paratransit Superintendent	6,680	7,013	7,363	7,731	8,119	8,525
Project Manager	6,680	7,013	7,363	7,731	8,119	8,525
Facilities Maintenance Manager	6,491	6,817	7,157	7,514	7,892	8,285
Database Administrator	6,174	6,484	6,809	7,148	7,507	7,881
Safety, Security and Risk Manager ***+++	6,174	6,484	6,809	7,148	7,507	7,881
Assistant Superintendent ++	5,581	5,860	6,153	6,462	6,784	7,124
Executive Assistant *****	5,229	5,491	5,765	6,053	6,358	6,677

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++++ Add Planning and Development Manager per BOD action Feb 13, 2015

8-06K.4



DATE: February 13, 2015
TO: Board of Directors
FROM: Isaac Holly, Acting IT Manager
SUBJECT: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT AMENDMENT WITH EPICOR FOR A HR SOFTWARE UPGRADE IN AN AMOUNT NOT TO EXCEED \$80,000

I. RECOMMENDED ACTION

That the Board of Directors Authorize the CEO to Execute a Contract Amendment with Epicor to Increase the Contract Not-To-Exceed Amount by \$80,000, for an HR Software Upgrade.

II. SUMMARY

- The Santa Cruz Metropolitan Transit District (METRO) has a contract with Epicor for the iVantage Human Resource Information System (HRIS).
- The version of the Epicor iVantage HRIS that METRO is currently running is no longer being updated and has reached end-of-life. The updated offering to Epicor iVantage has been redesigned and rebranded to Epicor Human Capital Management (HCM). This update offers a vastly improved interface and contains essential features unavailable in iVantage; therefore, a software upgrade is recommended.
- No changes to the service terms and conditions will result from this upgrade.

III. DISCUSSION/BACKGROUND

METRO has a contract with Epicor for the iVantage HRIS. Epicor iVantage is the HRIS that METRO purchased in 2010 to replace the legacy UNIX based HR database, and was a significant improvement over the previous system at that time.

Epicor iVantage currently provides the following basic HRIS functions:

- Tracks all recruitment applicants, employee hires, terminations, and retirements.
- Enables METRO to provide mandatory Equal Employment Opportunity (EEO) reporting to the Federal Transit Administration (FTA).
- Tracks employee information, METRO employment history, and pay history.

- Exports employee pay rate updates to the Payroll system.
- Tracks benefits and total employment cost for all active employees and retirees and their dependents.

Epicor iVantage has been redesigned and rebranded to Epicor HCM and is designed to interoperate as one module within Epicor's Enterprise Resource Management ("ERP") software suite.

The Epicor HCM upgrade offers the following essential features unavailable in Epicor iVantage:

- Completely redesigned and reorganized user interface that is individually customizable.
- Allows for agency growth planning and restructuring through superior employee tracking tools.
- Automated workflow to expedite the approval queue from recruitment to hiring, and reduce redundant signature paperwork currently in place.
- Workflow punch-lists and required fields to ensure all required data gets entered and in the right order.
- Superior reporting suite and ad-hoc reporting environment based on Microsoft Report Builder (with no additional licensing fees).
- Candidate Connect add-on module allows applicants for METRO employment openings to apply directly through the METRO website (instead of requiring that paper applications be submitted in person at METRO Administrative Offices), extends outreach to the major job listing websites, and reduces data entry burden for Metro staff.
- Epicor HCM will work on all major browsers. The current version of Epicor iVantage is only compatible with Microsoft Internet Explorer browser.

Staff recommends that METRO Upgrade its HRIS. Staff further recommends that the Board of Directors authorize the CEO to execute a contract amendment with Epicor to increase the contract not-to-exceed amount by \$80,000, for a HR software upgrade. Isaac Holly, Acting IT Manager will continue to serve as the Contract Administrator and will ensure contract compliance.

IV. FINANCIAL CONSIDERATIONS/IMPACT

Funds to support this contract in the amount of \$40,000 are included in the FY15 (514041-906101) Capital Budget. The remaining \$40,000 will be budgeted in the FY16 (514041-906101) Capital Budget. This contract has a total not to exceed of \$80,000.

V. ALTERNATIVES CONSIDERED

- Do nothing. Do not perform the upgrade and continue running on the existing Epicor iVantage system until product support expires. Staff does not recommend this action as this system performs essential functions within the METRO HR department.
- Go out to bid for a new HRIS. Staff does not recommend this action due to cost and integration time. The estimated cost for a new HRIS is \$200,000 based on the cost of the existing system in place at METRO which came in at a lower bid than competing offerings.

VI. ATTACHMENTS

Attachment A: First Amendment to the Contract with Epicor

VII. APPROVALS:

Isaac Holly, Acting IT Manager



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



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
FIRST AMENDMENT TO CONTRACT NO. 10-17
FOR PURCHASE AND IMPLEMENTATION OF A HUMAN RESOURCES
SOFTWARE MANAGEMENT SYSTEM**

This First Amendment to Contract No. 10-17 for Purchase and Implementation of a Human Resources Software Management System is made effective February 16, 2015 between the Santa Cruz Metropolitan Transit District ("Santa Cruz METRO"), a political subdivision of the State of California, and Epicor Software Corporation, successor in interest to Spectrum Human Resource Systems Corporation ("Contractor").

I. RECITALS

- 1.1 Santa Cruz METRO and Spectrum Human Resource Systems Corporation entered into a Contract for Purchase and Implementation of a Human Resources Software Management System ("Contract") on June 1, 2010.
- 1.2 Epicor Software Corporation acquired Spectrum Human Resource Systems Corporation effective December 23, 2010. The Contract was not amended at that time to reflect the change of Contractor.
- 1.3 The Contract allows for amendment upon mutual written consent.
- 1.4 Santa Cruz METRO and Contractor desire to amend the Contract to correctly reflect "Epicor Software Corporation" as Contractor, to incorporate a software upgrade, and to increase the Contract total not-to-exceed amount.

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

II. CHANGE OF CONTRACTOR

- 2.1 The Contract is amended by substituting "Epicor Software Corporation" for "Spectrum Human Resource Systems Corporation" wherever it appears in the Contract.

III. SCOPE OF SERVICES

- 3.1 Exhibit D to the Contract, "Services Scope Document," is amended to incorporate Contractor's "Statement of Work" dated January 29, 2015 (Attachment A to the First Amendment) and "Master Customer Agreement – Add-On Order" dated November 24, 2014 (Attachment B to the First Amendment) for service upgrade from Epicor iVantage HRIS to Epicor HCM.

IV. COMPENSATION

- 4.1 Article 5.01 is amended to include the following language:

Santa Cruz METRO shall compensate Contractor in an amount not to exceed the rates agreed upon and set forth in Contractor's "Statement of Work" dated January 29, 2015

Attachment A

and "Master Customer Agreement – Add-On Order" dated November 24, 2014. Santa Cruz METRO and Contractor agree that the total amount payable pursuant to the First Amendment shall not exceed \$80,000.

V. REMAINING TERMS AND CONDITIONS

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

VI. AUTHORITY

6.1 Article 7 is amended to include the following language:

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

Signed on _____

Santa Cruz METRO –
SANTA CRUZ METROPOLITAN
TRANSIT DISTRICT

Alex Clifford, CEO/General Manager

Contractor –
EPICOR SOFTWARE CORPORATION

Vince Lowder, Vice President/
Assistant General Counsel

DocuSigned by:

Vincent Lowder

2C7BE3FAEE134A4...

Approved as to Form:

Leslyn Syren, District Counsel





DATE: February 13, 2015
TO: Board of Directors
FROM: Chair Dene Bustichi
SUBJECT: PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

I. RECOMMENDED ACTION

Staff recommends that the Board of Directors recognize the anniversaries of those Santa Cruz Metropolitan Transit District (METRO) employees named on the attached list and that the Board Chair present them with awards.

II. SUMMARY

None.

III. DISCUSSION/BACKGROUND

Many employees have provided dedicated and valuable years to METRO. In order to recognize these employees, anniversary awards are presented at five-year increments beginning with the tenth year. In an effort to accommodate those employees that are to be recognized, they will be invited to attend the Board meetings to receive their awards.

IV. FINANCIAL CONSIDERATIONS/IMPACT

None.

V. ALTERNATIVES CONSIDERED

None.

VI. ATTACHMENTS

Attachment A: Employee Recognition List

VII. APPROVALS:

Alex Clifford, CEO/General Manager



Attachment A



EMPLOYEE LONGEVITY AWARDS TO BE PRESENTED AT THE BOARD MEETING ON FEBRUARY 13, 2015

For January 2015

CERTIFICATE OF APPRECIATION FOR 10 YEARS

Jaime Perez Garcia	Van Operator
Lawrence C. Swain	Van Operator
Aurora Trinidad	Van Operator

For February 2015

CERTIFICATE OF APPRECIATION FOR 15 YEARS

Teodoro Guerrero	Vehicle Service Detailer
Raymundo D. Marquez	Vehicle Service Detailer

RETIREEES For January 2015

James Lam	Paratransit Van Operator
Virginia Lee	Paratransit Van Operator
Glenn Nabor	Bus Operator
Edward Nelson	Transit Supervisor
Juan Pons	Bus Operator
Reed Rylander	Lead Mechanic
Raymond Scargill	Purchasing

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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 JAMES LAM AS PARATRANSIT VAN OPERATOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

WHEREAS, the provision of public transportation service requires a competent, dedicated workforce, and

WHEREAS, the METRO, requiring an employee with expertise and dedication appointed James Lam to serve in the position of Paratransit Van Operator and

WHEREAS, James Lam served as a member of the Paratransit Department of the METRO for the time period of April 17, 2008 to December 30, 2014, and

WHEREAS, James Lam provided the METRO with dedicated service and commitment during the time of employment, and

WHEREAS, James Lam served the METRO with distinction, and

WHEREAS, the service provided to the residents of Santa Cruz County by James Lam resulted in reliable, quality public transportation being available in the most difficult of times, and

WHEREAS, during the time of James Lam's service, the METRO expanded service, improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

WHEREAS, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by James Lam.

NOW, THEREFORE, BE IT RESOLVED, that upon his retirement as Paratransit Van Operator, the Board of Directors of the METRO does hereby commend James Lam for efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, the METRO staff and all of the residents of Santa Cruz County.

BE IT FURTHER RESOLVED, that a copy of this resolution will be presented to James Lam, and that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 13th Day of February, 2015 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Leslyn K. Syren, District Counsel

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

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

RESOLUTION OF APPRECIATION FOR THE SERVICES OF VIRGINIA LEE AS PARATRANSIT VAN OPERATOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

WHEREAS, the provision of public transportation service requires a competent, dedicated workforce, and

WHEREAS, the METRO, requiring an employee with expertise and dedication appointed Virginia Lee to serve in the position of Paratransit Van Operator, and

WHEREAS, Virginia Lee served as a member of the Paratransit Department of the METRO for the time period of October 9, 2004 to December 30, 2014, and

WHEREAS, Virginia Lee provided the METRO with dedicated service and commitment during the time of employment, and

WHEREAS, Virginia Lee served the METRO with distinction, and

WHEREAS, the service provided to the residents of Santa Cruz County by Virginia Lee resulted in reliable, quality public transportation being available in the most difficult of times, and

WHEREAS, during the time of Virginia Lee's service, the METRO expanded service, improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

WHEREAS, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by Virginia Lee.

NOW, THEREFORE, BE IT RESOLVED, that upon her retirement as Paratransit Van Operator, the Board of Directors of the METRO does hereby commend Virginia Lee for efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, the METRO staff and all of the residents of Santa Cruz County.

BE IT FURTHER RESOLVED, that a copy of this resolution will be presented to Virginia Lee, and that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 13th Day of February, 2015 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Leslyn K. Syren, District Counsel

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

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

RESOLUTION OF APPRECIATION FOR THE SERVICES OF GLENN NABOR AS BUS OPERATOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

WHEREAS, the provision of public transportation service requires a competent, dedicated workforce, and

WHEREAS, the METRO, requiring an employee with expertise and dedication appointed Glenn Nabor to serve in the position of Bus Operator, and

WHEREAS, Glenn Nabor served as a member of the Operations Department of the METRO for the time period of April 25, 1988 to December 30, 2014, and

WHEREAS, Glenn Nabor provided the METRO with dedicated service and commitment during the time of employment, and

WHEREAS, Glenn Nabor served the METRO with distinction, and

WHEREAS, the service provided to the residents of Santa Cruz County by Glenn Nabor resulted in reliable, quality public transportation being available in the most difficult of times, and

WHEREAS, during the time of Glenn Nabor's service, the METRO expanded service, improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

WHEREAS, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by Glenn Nabor.

NOW, THEREFORE, BE IT RESOLVED, that upon his retirement as Bus Operator, the Board of Directors of the METRO does hereby commend Glenn Nabor for efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, the METRO staff and all of the residents of Santa Cruz County.

BE IT FURTHER RESOLVED, that a copy of this resolution will be presented to Glenn Nabor, and that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 13th Day of February, 2015 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Leslyn K. Syren, District Counsel

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

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

**RESOLUTION OF APPRECIATION FOR THE SERVICES OF EDWARD NELSON AS
TRANSIT SUPERVISOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT
DISTRICT**

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

WHEREAS, the provision of public transportation service requires a competent, dedicated workforce, and

WHEREAS, the METRO, requiring an employee with expertise and dedication appointed Edward Nelson to serve in the position of Transit Supervisor, and

WHEREAS, Edward Nelson served as a member of the Operations Department of the METRO for the time period of February 19, 1980 to December 14, 2014, and

WHEREAS, Edward Nelson provided the METRO with dedicated service and commitment during the time of employment, and

WHEREAS, Edward Nelson served the METRO with distinction, and

WHEREAS, the service provided to the residents of Santa Cruz County by Edward Nelson resulted in reliable, quality public transportation being available in the most difficult of times, and

WHEREAS, during the time of Edward Nelson's service, the METRO expanded service, improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

WHEREAS, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by Edward Nelson.

NOW, THEREFORE, BE IT RESOLVED, that upon his retirement as Transit Supervisor, the Board of Directors of the METRO does hereby commend Edward Nelson for efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, the METRO staff and all of the residents of Santa Cruz County.

BE IT FURTHER RESOLVED, that a copy of this resolution will be presented to Edward Nelson, and that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 13th Day of February, 2015 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Leslyn K. Syren, District Counsel

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

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

RESOLUTION OF APPRECIATION FOR THE SERVICES OF JUAN PONS AS BUS OPERATOR FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

WHEREAS, the provision of public transportation service requires a competent, dedicated workforce, and

WHEREAS, the METRO, requiring an employee with expertise and dedication appointed Juan Pons to serve in the position of Bus Operator, and

WHEREAS, Juan Pons served as a member of the Operations Department of the METRO for the time period of June 15, 2006 to December 8, 2014, and

WHEREAS, Juan Pons provided the METRO with dedicated service and commitment during the time of employment, and

WHEREAS, Juan Pons served the METRO with distinction, and

WHEREAS, the service provided to the residents of Santa Cruz County by Juan Pons resulted in reliable, quality public transportation being available in the most difficult of times, and

WHEREAS, during the time of Juan Pons' service, the METRO expanded service, improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

WHEREAS, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by Juan Pons.

NOW, THEREFORE, BE IT RESOLVED, that upon his retirement as Bus Operator, the Board of Directors of the METRO does hereby commend Juan Pons for efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, the METRO staff and all of the residents of Santa Cruz County.

BE IT FURTHER RESOLVED, that a copy of this resolution will be presented to Juan Pons, and that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 13th Day of February, 2015 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Leslyn K. Syren, District Counsel

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

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

RESOLUTION OF APPRECIATION FOR THE SERVICES OF REED RYLANDER AS LEAD MECHANIC FOR THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

WHEREAS, the provision of public transportation service requires a competent, dedicated workforce, and

WHEREAS, the METRO, requiring an employee with expertise and dedication appointed Reed Rylander to serve in the position of Lead Mechanic, and

WHEREAS, Reed Rylander served as a member of the Fleet Maintenance Department of the METRO for the time period of April 12, 2001 to December 2, 2014, and

WHEREAS, Reed Rylander provided the METRO with dedicated service and commitment during the time of employment, and

WHEREAS, Reed Rylander served the METRO with distinction, and

WHEREAS, the service provided to the residents of Santa Cruz County by Reed Rylander resulted in reliable, quality public transportation being available in the most difficult of times, and

WHEREAS, during the time of Reed Rylander's service, the METRO expanded service, improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

WHEREAS, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by Reed Rylander.

NOW, THEREFORE, BE IT RESOLVED, that upon his retirement as Lead Mechanic, the Board of Directors of the METRO does hereby commend Reed Rylander for efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, the METRO staff and all of the residents of Santa Cruz County.

BE IT FURTHER RESOLVED, that a copy of this resolution will be presented to Reed Rylander, and that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 13th Day of February, 2015 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Leslyn K. Syren, District Counsel

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

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

**RESOLUTION OF APPRECIATION FOR THE SERVICES OF RAYMOND SCARGILL
AS SUPERVISOR OF PARTS AND MATERIALS FOR THE SANTA CRUZ
METROPOLITAN TRANSIT DISTRICT**

WHEREAS, the Santa Cruz Metropolitan Transit District (METRO) was formed to provide public transportation to all of the residents of Santa Cruz County, and

WHEREAS, the provision of public transportation service requires a competent, dedicated workforce, and

WHEREAS, the METRO, requiring an employee with expertise and dedication appointed Raymond Scargill to serve in the position of Supervisor of Parts and Materials, and

WHEREAS, Raymond Scargill served as a member of the Purchasing Department of the METRO for the time period of November 12, 1984 to December 4, 2014, and

WHEREAS, provided the METRO with dedicated service and commitment during the time of employment, and

WHEREAS, Raymond Scargill served the METRO with distinction, and

WHEREAS, the service provided to the residents of Santa Cruz County by Raymond Scargill resulted in reliable, quality public transportation being available in the most difficult of times, and

WHEREAS, during the time of Raymond Scargill's service, the METRO expanded service, improved existing and built new operating facilities, converted the fleet to a CNG propulsion system, developed accessible bus stops, improved ridership, responded to adverse economic conditions, assumed direct operational responsibility for the Highway 17 Express service and the Amtrak Connector service, and assumed direct operational responsibility for the ParaCruz service, and

WHEREAS, the quality of life in Santa Cruz County was improved dramatically as a result of the exemplary service provided by Raymond Scargill.

NOW, THEREFORE, BE IT RESOLVED, that upon his retirement as Supervisor of Parts and Materials, the Board of Directors of the METRO does hereby commend Raymond Scargill for efforts in advancing public transit service in Santa Cruz County and expresses sincere appreciation on behalf of itself, the METRO staff and all of the residents of Santa Cruz County.

BE IT FURTHER RESOLVED, that a copy of this resolution will be presented to Raymond Scargill, and that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 13th Day of February, 2015 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

Approved:

Dene Bustichi, Chair

Attest:

Alex Clifford, CEO/General Manager

Approved as to form:

Leslyn K. Syren, District Counsel



DATE: February 13, 2015
TO: Board of Directors
FROM: Angela Aitken, Finance Manager
**SUBJECT: ACCEPTANCE OF FINANCIAL STATEMENTS WITH INDEPENDENT
AUDITOR'S REPORT FOR THE YEAR ENDED JUNE 30, 2014**

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, 2014.

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, 2014, with a comparison to the financial position as of June 30, 2013. 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, 2014.
- 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 41-42), the auditors found nothing that came to their attention that indicated Santa Cruz METRO failed to comply with the Statutes, Rules, and Regulations of the California Transportation Development Act, and the allocation instructions and resolutions of the Santa Cruz County Regional Transportation Commission during the course of their audit. Additionally, the auditors verified all Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) program receipts and expenses for the year audited.
- In the **Schedule of Findings and Questioned Costs** (pages 43- 44), the auditors identified no findings associated with their testing of major federal program expenditures in connection with their audit performed under *Government Auditing Standards* and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.
- The **Required Communication to the Board of Directors in Accordance with Professional Standards** letter provides information related to the auditor's responsibilities under generally accepted auditing standards. (Attachment B)

- There were no current year audit findings or recommendations and there were no prior year audit findings to correct, therefore no **Agreed upon Conditions Designed to Increase Efficiency, Internal Controls, and/or Financial Reporting** letter was issued by the auditors this year.

III. DISCUSSION/BACKGROUND

Attachment A – Financial Statements with Independent Auditors Report

The **Independent Auditor’s Report** (page 1) documents that the audit was conducted in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The auditors have found that Santa Cruz METRO’s financial statements present fairly, in all material aspects, the financial position of Santa Cruz METRO as of June 30, 2014.

While the basic financial statements and notes (pages 11-31) describe Santa Cruz METRO’s financial position in detail, the **Management’s Discussion and Analysis** (pages 3-10) presents narrative highlights of the financial statements, an overview of the agency’s financial activities, and information that enhances overall financial disclosure. This report is prepared by Santa Cruz METRO management.

The **Statements of Net Position** (pages 11-12) present current and noncurrent assets and liabilities on a full accrual basis. Net position represents the difference between total assets and total liabilities.

The Statements of Revenues, Expenses and Changes in Fund Net Position (page 13) present Santa Cruz METRO’s revenues, expenses and the net impact these activities had on its net position for the year.

The **Statements of Cash Flows** (page 14) demonstrate how changes in balance sheet accounts and income affect cash and cash equivalents.

The **Notes to Basic Financial Statements** (pages 15-31) 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 Schedule of Funding Progress for Santa Cruz METRO’s defined benefit pension plan (page 32) is presented in the **Required Supplementary Information** section of the report, following the notes to the financial statements.

The Schedule of Funding Progress for the net obligation for post-employment medical, dental, vision and life insurance benefits (OPEB) (page 33) presents multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. At this time, Santa Cruz METRO is not prefunding the liability for retiree medical benefits or other post-employment benefits.

The Statements of Operating Expenses (page 34) are presented as **Supplementary Information**, showing the total operating costs that were reported in the financials in further detail, broken out by natural expense classification.

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

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

IV. FINANCIAL CONSIDERATIONS/IMPACT

There is no fiscal impact with the Board's acceptance of the financial statements and audit reports. However, in order to continue to receive Transportation Development Act (TDA) payments from the Santa Cruz County Regional Transportation Commission (SCCRTC), the final audit must be submitted to the SCCRTC within 180 days of the end of the fiscal year. Santa Cruz METRO met this TDA compliance requirement by submitting the FY14 audited financial statements to the SCCRTC on 12/19/14.

V. ALTERNATIVES CONSIDERED

N/A

VI. ATTACHMENTS

Attachment A: Financial Statements with Independent Auditor's Report for the years ended June 30, 2014 and 2013

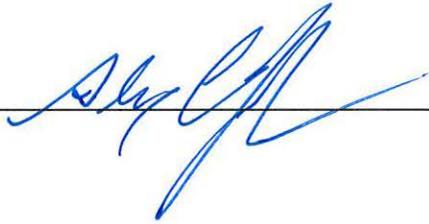
Attachment B: Required Communication to the Board of Directors in Accordance with Professional Standards (letter from Brown Armstrong)

VII. APPROVALS:

Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT
JUNE 30, 2014 AND 2013

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT JUNE 30, 2014 AND 2013

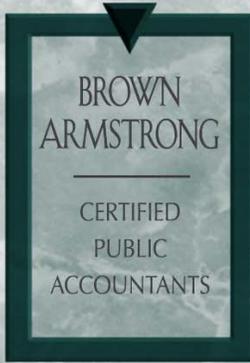
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Attachment A

FINANCIAL SECTION

Attachment A



BROWN ARMSTRONG
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO), as of and for the years ended June 30, 2014 and 2013, and the related notes to the financial statements, which collectively comprises the Santa Cruz METRO's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to Santa Cruz METRO's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Santa Cruz METRO's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Attachment A

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Santa Cruz METRO as of June 30, 2014 and 2013, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules of funding progress for Santa Cruz METRO's Defined Benefit Pension Plan and Other Postemployment Benefit (OPEB) Plan on pages 3-10 and 32-33 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The statements of operating expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The statements of operating expenses and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the statements of operating expenses and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2014, on our consideration of Santa Cruz METRO's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Santa Cruz METRO's internal control over financial reporting and compliance.

Bakersfield, California
December 15, 2014

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2014 AND 2013

Introduction

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of Santa Cruz Metropolitan Transit District (Santa Cruz METRO) provides a narrative and analytical overview of the financial activities of Santa Cruz METRO with selected comparative information for the years ended June 30, 2014 and 2013. Following the MD&A are the basic financial statements of Santa Cruz METRO together with the notes thereto, which are essential for a full understanding of the data contained in the financial statements.

Activities and Highlights

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

The Financial Statements

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

The Statements of Net Position presents information on Santa Cruz METRO's assets and liabilities, with the difference between the two reported as net position.

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

The Statements 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 Statements of Net Position.

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

Following the basic financial statements and footnotes is the Required Supplementary Information, which provides further detail on the funding progress of Santa Cruz METRO's defined benefit pension plan and other postemployment benefits.

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

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued) JUNE 30, 2014 AND 2013

Financial Highlights

The following discussion provides an overview of the financial activities related to operations (operating revenue and expense) and capital funding (contributions) received for facilities improvements and the purchase of capital equipment for the year ended June 30, 2014.

Operating Revenue and Expense

Santa Cruz METRO utilizes five primary sources of revenue to operate its public transit services: passenger fares, sales tax, local transportation funds (TDA), federal funds, and other non-transportation related revenues (including advertising income, investment income, and rental income). After the economic recession of 2008, and in an effort to bridge the resulting operating budget gap, two sources of revenue that were used historically to fund the capital program were re-directed from the capital budget to the operating budget. These funding sources, Federal Transit Administration – Small Transit Intensive Cities (FTA-STIC) and State Transit Assistance (STA) have allowed the agency to continue to provide and maintain a consistent level of service to the public, despite operating budgetary shortfalls. The waiver that has allowed Santa Cruz METRO to use STA funds in the operating budget is scheduled to expire in June 2016. STA funds can be used for operating assistance only when annual cost escalation does not exceed the annual increase in the Consumer Price Index (CPI). Current budget projections estimate that the agency will not meet the efficiency standard; therefore the funds may not be used in the operating budget, and will revert to the capital budget. The California Transit Association (CTA) is currently advocating to extend this waiver.

Operating expenses are classified into ten basic categories: labor and fringe benefits, services, mobile materials and supplies, other materials and supplies, utilities, insurance costs (casualty and liability), taxes, purchased transportations costs, miscellaneous expense, and leases and rental expenses. These categories are consistent with the Uniform System of Accounts (USOA) and National Transit Database (NTD) reporting.

As with many transit and public agencies across the region and throughout the state, Santa Cruz METRO continues to face financial challenges due to significant increases in operating and capital costs with no significant increase in operating or capital contributions. The FY14 Operating budget is a balanced budget using Operating revenues and Cash Reserves to fill the budget gap. However, the FY14 Operating budget is not a structurally balanced budget. This means that recurring expenses exceed recurring revenues. For a variety of reasons, true structural balance may not be possible at a given time. In such a case, using reserves to balance the budget may be considered, but only in the context of a plan to return to structural balance, replenish fund balances, and ultimately remediate the negative impacts of any other short-term balancing actions that may be taken. Santa Cruz METRO staff is currently studying the contributing factors to the structural deficit and is exploring potential solutions through a series of workshops and Board presentations.

Capital Program

In fiscal year 2014, Santa Cruz METRO spent over \$11.5 million in capital contributions on new and ongoing capital projects. These capital projects were funded by a variety of sources including the Federal Transportation Administration (FTA), California Proposition 1B Transportation Bonds (Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) and the Transit System Safety, Security, and Disaster Response Account (TSSSDRA)), State Transit Assistance (STA), the State-Local Partnership Program (SLPP), the State Transportation Improvement Program (STIP), FTA construction settlement funds, and local cash reserves. Significant capital asset activity includes:

- Construction continues on the new Judy K. Souza Operations Facility, which began in spring 2013. This operations building and bus parking structure is another phase of the transit agency's MetroBase consolidated operations in the Harvey West area of Santa Cruz.

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued) JUNE 30, 2014 AND 2013

The project budget is approximately \$26 million, with the majority of funding provided by the PTMISEA program, which was established through Proposition 1B. The current estimated completion date is December, 2015. - Project in progress.

- Purchase and installation of an additional 15,000-gallon liquefied/compressed natural gas (L/CNG Storage Tank) at Santa Cruz METRO's CNG Fueling Station on River Street in Santa Cruz. Partial funding for this second tank was secured through a grant with the Monterey Bay Unified Air Pollution Control District (MBUAPCD), and is supplemented with funds from PTMISEA. - Project completed December 2013.
- Purchase and installation of Land Mobile Radio (LMR) equipment and agency-wide Video Surveillance – funding provided by TSSSDRA – The LMR project is a fully functioning fleet mobile radio system for the fixed route, paratransit and non-revenue (service) vehicles that meets the Federal Communication Commission (FCC) mandated requirement for narrowband migration by January 1, 2013. Additionally, this system will be compliant for the future narrowband migration that is required tentatively by the year 2018. The comprehensive security video surveillance portion of this project provides for video surveillance equipment to enhance safety for passengers and staff at the agency's transit centers and related facilities. The Video Surveillance project was completed in May 2014. The LMR project is in process.
- Bus Stop Improvements – funded with State Transportation Improvement Program (STIP) funds – The Bus Stop Improvement Project provided \$500,000 for construction, repairs, and improvements to bus stops throughout the county, including additional shelters, seating, and solar lighting. - Project completed November 2013.
- Purchase of six (6) forty-foot low-floor compressed natural gas (CNG) fixed route buses. Purchased with funding from a FTA "State of Good Repair" grant. Project completed June 2014.
- Installation and Implementation of Mobile Data System for ParaCruz Vehicles: In March 2014 ParaCruz received an upgrade to their scheduling software, Trapeze, in preparation for the installation of 42 Mobile Data Computers (MDCs) in May 2014. These on-board terminals allow for immediate additions/deletions/confirmations of paratransit trips, enhanced system communication and tracking, and improved capabilities of drivers/vehicles to make real-time changes that improve service and decrease the likelihood of missed trips.

Ridership:

Santa Cruz METRO provided 5,611,048 rides on both its fixed-route and paratransit services in FY14, a decrease of 11,725 rides from the prior year.

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued) JUNE 30, 2014 AND 2013

Future Outlook

The agency continues its emphasis on serving the public transportation needs of the County. Service increases are anticipated to fill service deficits that occurred as the result of service reductions in previous years. Ongoing ridership analysis and transit planning studies will provide the data necessary to identify changes in the transit needs of riders for future service enhancements that will better serve the community in the coming years, as well as identify opportunities to improve efficiency, cost-effectiveness and productivity throughout the system.

Short Range Transit Plan:

The agency's last Short Range Transit Plan (SRTP) expired at the end of 2012; therefore significant planning efforts were dedicated to the 2013 update. The SRTP is a planning document focused on transit service and capital improvements over a five year horizon. This document serves as a guide to Santa Cruz METRO in regards to service changes, capital projects, fleet management, public outreach and communication, as well as other elements like financial and legislative forecasting, and policy revisions and recommendations. The bulk of the 2013 SRTP was focused on recommending new and/or improved service planning policies. The draft report was released in December 2013, and the finalized report was approved by Santa Cruz METRO's board of directors in June 2014.

Marketing and Outreach:

Santa Cruz METRO, like most agencies, has continual changes in its ridership markets. New riders, whether new college students at UC-Santa Cruz, or long-time residents trying METRO for the first time, are crucial for stable or growing system ridership. Santa Cruz METRO is in the process of developing a marketing and outreach plan that will help the agency meet the challenge of engaging new ridership by promoting public awareness and improving access to information about the transit services in Santa Cruz County.

Transit Security:

Safety and security continue to be a focus at Santa Cruz METRO. Congress passed the Moving Ahead for Progress in the 21st Century Act (MAP-21) in June of 2012, reauthorizing public transportation funding programs for federal fiscal years 2013 and 2014, and additional funding through a Continuing Resolution into federal fiscal year 2015. Much of the emphasis of this new legislation is the establishment of funding for increased transit safety, including crime prevention and security. Santa Cruz METRO is in the process of further developing programs in these areas, as well as community emergency planning in order to meet key national goals. Additional grant funding will be sought for many of the programs Santa Cruz METRO is pursuing in this area.

In FY14 Santa Cruz METRO partnered with the City of Watsonville to install fiber optic cabling to allow local police access to the surveillance cameras at the Watsonville Transit Center (WTC). Santa Cruz METRO is in the process of renovating office space within the WTC to be used as a police substation, which will serve as a deterrent to crime and enhance the safety and security of passengers and staff at the WTC.

Future Capital Projects:

Re-design and remodel of Pacific Station in Santa Cruz - Located in the heart of downtown, Pacific Station is the City of Santa Cruz's primary multi-modal public transit center. Constructed in 1984, the existing building has endured nearly three decades of heavy use. Santa Cruz METRO and the City of Santa Cruz are partnering to redesign the downtown Pacific Station mixed use transit center. A redesigned transit center presents an opportunity to improve the experiences of both commuters and Santa Cruz METRO employees. Three rounds of community engagement have been completed to gather input on needs and opportunities, collect feedback on site and use options, and to present the design alternatives. Staff is currently working with the City of Santa Cruz and design consultants on plans for the Pacific Station remodel. The new Pacific Station will provide an attractive civic place that is safe, sustainable, functional, and appreciated by the whole Santa Cruz community.

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued) JUNE 30, 2014 AND 2013

Watsonville Transit Center Renovations - The Watsonville Transit Center (WTC) serves intermodal passenger connections among Santa Cruz METRO, Monterey Salinas Transit, and Greyhound buses, as well as ParaCruz vehicles, taxis and bicycles. WTC has been serving riders in South Santa Cruz County for nearly 20 years; these aging facilities require renovation. In winter 2012, staff conducted a series of public outreach efforts which included one-on-one surveys, focus groups and public outreach meetings. With the information generated from the public outreach, Santa Cruz METRO staff was able to narrow down design options and is currently working with conceptual design consultants for the Watsonville Transit Center renovations.

Additional Ticket Vending Machine – San Lorenzo Valley — This project allows for the purchase of an additional ticket vending machine (TVM) to provide after-hours ticket and pass purchasing and Smart Card value loading options, and will add a higher level of convenience to Santa Cruz METRO riders in the San Lorenzo Valley area. This will be the sixth TVM placed in service since 2011. Other TVM locations include, Santa Cruz Metro Center, 920 Pacific Avenue, Santa Cruz, Cabrillo College, 6500 Soquel Drive, Aptos, Capitola Mall, 1855 - 41st Avenue, Capitola Mall, Bart Cavallaro Transit Center, 246 Kings Village Road, Scotts Valley, and the Watsonville Transit Center, 475 Rodriguez Street, Watsonville. Funding to be provided by STA.

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:

	2014	2013	2012	2014 to 2013		2013 to 2012		
				Increase/(Decrease) Amount	%	Increase/(Decrease) Amount	%	
Assets								
Current assets	\$ 28,667,981	\$ 32,746,180	\$ 31,165,716	\$ (4,078,199)	-12%	\$ 1,580,464	5%	
Capital assets - net	78,497,841	72,093,634	74,173,437	6,404,207	9%	(2,079,803)	-3%	
Restricted assets	12,433,687	15,593,988	17,421,133	(3,160,301)	-20%	(1,827,145)	-10%	
Total assets	\$ 119,599,509	\$ 120,433,802	\$ 122,760,286	\$ (834,293)	-1%	\$ (2,326,484)	-2%	
Liabilities								
Current liabilities	\$ 6,936,367	\$ 6,588,268	\$ 5,757,375	\$ 348,099	5%	\$ 830,893	14%	
Non-current liabilities	15,774,448	21,431,611	20,213,884	(5,657,163)	-26%	1,217,727	6%	
Other Long-term liabilities	21,854,235	17,226,382	13,887,828	4,627,853	27%	3,338,554	24%	
Total liabilities	\$ 44,565,050	\$ 45,246,261	\$ 39,859,087	\$ (681,211)	-2%	\$ 5,387,174	14%	
Net Position								
Net investment in capital assets	\$ 78,497,841	\$ 72,093,634	\$ 74,173,437	\$ 6,404,207	9%	\$ (2,079,803)	-3%	
Unrestricted net assets	(3,463,382)	3,093,907	8,727,762	(6,557,289)	-212%	(5,633,855)	-65%	
Total net position	\$ 75,034,459	\$ 75,187,541	\$ 82,901,199	\$ (153,082)	0%	\$ (7,713,658)	-9%	

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued) JUNE 30, 2014 AND 2013

2014 vs 2013 Analysis

Key changes include:

- *Current assets* decreased by \$4.1 million or (12%) to \$28.7 million, primarily due to decreases in cash and cash equivalents. Unrestricted cash was used to bridge the FY14 budget gap and fund operations, as well as purchase capital assets.
- *Capital assets – net* increased by \$6.4 million or 9% to \$78.5 million, primarily due to increases in capital construction in progress related to the progress payments made for the construction of the new Judy K. Souza Operations Facility.
- *Restricted assets* decreased by \$3.2 million or (20%) to \$12.4 million. Grant funds received from PTMISEA were spent on Metrobase construction, while funds from TSSSDRA were spent on the Video Surveillance and Land Mobile Radio projects.
- *Current liabilities* increased by \$348 thousand or 5% to \$6.9 million in total, primarily due to increases in accrued payroll and employee benefits.
- *Non-current liabilities* decreased by \$5.7 million or (26%) to \$15.8 million due to the spending down of unearned grant funds on construction and capital acquisition during the year. Grant funds received are restricted and reported as liabilities until spent on the specific purpose for which they were awarded.
- *Other Long-term liabilities* increased by \$4.6 million or 27% to \$21.9 million primarily due to the increase in the liability for other postemployment benefits (OPEB).

2013 vs 2012 Analysis

Key changes include:

- *Current assets* increased by \$1.6 million or (5%) to \$32.7 million, primarily due to increases in accounts receivable and grants receivable.
- *Capital assets – net* decreased by \$2.1 million or (3%) to \$72.1 million, primarily due to capital disposals and depreciation of buildings, equipment and rolling stock.
- *Restricted assets* decreased by \$1.8 million or (10%) to \$15.6 million. Grant funds received from PTMISEA were spent on Metrobase construction, while funds from TSSSDRA were spent on the Video Surveillance and Land Mobile Radio projects.
- *Current liabilities* increased by \$831 thousand or 14% to \$6.6 million, primarily due to increases in accounts payable at year-end due to ramped up construction activity on the new Operations facilities in late FY13.
- *Non-current liabilities* increased by \$1.2 million or 6% to \$21.4 million due to the receipt of grant funds during FY13. Grant funds received are restricted and reported as liabilities until spent on the specific purpose for which they were awarded.
- *Other Long-term liabilities* increased by \$3.3 million or 24% to \$17.2 million primarily due to the increase in the liability for OPEB.

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued) JUNE 30, 2014 AND 2013

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

	2014	2013	2012	2014 to 2013		2013 to 2012	
				Increase/(Decrease)		Increase/(Decrease)	
				Amount	%	Amount	%
Operating Revenues	\$ 9,511,613	\$ 9,204,063	\$ 8,772,949	\$ 307,550	3%	\$ 431,114	5%
Operating Expenses	(55,356,660)	(50,771,308)	(47,296,458)	(4,585,352)	9%	(3,474,850)	-7%
Operating Loss	(45,845,047)	(41,567,245)	(38,523,509)	(4,277,802)	10%	(3,043,736)	-8%
Non-Operating Revenues	34,188,736	29,174,631	27,085,055	5,014,105	17%	2,089,576	8%
Capital Grant Contributions	11,503,229	4,678,956	6,939,674	6,824,273	146%	(2,260,718)	-33%
Decrease in Net Position	\$ (153,082)	\$ (7,713,658)	\$ (4,498,780)	\$ 7,560,576	-98%	\$ (3,214,878)	71%

2014 vs 2013 Analysis

Operating Revenues (Passenger Fares) increased by \$308 thousand or 3% this year primarily due to increased revenue from ridership contracts with public agencies and UCSC.

Operating Expenses increased by \$4.6 million or 9% overall when compared to last year due to increases in employees' wage rates, the provision for OPEB, medical insurance rates, and the California Public Employees' Retirement System (CalPERS) retirement rate.

Non-Operating Revenues increased by \$5.0 million, or 17% over last year primarily due to an increase in State Transit Assistance (STA) funds used for operating assistance.

Capital Contributions are capital grant funds received for facilities improvements and the purchase of capital equipment including revenue vehicles. The receipt of capital grant funds can fluctuate year over year based on a variety of factors including project eligibility requirements, formula-based funding criteria, the economy, etc. Capital contributions increased by 146% over last year primarily due to ramped up construction of the Operations Facilities and the purchase of six CNG buses in FY14.

2013 vs 2012 Analysis

Operating Revenues (Passenger Fares) increased by \$431 thousand or 5% primarily due to increased ridership over the year, primarily from UCSC routes.

Operating Expenses increased by \$3.5 million or 7% overall when compared to FY12 due to increases in overtime costs, accrued leave payouts, medical insurance rates, CalPERS retirement rate and the provision for other postemployment benefits.

Non-Operating Revenues increased by \$2.1 million or 8% over last year primarily due to increased sales tax revenues brought on by a recovering economy and receipt of retroactive tax credits for alternative fuel usage during calendar year 2012.

Capital Contributions are capital grant funds received for facilities improvements and the purchase of capital equipment including revenue vehicles. The receipt of capital grant funds can fluctuate year over year based on a variety of factors including project eligibility requirements, formula-based funding criteria, the economy, etc. Capital contributions decreased by 33% over last year due to the purchase of 11 CNG buses in the prior year (FY12) with funds allocated from the FTA State of Good Repair (SGR) program.

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued) JUNE 30, 2014 AND 2013

Statements of Cash Flows:

	2014	2013	2012	2014 to 2013 Change	2013 to 2012 Change
Net Cash Used in Operating Activities	\$ (39,178,568)	\$ (34,662,235)	\$ (31,551,498)	\$ (4,516,333)	\$ (3,110,737)
Net Cash Provided by Non-Capital Financing Activities	34,117,855	28,259,642	27,233,074	5,858,213	1,026,568
Net Cash Provided by (Used in) Capital and Related Financing Activities	(2,152,710)	3,650,291	20,133,373	(5,803,001)	(16,483,082)
Net Cash Provided by Non-Transportation Activities	<u>233,780</u>	<u>231,008</u>	<u>158,886</u>	<u>2,772</u>	<u>72,122</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(6,979,643)	(2,521,294)	15,973,835	(4,458,349)	(18,495,129)
Cash and Cash Equivalents, Beginning of Year	<u>40,141,499</u>	<u>42,662,793</u>	<u>26,688,958</u>	<u>(2,521,294)</u>	<u>15,973,835</u>
Cash and Cash Equivalents, End of Year	<u>\$ 33,161,856</u>	<u>\$ 40,141,499</u>	<u>\$ 42,662,793</u>	<u>\$ (6,979,643)</u>	<u>\$ (2,521,294)</u>

Cash and cash equivalents held by Santa Cruz METRO decreased by \$7.0 million or 17% during FY14, and decreased \$2.5 million or 6% during FY13.

Contacting Santa Cruz METRO's Financial Management

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

Attachment A

BASIC FINANCIAL STATEMENTS

Attachment A

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
STATEMENTS OF NET POSITION
JUNE 30, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 20,728,169	\$ 24,547,511
Sales Tax, Grants, and Other Receivables	6,695,540	6,926,596
Inventory	730,493	799,098
Prepays	<u>513,779</u>	<u>472,975</u>
 Total Current Assets	 <u>28,667,981</u>	 <u>32,746,180</u>
RESTRICTED ASSETS		
Cash and Cash Equivalents	<u>12,433,687</u>	<u>15,593,988</u>
CAPITAL ASSETS		
Building and Improvements	47,449,888	47,449,888
Revenue Vehicles	51,920,525	49,217,862
Operations Equipment	6,387,675	3,533,295
Other Equipment	2,061,303	1,495,966
Other Vehicles	1,197,180	1,128,189
Office Equipment	<u>3,492,756</u>	<u>3,580,509</u>
 Total Depreciated Capital Assets	 112,509,327	 106,405,709
Less Accumulated Depreciation	<u>(57,352,454)</u>	<u>(52,058,930)</u>
 Total Depreciated Capital Assets Net of Accumulated Depreciation	 55,156,873	 54,346,779
 Construction-in-Progress	 11,744,657	 6,149,344
Land	<u>11,596,311</u>	<u>11,597,511</u>
 Total Capital Assets	 <u>78,497,841</u>	 <u>72,093,634</u>
 TOTAL ASSETS	 <u>\$ 119,599,509</u>	 <u>\$ 120,433,802</u>

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

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT STATEMENTS OF NET POSITION (Continued) JUNE 30, 2014 AND 2013

<u>LIABILITIES AND NET POSITION</u>	<u>2014</u>	<u>2013</u>
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 1,804,808	\$ 2,130,838
Accrued Payroll and Employee Benefits	3,796,393	3,299,396
Deferred Rent	2,802	6,944
Workers' Compensation Liabilities, Current	866,850	829,717
Other Accrued Liabilities	448,930	306,089
Security Deposit	<u>16,584</u>	<u>15,284</u>
Total Current Liabilities	6,936,367	6,588,268
NON-CURRENT LIABILITIES		
Unearned Revenue - Settlement Agreement	1,275,300	1,339,537
Unearned Revenue - State Transit Assistance	3,970,201	6,698,643
Unearned Revenue - PTMISEA Grant	9,906,729	12,804,932
Unearned Revenue - Proposition 1B Grant	622,218	588,499
OTHER LONG-TERM LIABILITIES		
Workers' Compensation Liabilities, Net of Current	3,323,327	3,160,618
Other Postemployment Benefit Liabilities	<u>18,530,908</u>	<u>14,065,764</u>
Total Liabilities	<u>44,565,050</u>	<u>45,246,261</u>
NET POSITION		
Net Investment in Capital Assets	78,497,841	72,093,634
Unrestricted Net Position	<u>(3,463,382)</u>	<u>3,093,907</u>
Total Net Position	<u>75,034,459</u>	<u>75,187,541</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 119,599,509</u></u>	<u><u>\$ 120,433,802</u></u>

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

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
OPERATING REVENUES		
Passenger Fares	\$ 5,677,940	\$ 5,624,748
Special Transit Fares	3,833,673	3,579,315
	9,511,613	9,204,063
OPERATING EXPENSES		
Wages, Salaries, and Employee Benefits	40,724,793	36,835,803
Purchased Transportation Services	213,032	185,875
Materials and Supplies	4,150,043	3,511,491
Other Expenses	4,360,952	3,470,646
Depreciation	5,907,840	6,767,493
	55,356,660	50,771,308
Net Operating Loss	(45,845,047)	(41,567,245)
NON-OPERATING REVENUES (EXPENSES)		
Sales and Use Taxes	15,685,172	17,250,072
Transportation Development Act Assistance (TDA)	6,244,316	5,507,038
State Transit Assistance (STA)	5,551,229	-
FTA Section 5307 Operating Assistance	5,511,909	4,753,073
FTA Section 5311 Rural Operating Assistance	207,574	156,312
Alternative Fuel Tax Credit	320,287	868,001
Planning Grants	21,709	10,572
Interest Income	74,639	84,503
Rental Income	159,141	146,505
Other Revenue	417,448	423,804
Loss on Sale and Disposal of Property, Equipment, and Inventory	(4,688)	(25,249)
	34,188,736	29,174,631
Net Loss Before Capital Contributions	(11,656,311)	(12,392,614)
CAPITAL CONTRIBUTIONS		
Grants Restricted for Capital Expenditures	11,503,229	4,678,956
NET POSITION		
Decrease in Net Position	(153,082)	(7,713,658)
Total Net Position, Beginning of Year	75,187,541	82,901,199
Total Net Position, End of Year	\$ 75,034,459	\$ 75,187,541

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

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Customers	\$ 9,870,342	\$ 8,722,667
Payments to Employees	(40,027,954)	(36,991,860)
Payments to Suppliers	(9,020,956)	(6,393,042)
	(39,178,568)	(34,662,235)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Operating Grants Received, Including Sales and Use Taxes	34,117,855	28,259,642
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from Sale of Property and Equipment	4,374	2,241
Capital Grants Received	10,164,025	8,363,223
Capital Expenditures	(12,321,109)	(4,715,173)
	(2,152,710)	3,650,291
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment and Rental Income Received	233,780	231,008
NET DECREASE IN CASH AND CASH EQUIVALENTS	(6,979,643)	(2,521,294)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	40,141,499	42,662,793
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 33,161,856	\$ 40,141,499
RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES		
Net Operating Loss	\$ (45,845,047)	\$ (41,567,245)
Adjustments to Reconcile Net Operating Loss to Net Cash Used in Operating Activities:		
Depreciation	5,907,840	6,767,493
Changes in Assets and Liabilities:		
(Increase) Decrease in Receivables	358,729	(481,396)
(Increase) Decrease in Inventory	68,605	(68,168)
Increase in Prepaid Expenses	(40,804)	(371,389)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(326,030)	1,215,277
Increase (Decrease) in Other Liabilities	698,139	(156,807)
	\$ (39,178,568)	\$ (34,662,235)

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, 2014 AND 2013

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. The transit system serves the general public in the cities of Santa Cruz, Watsonville, Scotts Valley, and Capitola and the unincorporated areas of Santa Cruz County. A Board of eleven directors and one Ex-Officio director representing the University of California, Santa Cruz governs Santa Cruz METRO. At June 30, 2014, the directors were as follows:

Chairperson:	Dene Bustichi		
Vice Chair:	Lynn Robinson		
Members:	Hilary Bryant	Zach Friend	Deborah Lane
	Karina Cervantez	Ron Graves	John Leopold
	Daniel Dodge	Michelle Hinkle	Bruce McPherson
Ex-Officio:	Donna Blitzer		

Santa Cruz METRO also serves the Highway 17 corridor into Santa Clara County to provide commuter express service through a memorandum of understanding with the California Department of Transportation, the Capitol Corridor Joint Powers Authority, and the Santa Clara Valley County Transit District (SCVCTD). 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 years ending June 30, 2014 and 2013, these activities were minimal.

Scope of Public Service:

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

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

Accountability:

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

Attachment A

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

B. Reporting Entity (Continued)

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

C. Basis of Accounting and Presentation

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

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

Contributed Capital/Reserved Retained Earnings:

Santa Cruz METRO receives grants from the Federal Transit Authority (FTA) and other agencies of the U.S. Department of Transportation, state, and local transportation funds for the acquisition of transit-related equipment and improvements. Prior to July 1, 2001, capital grants were recognized as donated capital to the extent that project costs under the grant had been incurred. Capital grant funds earned, less amortization equal to accumulated depreciation of the related assets, were included in contributed capital. As required by GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, Santa Cruz METRO changed its method of accounting for capital grants from capital contributions to reserved non-operating revenues. In accordance with GASB Statement No. 33, capital grants are required to be included in the determination of net income (loss) resulting in an increase in net revenue of \$11,503,229 and \$4,678,956 for the fiscal years 2014 and 2013, respectively.

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

Attachment A

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

C. Basis of Accounting and Presentation (Continued)

Proprietary Accounting and Financial Reporting:

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

Net Position:

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

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

D. Cash and Cash Equivalents

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

E. Inventory

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

F. Restricted Assets

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

The cash resulting from a settlement agreement, as described in Note 8, represents proceeds restricted by the Federal Transit Administration (FTA). The State Transit Assistance (STA) Grant, Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) Grant, and the Proposition 1B Office of Homeland Security (OHS) California Transit Security Grant Program (CTSGP) Grant are restricted for capital expenditures. Restricted assets at June 30 are as follows:

Attachment A

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

F. Restricted Assets (Continued)

	2014	2013
Cash and Cash Equivalents		
FTA Grant	\$ 1,275,300	\$ 1,339,537
Proposition 1B PTMISEA Grant	9,906,729	12,804,932
Proposition 1B OHS CTSGP Grant	622,218	588,499
STA Grant	629,440	861,020
Total Restricted Assets	\$ 12,433,687	\$ 15,593,988

G. Property and Equipment

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

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

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

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

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

H. Sales and Use Tax

Santa Cruz METRO receives a 0.5% sales and use tax levied on all taxable sales in Santa Cruz County, which is collected and administered by the California State Board of Equalization. During the fiscal year ended June 30, 2014, sales tax revenue of \$2,612,761 was used as the local match for capital projects funded by the State-Local Partnership Program (SLPP), as required by this formula program. Actual receipts of sales tax for the fiscal year ended June 30, 2014, were \$18,297,933.

Additionally, Santa Cruz METRO is allocated, through the Santa Cruz County Regional Transportation Commission, a portion of the 0.25% sales and use tax levied by the Transportation Development Act (TDA).

I. Operating Assistance Grants

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

Attachment A

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

J. Self-Insurance

Santa Cruz METRO is self-insured for the first \$250,000 of general and vehicular liability. For settlements in excess of \$250,000, Santa Cruz METRO has total coverage up to \$25,000,000 per occurrence. Additionally, Santa Cruz METRO is self-insured up to \$350,000 for workers' compensation claims. Santa Cruz METRO has recorded a liability for estimated claims to be paid, including incurred but not reported claims.

K. Employee Benefits

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

L. Payroll

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

M. Pension Costs

Pension costs are expensed as incurred. These costs equal the actuarially determined annual contribution amount.

N. Use of Estimates

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

O. Reclassifications

Certain reclassifications have been made to prior period amounts to conform to the classifications used in the current period. Such reclassifications had no effect on Santa Cruz METRO's financial positions or results of operations for the periods presented.

P. Implementation of Governmental Accounting Standards Board Statement

GASB Statement No. 65 – *Items Previously Reported as Assets and Liabilities*. The statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. There was no effect on Santa Cruz METRO's accounting or financial reporting as a result of implementing this standard.

GASB Statement No. 66 – *Technical Corrections—2012—an Amendment of GASB Statements No. 10 and No. 62*. The statement improves accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements. There was no effect on Santa Cruz METRO's accounting or financial reporting as a result of implementing this standard.

Attachment A

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

P. Implementation of Governmental Accounting Standards Board Statement (Continued)

GASB Statement No. 67 – *Financial Reporting for Pension Plans — an Amendment of GASB Statement No. 25*. The statement improves financial reporting by state and local governmental pension plans. There was no effect on Santa Cruz METRO’s accounting or financial reporting as a result of implementing this standard.

GASB Statement No. 70 – *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. This statement enhances comparability of financial statements among governments by requiring consistent reporting by those governments that extend nonexchange financial guarantees and by those governments that receive nonexchange financial guarantees. There was no effect on Santa Cruz METRO’s accounting or financial reporting as a result of implementing this standard.

Q. Future Governmental Accounting Standards Board Statements

GASB Statement No. 68 – *Accounting and Financial Reporting for Pensions — an Amendment of GASB Statement No. 27* improves accounting and financial reporting by state and local governments for pensions. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2014. The implementation of this standard will have a material effect on Santa Cruz METRO financial statements.

GASB Statement No. 69 – *Government Combinations and Disposals of Government Operations* provides specific accounting and financial reporting guidance for combinations in the governmental environment. This statement also improves the decision usefulness of financial reporting by requiring that disclosures be made by governments about combination arrangements in which they engage and for disposals of government operations. The requirements of this statement are effective for financial statements for periods beginning after December 15, 2013. Santa Cruz METRO has not yet determined its effect on the financial statements.

GASB Statement No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date* amends paragraph 137 of GASB Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. This Statement will eliminate the source of a potential significant understatement of restated beginning net position and expense in the first year of implementation of GASB Statement No. 68 in the accrual basis financial statements of employers and nonemployer contributing entities. The provisions of this Statement should be applied simultaneously with the provisions of GASB Statement No. 68 and therefore are effective for financial periods beginning after June 15, 2014. Santa Cruz METRO is assessing, but has not yet determined the effects of the implementation of this statement on its financial statements.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following at June 30, 2014 and 2013:

	2014	2013
Cash on Hand	\$ 15,792	\$ 45,978
Demand Deposits	974,264	478,012
Certificate of Deposit (CD)	39,971	39,344
Deposits in Santa Cruz County Pooled Investment Fund	32,131,829	39,578,165
	\$ 33,161,856	\$ 40,141,499

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 Certificates of Deposit	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
County Pooled Investment Funds	N/A	100%	None
Local Agency Investment Fund (LAIF)	N/A	None	None

Disclosures Relating to Interest Rate Risk

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

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:

<u>Investment Type</u>	<u>Amount</u>	<u>Remaining Maturity (in Months)</u>			
		<u>12 Months or Less</u>	<u>13 to 24 Months</u>	<u>25 to 60 Months</u>	<u>More Than 60 Months</u>
County Pooled Investment Fund	\$ 32,131,829	\$ 32,131,829	\$ -	\$ -	\$ -

Attachment A

NOTE 2 – CASH AND CASH EQUIVALENTS (Continued)

Cash on Hand and Cash in Banks (Continued)

Disclosures Relating to Credit Risk

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

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Year-End		
				AAA	Aa	Not Rated
County Pooled Investment Fund	<u>\$32,131,829</u>	<u>N/A</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$32,131,829</u>

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, 2014, or 2013.

Custodial Credit Risk

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

Custodial Credit Risk

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

Investment in Santa Cruz County Pooled Investment Fund

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

Attachment A

NOTE 3 – RECEIVABLES

Receivables at June 30 are as follows:

	2014	2013
Federal Grants	\$ 751,917	\$ 226,268
State Grants	2,171,719	2,550,183
Sales Tax Revenue	2,981,900	2,845,300
Other	790,004	1,304,845
	\$ 6,695,540	\$ 6,926,596

NOTE 4 – CHANGES IN CAPITAL ASSETS

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

June 30, 2014

	Balance July 1, 2013	Additions and Transfers	Retirements and Transfers	Balance June 30, 2014
Non-Depreciated Assets				
Land	\$ 11,597,511	\$ -	\$ (1,200)	\$ 11,596,311
Construction-in-Progress	6,149,344	12,321,109	(6,725,796)	11,744,657
Total Non-Depreciated Assets	17,746,855	12,321,109	(6,726,996)	23,340,968
Depreciated Assets				
Building and Improvements	47,449,888	-	-	47,449,888
Revenue Vehicles	49,217,862	3,237,089	(534,426)	51,920,525
Operations Equipment	3,533,294	2,854,381	-	6,387,675
Other Equipment	1,495,967	565,336	-	2,061,303
Other Vehicles	1,128,189	68,991	-	1,197,180
Office Equipment	3,580,509	-	(87,753)	3,492,756
Total Depreciated Assets	106,405,709	6,725,797	(622,179)	112,509,327
Less Accumulated Depreciation	(52,058,930)	(5,907,840)	614,316	(57,352,454)
Depreciated Assets Net of Accumulated Depreciation	54,346,779	817,957	(7,863)	55,156,873
Total Capital Assets	\$ 72,093,634	\$ 13,139,066	\$ (6,734,859)	\$ 78,497,841

Depreciation expense at June 30, 2014, was \$5,907,840.

Attachment A

NOTE 4 – CHANGES IN CAPITAL ASSETS (Continued)

June 30, 2013

	Balance July 1, 2012	Additions and Transfers	Retirements and Transfers	Balance June 30, 2013
Non-Depreciated Assets				
Land	\$ 9,164,870	\$ 2,432,641	\$ -	\$ 11,597,511
Construction-in-Progress	4,502,015	4,715,173	(3,067,844)	6,149,344
Total Non-Depreciated Assets	13,666,885	7,147,814	(3,067,844)	17,746,855
Depreciated Assets				
Building and Improvements	48,286,039	52,143	(888,294)	47,449,888
Revenue Vehicles	49,218,445	41,661	(42,244)	49,217,862
Operations Equipment	3,290,599	347,409	(104,713)	3,533,295
Other Equipment	1,495,966	-	-	1,495,966
Other Vehicles	1,035,271	92,918	-	1,128,189
Office Equipment	3,487,487	98,991	(5,969)	3,580,509
Total Depreciated Assets	106,813,807	633,122	(1,041,220)	106,405,709
Less Accumulated Depreciation	(46,307,255)	(6,767,493)	1,015,818	(52,058,930)
Depreciated Assets Net of Accumulated Depreciation	60,506,552	(6,134,371)	(25,402)	54,346,779
Total Capital Assets	\$ 74,173,437	\$ 1,013,443	\$ (3,093,246)	\$ 72,093,634

Depreciation expense at June 30, 2013, was \$6,767,493.

NOTE 5 – CAPITAL GRANTS

Santa Cruz METRO receives grants from the FTA, which provides financing for the acquisition of rolling stock and construction of facilities. Santa Cruz METRO also receives grants under the State TDA primarily for the acquisition of rolling stock and support equipment, and purchase of furniture and fixtures.

A summary of federal and state grant activity for the years ended June 30 is as follows:

	2014	2013
Federal Grants	\$ 3,109,728	\$ 1,174,997
State Grants	7,887,568	3,503,959
Other - Settlement Agreement Proceeds	505,933	-
Total Capital Grants	\$ 11,503,229	\$ 4,678,956

Attachment A

NOTE 6 – COMMITMENTS

Santa Cruz METRO leases a number of its facilities under operating leases through 2019. For the years ended June 30, 2014 and 2013, rental costs relating to the leases were \$349,158 and \$272,451, respectively. In addition, Santa Cruz METRO receives rent income from retail space in their transit centers. Minimum net lease payments for existing operating leases are as follows:

Year Ending June 30	Lease Commitments	Rental Income	Net
2015	\$ 385,872	\$ 161,770	\$ 224,102
2016	309,257	85,828	223,429
2017	50,372	47,030	3,342
2018	23,658	34,468	(10,810)
2019	24,131	14,700	9,431
	<u>\$ 793,290</u>	<u>\$ 343,796</u>	<u>\$ 449,494</u>

NOTE 7 – JOINT VENTURES (JOINT POWERS AUTHORITY WITH CalTIP)

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

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

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

	2014	2013
Total Assets	\$ 24,998,711	\$ 25,977,638
Total Liabilities	13,647,616	12,658,258
Fund Balance	<u>\$ 11,351,095</u>	<u>\$ 13,319,380</u>
Total Revenues	\$ 7,776,175	\$ 6,036,026
Total Expenditures	9,744,460	7,153,680
Net Decrease in Fund Balance	<u>\$ (1,968,285)</u>	<u>\$ (1,117,654)</u>

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

NOTE 8 – WATSONVILLE FLEET MAINTENANCE FACILITY SETTLEMENT RECEIPT

Santa Cruz METRO's fleet maintenance facility in Watsonville was damaged in the Loma Prieta earthquake (the earthquake) in October 1989. An engineering study concluded that the demolition of the existing facility and construction of a new facility was the most practical course of action. Therefore, the net book value of the facility was written off the books in a prior year.

Attachment A

NOTE 8 – WATSONVILLE FLEET MAINTENANCE FACILITY SETTLEMENT RECEIPT (Continued)

In addition, due to design and construction deficiencies by the design and building contractors involved in the original project, Santa Cruz METRO initiated litigation against the contractors and came to a settlement agreement with said contractors on May 30, 1995. In accordance with this agreement, the contractors remitted \$4,776,858 (including \$171,538 in costs) to Santa Cruz METRO during fiscal year 1996, representing damages less attorney fees. FTA Section 3/5309 restricts the use of these proceeds, and the interest earned thereon. Accordingly, the net restricted amount of \$1,275,300 and \$1,339,537 is reflected on the statements of net position as unearned revenue at June 30, 2014 and 2013, respectively.

NOTE 9 – CONTINGENCIES

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

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

NOTE 10 – DEFINED BENEFIT 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 the Public Agency portion of the California Public Employees' Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers with the State of California. A menu of benefit provisions, as well as other requirements, is established by state statutes within the Public Employees' Retirement Law. Santa Cruz METRO selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through Board of Directors action. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS' annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

Funding Policy

There are 330 active plan members in the Plan as of June 30, 2014, which are required to contribute a percentage of their annual covered salary. In lieu of salary increases and for employees who agreed to salary reductions in certain prior years, Santa Cruz METRO agreed to pay a portion of the employee contribution, based on formulas negotiated in their labor agreements. Santa Cruz METRO is also required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate for the fiscal year ended June 30, 2014, was 19.268%. 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.

Attachment A

NOTE 10 – DEFINED BENEFIT PENSION PLAN (Continued)

Annual Pension Cost

For the fiscal year ended June 30, 2014, Santa Cruz METRO's annual pension cost of \$3,541,673 was equal to Santa Cruz METRO's required and actual contributions. This includes Santa Cruz METRO's contribution to the employee contribution requirement. The required contribution for the fiscal year ended June 30, 2014, was determined as part of the June 30, 2011, actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included (a) 7.50% investment rate of return (net of administration expenses), (b) projected salary increases that vary by duration of service ranging from 3.30% to 14.20% for miscellaneous members, and (c) 3.00% cost-of-living adjustment. Both (a) and (b) include an inflation component of 2.75%. The actuarial value of the Plan's assets was determined using a technique that smoothes the effect of short-term volatility in the market value of investments over a three-year period. The Plan's unfunded actuarial accrued liability (UAAL) is being amortized as a level percentage of projected payroll on a closed basis.

Three-Year Trend Information for the Plan

Three-year trend information, with respect to Santa Cruz METRO's participation in CalPERS, is as follows:

<u>Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2012	\$ 2,664,532	100%	\$ -
6/30/2013	\$ 3,051,264	100%	\$ -
6/30/2014	\$ 3,541,673	100%	\$ -

The funded status for the prior three years to June 30, 2013, (the last available date) for Santa Cruz METRO is as follows:

<u>Valuation Date</u>	<u>Entry Age Actuarial Accrued Liability</u>	<u>Actuarial Value of Assets</u>	<u>Unfunded/ (Overfunded) Liability</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a % of Payroll</u>
6/30/2011	\$ 124,377,660	\$ 98,667,566	\$ 25,710,094	79.3%	\$ 15,836,915	162.3%
6/30/2012	\$ 129,688,964	\$ 101,831,202	\$ 27,857,762	78.5%	\$ 16,260,443	171.3%
6/30/2013	\$ 137,543,999	\$ 94,478,509	\$ 43,065,490	68.7%	\$ 17,849,627	241.3%

NOTE 11 – DEFERRED COMPENSATION PLAN

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

At June 30, 2014 and 2013, all amounts held under the Great-West plan and the CalPERS plan are held in trust and are not reflected on the accompanying statements of net position as required under GASB Statement No. 27, *Accounting Standards for Pensions by State and Local Governmental Employers*.

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

Attachment A

NOTE 12 – RISK MANAGEMENT

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

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). The IBNR for workers' compensation was based on an actuarial study dated May 2013. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. Changes in the balances of claims liabilities are as follows:

	<u>2014</u>	<u>2013</u>
Workers' Compensation Liabilities:		
Unpaid Claims, Beginning of Fiscal Year	\$ 3,990,335	\$ 4,240,231
Other Adjustments (Including IBNRs)	1,088,248	720,545
Claim Payments	<u>(888,406)</u>	<u>(970,441)</u>
Unpaid Claims Liability, End of Fiscal Year	<u>\$ 4,190,177</u>	<u>\$ 3,990,335</u>

NOTE 13 – TRANSPORTATION DEVELOPMENT ACT/CALIFORNIA ADMINISTRATIVE CODE

Santa Cruz METRO is subject to compliance with the TDA provisions, Sections 6634 and 6637 of the California Administrative Code and Sections 99267, 99268.1, and 99314.6 of the Public Utilities Code (PUC).

Section 6634

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

Section 6637

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

Sections 99267, 99268.1, and 99314.6

Pursuant to the Transportation Development Act, Santa Cruz METRO meets the 50% Expenditure Limitation required by Public Utilities Code §99268 and does not use the Alternative Revenue Ratio to determine eligibility for TDA funds.

Attachment A

NOTE 14 – PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT, AND SERVICE ENHANCEMENT ACCOUNT (PTMISEA)

In November 2006, California voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, Proposition 1B. Of the \$19.925 billion of state general obligation bonds authorized, \$4 billion was set aside by the State, as instructed by the statute, as 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.

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, 2014, Santa Cruz METRO applied for and received proceeds of \$0 and earned interest of \$39,606 from the State's PTMISEA account for construction funding for the Consolidated MetroBase Project. During the fiscal year ended June 30, 2014, qualifying expenditures of \$2,937,809 were incurred and the remaining balance of \$9,906,729 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, 2014

	<u>2014</u>
Balance - beginning of the year	\$ 12,804,932
Receipts:	
Interest accrued 7/1/2013 through 6/30/2014	39,606
Expenses:	
MetroBase Construction	<u>(2,937,809)</u>
Balance - end of year	<u>\$ 9,906,729</u>

Attachment A

NOTE 14 – PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT, AND SERVICE ENHANCEMENT ACCOUNT (PTMISEA) (Continued)

**Schedule of PTMISEA Proposition 1B Grants
For the Year Ended June 30, 2013**

	2013
Balance - beginning of the year	\$ 13,495,804
Receipts:	
Interest accrued 7/1/2012 through 6/30/2013	45,560
Expenses:	
MetroBase Construction	(736,432)
Balance - end of year	\$ 12,804,932

NOTE 15 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description

Santa Cruz METRO provides post-retirement CalPERS medical benefits to qualified retired employees age 50 and older (including eligible dependents) who have completed at least five years of CalPERS eligible service. Santa Cruz METRO pays medical premiums depending on bargaining union and PEMHCA contract requirements. If the retiree has ten years of Santa Cruz METRO eligible service, Santa Cruz METRO provides post-retirement dental and vision benefits for qualified retirees (including eligible dependents), and life insurance for the retiree only, until the retiree reaches age 65. The costs of providing these benefits are recognized when paid. Santa Cruz METRO has recognized approximately \$2,358,759 and \$2,335,431 of expense for these benefits for the years ending June 30, 2014 and 2013, respectively.

Annual OPEB Cost and Net OPEB Obligation

Santa Cruz METRO's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. For fiscal year 2013-14, Santa Cruz METRO's annual OPEB cost was \$6,823,903. Santa Cruz METRO's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2014, were as follows:

	2014	2013
Annual required contribution	\$ 6,898,632	\$ 5,896,000
Interest on net OPEB obligation	562,631	420,000
Adjustments to annual required contribution	(637,360)	(492,000)
Annual OPEB cost	6,823,903	5,824,000
Contributions made	2,358,759	2,335,431
Change in net OPEB obligation (asset)	4,465,144	3,488,569
Net OPEB obligation (asset) - beginning of year	14,065,764	10,577,195
Net OPEB obligation (asset) - end of year	\$ 18,530,908	\$ 14,065,764

Attachment A

NOTE 15 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

<u>Year Ended June 30,</u>	<u>Annual OPEB Cost</u>	<u>Actual Employer Contributions</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net Ending OPEB Obligation</u>
6/30/2012	\$ 5,514,000	\$ 2,324,583	42.16%	\$ 10,577,195
6/30/2013	\$ 5,824,000	\$ 2,335,431	40.10%	\$ 14,065,764
6/30/2014	\$ 6,823,903	\$ 2,358,759	34.57%	\$ 18,530,908

Funding Policy, Funded Status, and Funding Progress

Santa Cruz METRO's required contribution is based on pay-as-you-go financing requirements. For fiscal year 2013-14, Santa Cruz METRO contributed \$2,358,759 to the plan.

As of July 1, 2013, the most recent actuarial valuation date, the actuarial accrued liability (AAL) for benefits was \$72,397,782 all of which was unfunded.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and probability about the occurrence of future events far into the future. Amounts determined regarding the funded status of a plan and the annual required contributions of Santa Cruz METRO are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to the basic financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Calculations of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with long-term perspective of the calculations.

The actuarial assumptions used for rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare inflation and interest were based on a standard set of actuarial assumptions modified as appropriate for Santa Cruz METRO. Turnover, mortality, and retirement rates were taken from the CalPERS actuarial table for miscellaneous employees, which closely matches Santa Cruz METRO experience. Healthcare inflation rates are based on the general health care environment. Actual healthcare premiums through 2014 were used and then projected to increase in future years by 8.50% in 2015, with the increases gradually declining until reaching 4.50% in 2024 (4.64% future premiums increases assumed for all years after 2024). The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis over 30 years from June 30, 2008, with 24 years remaining as of June 30, 2014.

NOTE 16 – SUBSEQUENT EVENTS

Subsequent events were evaluated by management through December 15, 2014, which is the date of issuance.

Attachment A

REQUIRED SUPPLEMENTARY INFORMATION

Attachment A

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
SCHEDULE OF FUNDING PROGRESS
DEFINED BENEFIT PENSION PLAN
JUNE 30, 2014**

Supplementary information is intended to show the progress made towards funding benefit obligations. Required three-year supplemental information, available to date, for Santa Cruz METRO is as follows:

<u>Valuation Date</u>	<u>Entry Age Actuarial Accrued Liability</u>	<u>Actuarial Value of Assets</u>	<u>Unfunded/ (Overfunded) Liability</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a % of Payroll</u>
6/30/2011	\$ 124,377,660	\$ 98,667,566	\$ 25,710,094	79.3%	\$ 15,836,915	162.3%
6/30/2012	\$ 129,688,964	\$ 101,831,202	\$ 27,857,762	78.5%	\$ 16,260,443	171.3%
6/30/2013	\$ 137,543,999	\$ 94,478,509	\$ 43,065,490	68.7%	\$ 17,849,627	241.3%

Attachment A

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFITS
JUNE 30, 2014**

Supplementary information is intended to show the progress made towards funding benefit obligations. Required three-year supplemental information, available to date, for Santa Cruz METRO is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b - a)/c]
4/1/2010	\$ -	\$ 43,442,791	\$ 43,442,791	0.00%	\$ 16,109,672	269.67%
6/30/2011	\$ -	\$ 59,164,000	\$ 59,164,000	0.00%	\$ 15,925,000	371.52%
6/30/2013	\$ -	\$ 72,397,782	\$ 72,397,782	0.00%	\$ 18,682,878	387.51%

Attachment A

SUPPLEMENTARY INFORMATION

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT STATEMENTS OF OPERATING EXPENSES FOR THE YEARS ENDED JUNE 30, 2014 AND 2013

	2014	2013
Labor		
Operators' salaries and wages	\$ 8,915,342	\$ 8,205,568
Other salaries and wages	7,007,828	6,873,140
Overtime	2,759,708	2,646,928
	18,682,878	17,725,636
Fringe Benefits		
Absence with pay	3,752,092	3,365,073
Pension plans	3,541,673	3,051,264
Vision, medical, and dental plans	8,660,592	7,954,327
Workers' compensation insurance	1,085,826	720,545
Disability insurance	338,493	319,491
Other fringe benefits	198,095	210,898
Other postemployment benefits	4,465,144	3,488,569
	22,041,915	19,110,167
Services		
Accounting	75,011	75,241
Administrative and banking	330,343	282,609
Professional and technical services	562,186	402,112
Security	525,581	446,738
Outside repairs	916,553	890,197
Other services	138,102	159,147
	2,547,776	2,256,044
Materials and Supplies Consumed		
Fuels and lubricants	2,548,342	2,282,634
Tires and tubes	272,023	244,224
Vehicle parts	988,110	607,674
Other materials and supplies	359,436	376,959
	4,167,911	3,511,491
Utilities	481,051	518,566
Casualty and Liability Costs	817,808	186,736
Taxes and Licenses	40,674	40,531
Purchased Transportation Services		
Paratransit	213,032	185,875
Miscellaneous Expenses	248,528	239,989
Equipment and Facility Lease	207,247	228,780
Depreciation		
Property acquired with operator funds	319,715	318,679
Property acquired by federal, state, or TDA funds	5,588,125	6,448,814
	5,907,840	6,767,493
Total Operating Expenses	\$ 55,356,660	\$ 50,771,308

Attachment A

OTHER SCHEDULES AND REPORTS

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

Federal Grantor / Program Title	Federal CFDA No.	Pass-Through Grantor's Number	Total Federal Expenditures
U.S. DEPARTMENT OF TRANSPORTATION			
Direct Programs:			
Federal Transit Administration (FTA)			
Cluster Defined by the Department of Transportation			
Section 3/5309 Consolidation			
Pacific Station Expansion FY2006 (Design/Engineering)	20.500	CA-04-0021	\$ 274,729
Pacific Station Expansion FY2008 (Design/Engineering)	20.500	CA-04-0102	35,240
State of Good Repair (SGR #2) CNG Bus Purchase	20.500	CA-04-0225	<u>2,799,759</u>
			<u>3,109,728</u>
Section 9/5307			
Operating Assistance	20.507	CA-90-Z100	5,511,909
Section 18/5311-5317			
Rural Operating Assistance - 5311	20.509	643163	207,574
Section 18/5304			
AMBAG Transit Planning Student Internships	20.515	N/A	5,364
RTC Passenger Rail Study	20.515	N/A	<u>1,730</u>
			<u>7,094</u>
Total Expenditures of Federal Awards			<u><u>\$ 8,836,305</u></u>

See accompanying notes to schedule of expenditures of federal awards.

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2014

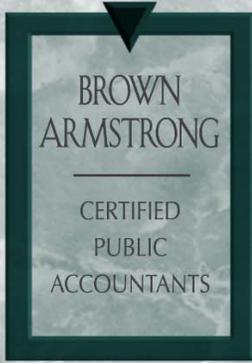
NOTE 1 – GENERAL

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

NOTE 2 – BASIS OF ACCOUNTING

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

Attachment A



BROWN ARMSTRONG
Certified Public Accountants

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

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

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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 years ended June 30, 2014 and 2013, 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 15, 2014.

Internal Control Over Financial Reporting

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

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

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

Attachment A

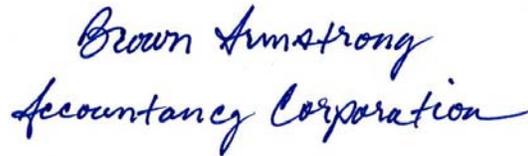
Compliance and Other Matters

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

Purpose of this Report

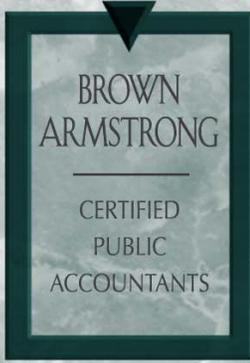
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Santa Cruz METRO's internal control or on compliance. This report is an integral part of an audit performed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

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

A handwritten signature in blue ink that reads "Brown Armstrong Accountancy Corporation". The signature is written in a cursive style and is positioned below the printed name of the firm.

Bakersfield, California
December 15, 2014

Attachment A



BROWN ARMSTRONG
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

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

Report on Compliance for Each Major Federal Program

We have audited the Santa Cruz Metropolitan Transit District's (Santa Cruz METRO) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of Santa Cruz METRO's major federal programs for the year ended June 30, 2014. Santa Cruz METRO's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Santa Cruz METRO's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Santa Cruz METRO's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Santa Cruz METRO's compliance.

Opinion on Each Major Federal Program

In our opinion, Santa Cruz METRO complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

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Attachment A

Report on Internal Control Over Compliance

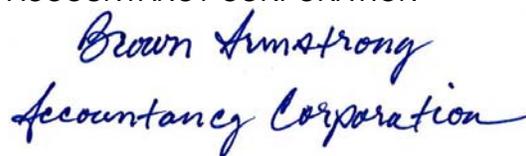
Management of Santa Cruz METRO is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Santa Cruz METRO's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Santa Cruz METRO's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

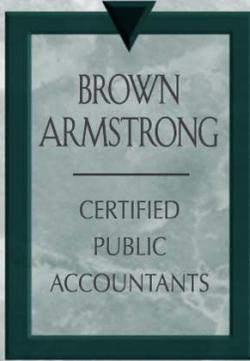
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

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

Bakersfield, California
December 15, 2014

Attachment A



BROWN ARMSTRONG
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH THE STATUTES, RULES, AND REGULATIONS OF THE CALIFORNIA TRANSPORTATION DEVELOPMENT ACT AND THE ALLOCATION INSTRUCTIONS AND RESOLUTIONS OF THE TRANSPORTATION COMMISSION

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) as of and for the year ended June 30, 2014, and have issued our report thereon dated December 15, 2014.

Compliance

As part of obtaining reasonable assurance about whether the Santa Cruz METRO's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. Additionally, we performed tests to determine that allocations made and expenditures paid by Santa Cruz METRO were made in accordance with the allocation instructions and resolutions of the Transportation Commission and in conformance with the California Transportation Development Act. Specifically, we performed each of the specific tasks identified in the California Code of Regulations Sections 6666 and 6667 that are applicable to Santa Cruz METRO. In connection with our audit, nothing came to our attention that caused us to believe Santa Cruz METRO failed to comply with the Statutes, Rules, and Regulations of the California Transportation Development Act and the allocation instructions and resolutions of the Transportation Commission. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

Also as part of our audit, we performed tests of compliance to determine whether certain state funds were received and expended in accordance with the applicable bond act and state accounting requirements.

Other Matters

In November 2006, California voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Proposition 1B). Of the \$19.925 billion of state general obligation bonds authorized, \$4 billion was set aside by the State as instructed by statute as the Public

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Attachment A

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.

During the fiscal year ended June 30, 2014, Santa Cruz METRO received \$0 from the State's PTMISEA funds for the purpose of construction of the Consolidated MetroBase Project. As of June 30, 2014, 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, 2014

	<u>2014</u>
Balance - beginning of the year	\$ 12,804,932
Receipts:	
Interest accrued 7/1/2013 through 6/30/2014	39,606
Expenses:	
MetroBase Construction	<u>(2,937,809)</u>
Balance - end of year	<u>\$ 9,906,729</u>

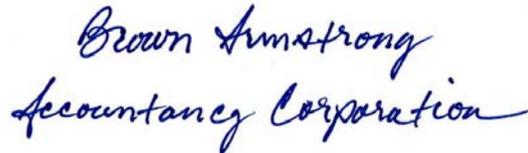
The results of our tests indicated that, with respect to the items tested, Santa Cruz METRO complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that Santa Cruz METRO had not complied, in all material respects, with those provisions.

Purpose of this Report

The purpose of this report is solely to describe the scope of our internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Santa Cruz METRO's internal control or on compliance. Accordingly, this report is not suitable for any other purpose.

This report is intended solely for the information and use of management, the Board of Directors, the California Department of Transportation, and 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 15, 2014

Attachment A

FINDINGS AND QUESTIONED COSTS SECTION

Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT SCHEDULE OF FINDINGS AND QUESTIONED COSTS JUNE 30, 2014

I. Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness identified? Yes No

Reportable conditions identified that are not considered to be material weaknesses? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

Material weakness identified? Yes No

Reportable conditions identified that are not considered to be material weaknesses? Yes None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section .510(a)? Yes No

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Clusters

20.500

Federal Transit Capital Investment Grants – Section 3

20.507

Federal Transit Formula Grants – Section 9

Dollar threshold used to distinguish type A and B programs: \$300,000

Auditee qualified as low risk auditee? Yes No

Attachment A

II. Findings Relating to Financial Statements Required Under Generally Accepted Government Auditing Standards

None.

III. Federal Award Findings and Questioned Costs

None.

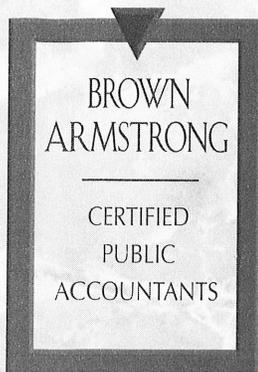
IV. State Award Findings and Questioned Costs

None.

V. A Summary of Prior Audit (all June 30, 2013) Findings and Current Year Status Follows

None.

Attachment B



BROWN ARMSTRONG

Certified Public Accountants

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

We have audited the financial statements of the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) for the year ended June 30, 2014. 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 U.S. Office of Management and Budget (OMB) Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 16, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Santa Cruz METRO are described in Note 1 to the financial statements. Santa Cruz METRO adopted the provisions of Governmental Accounting Standards Board (GASB) Statements No. 65 *Items Previously Reported as Assets and Liabilities*, No. 66 *Technical Corrections—2012—an Amendment of GASB Statements No. 10 and No. 62*, No. 67 *Financial Reporting for Pension Plans—an Amendment of GASB Statement No. 25*, and No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. We noted no transactions entered into by Santa Cruz METRO during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the accrued claims is based on management's past experience and expected useful life. We evaluated the key factors and assumptions used to develop the accrued claims in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of Annual Other Postemployment Benefit (OPEB) Cost and Net OPEB Obligation in Note 15 and unpaid claims in Note 12 to the financial statements is based on actuarial assumptions adopted by management.

The financial statement disclosures are neutral, consistent, and clear.

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Attachment B

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to Santa Cruz METRO's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 15, 2014.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to Santa Cruz METRO's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as Santa Cruz METRO's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Schedule of Funding Progress, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the use of 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.

Bakersfield, California
December 15, 2014

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION

Brown Armstrong
Accountancy Corporation

11B.2



Year to Date Monthly Financial Report as of November 30, 2014

Santa Cruz METRO Board of Directors

February 13, 2015

Angela Aitken, Finance Manager

FY15 Operating Revenue and Expenses For the Month Ending November 30, 2014

42% of Fiscal Year Elapsed

\$ In Thousands	Actual	Budget	Actual vs Budget
Operating Revenue:	\$3,277	\$3,397	(\$120)
Operating Expenses:			
Labor & Fringe Benefits	\$2,910	\$3,286	(\$376)
Non-Personnel Expenses	\$655	\$727	(\$72)
Total Operating Expenses:	\$3,565	\$4,013	(\$448)
Operating Budget Under/(Over):			\$328

12.2



FY15 Operating Revenue and Expenses Year to Date as of November 30, 2014

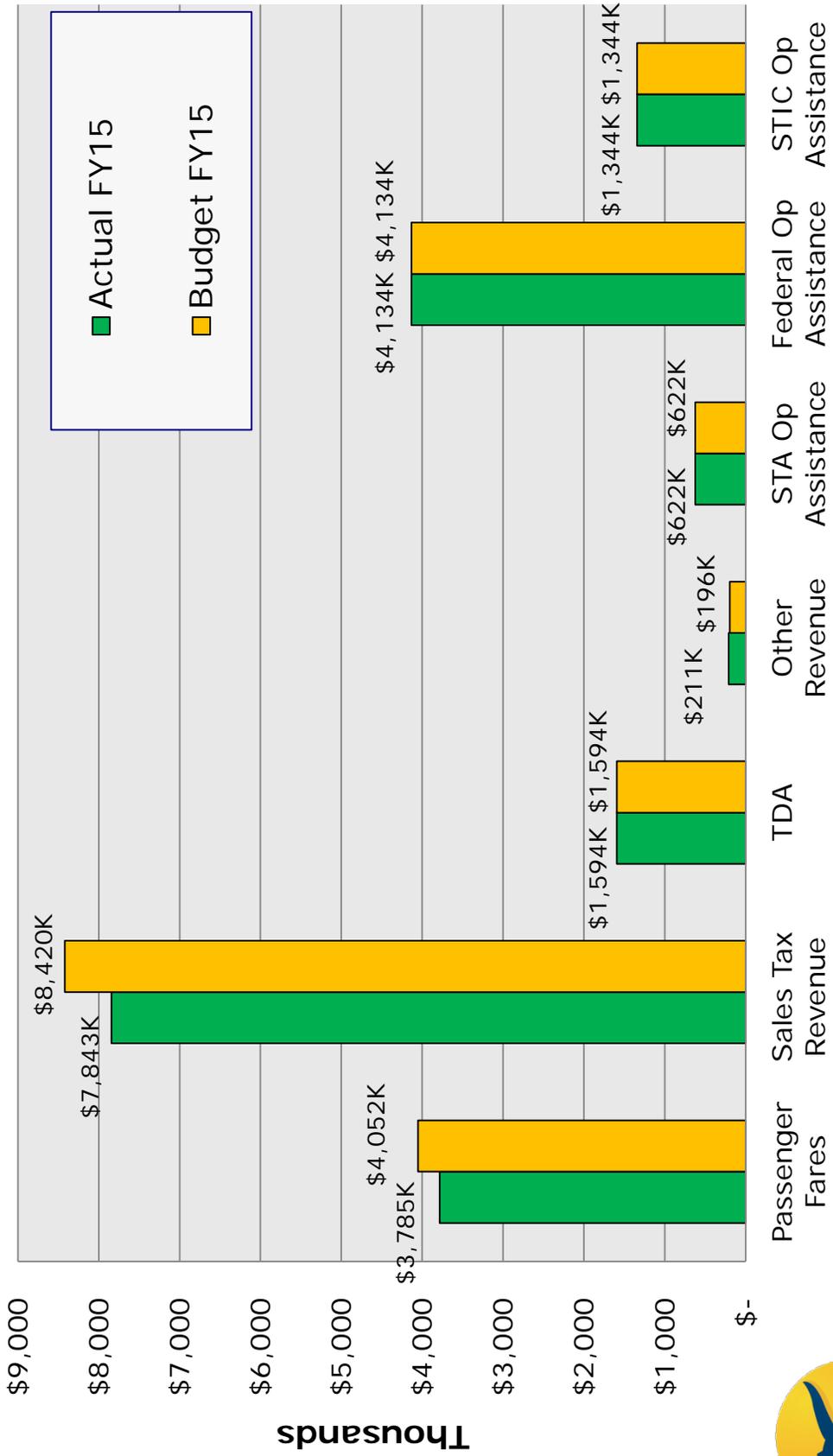
42% of Fiscal Year Elapsed

\$ In Thousands	Actual	Budget	Actual vs Budget
Operating Revenue:	\$19,535	\$20,363	(\$828)
Operating Expenses:			
Labor & Fringe Benefits	\$15,137	\$16,430	(\$1,293)
Non-Personnel Expenses	\$3,603	\$3,729	(\$126)
Total Operating Expenses:	\$18,740	\$20,158	(\$1,419)
Operating Budget Under / (Over):			\$591

12.3

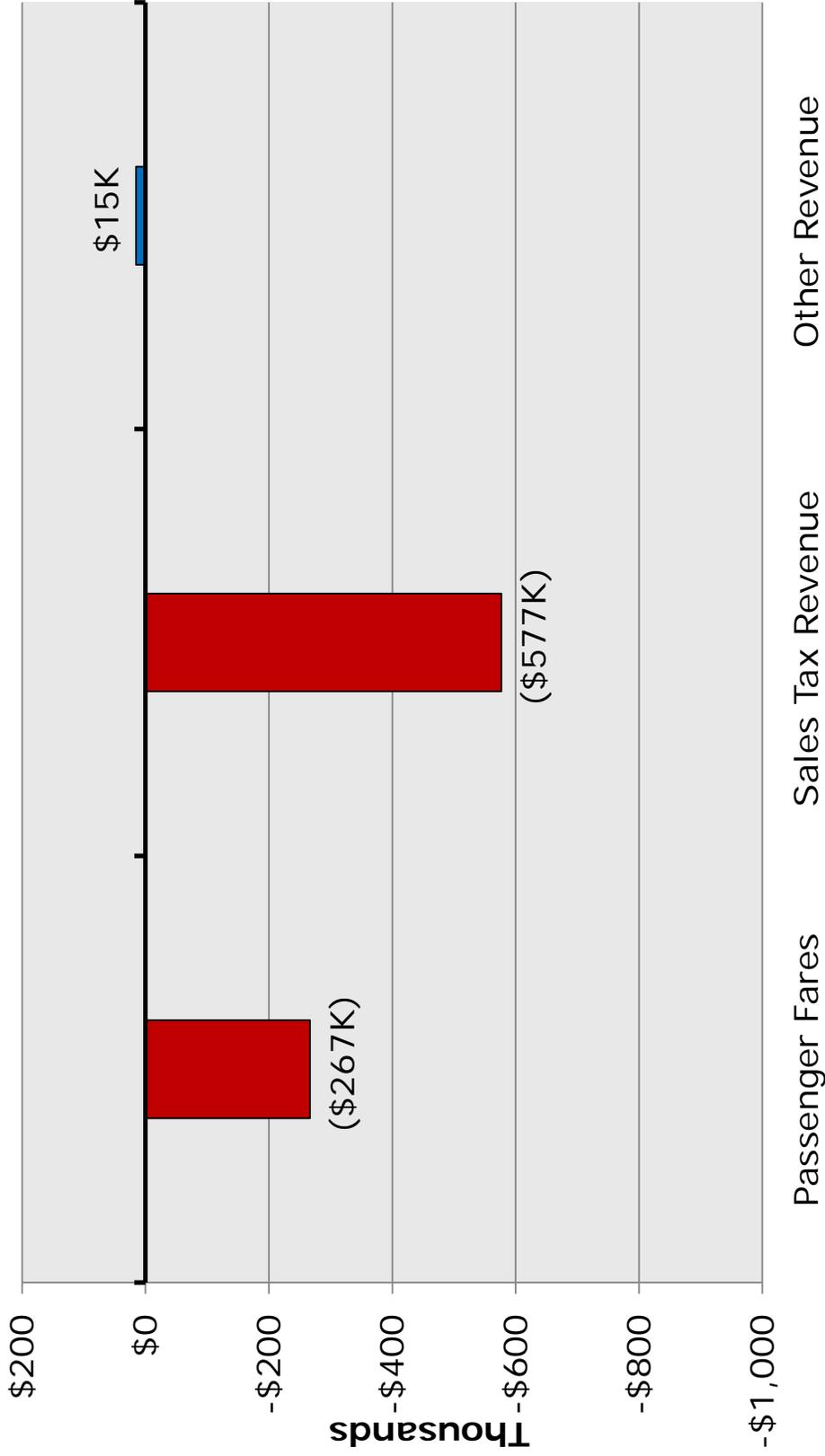


FY15 Operating Revenue by Major Funding Source Year to Date as of November 30, 2014 42% of Fiscal Year Elapsed



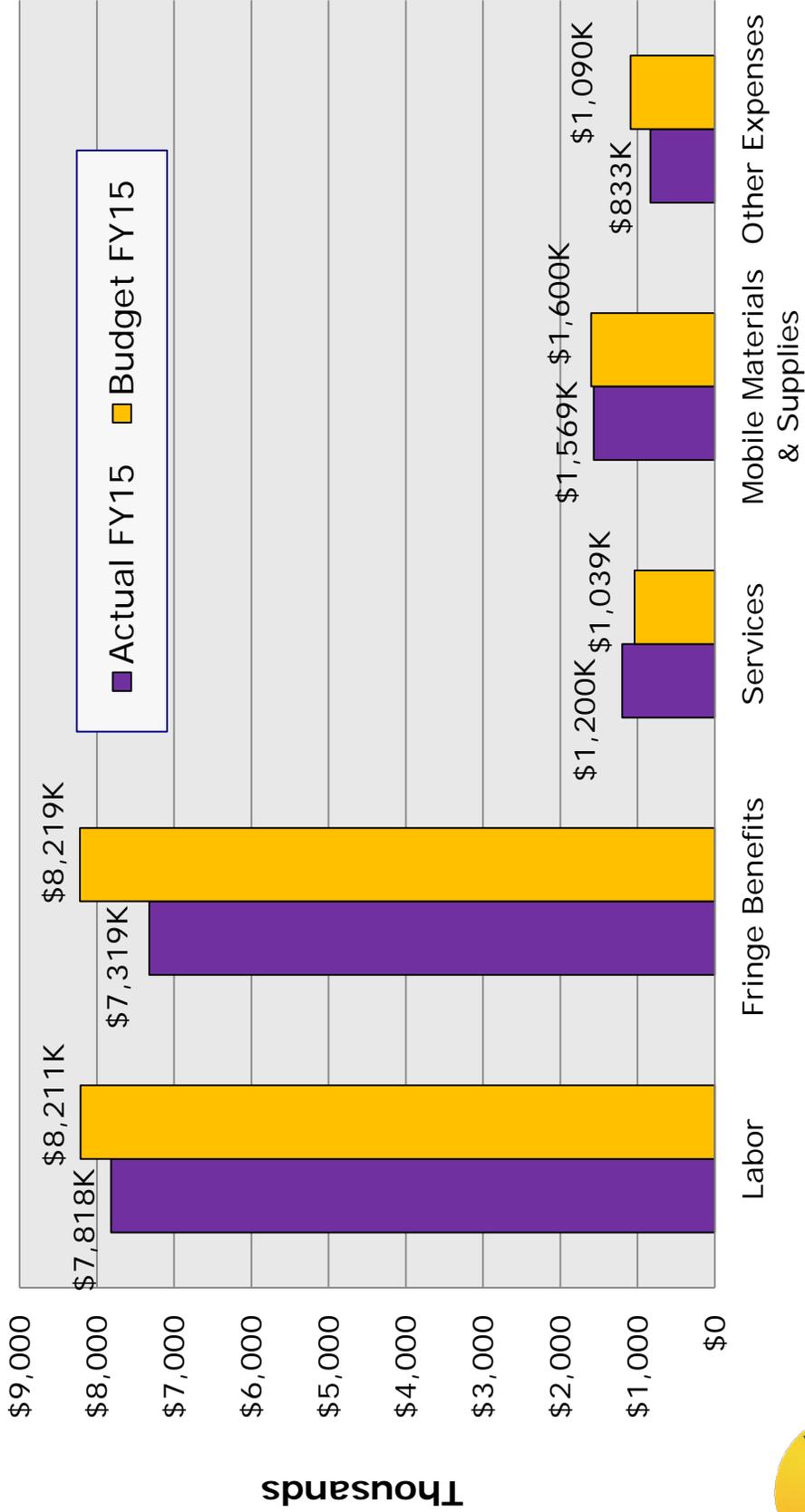
Favorable/(Unfavorable) Revenue Variance to Budget Year to Date as of November 30, 2014

42% of Fiscal Year Elapsed



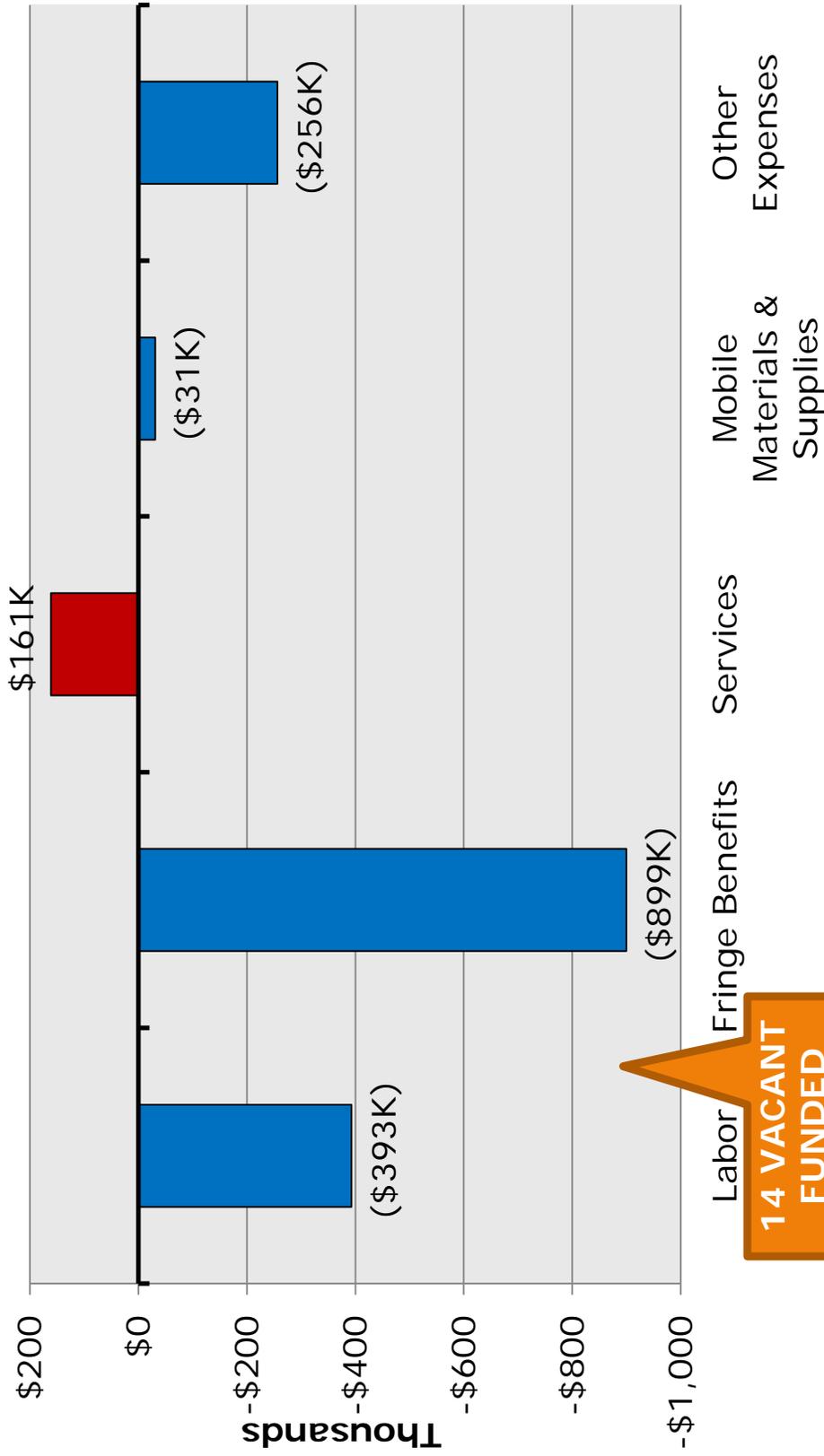
FY15 Operating Expenses by Major Expense Category Year to Date as of November 30, 2014

42% of Fiscal Year Elapsed



(Favorable)/Unfavorable Expense Variance to Budget
Year to Date as of November 30, 2014

42% of Fiscal Year Elapsed



14 VACANT FUNDED POSITIONS

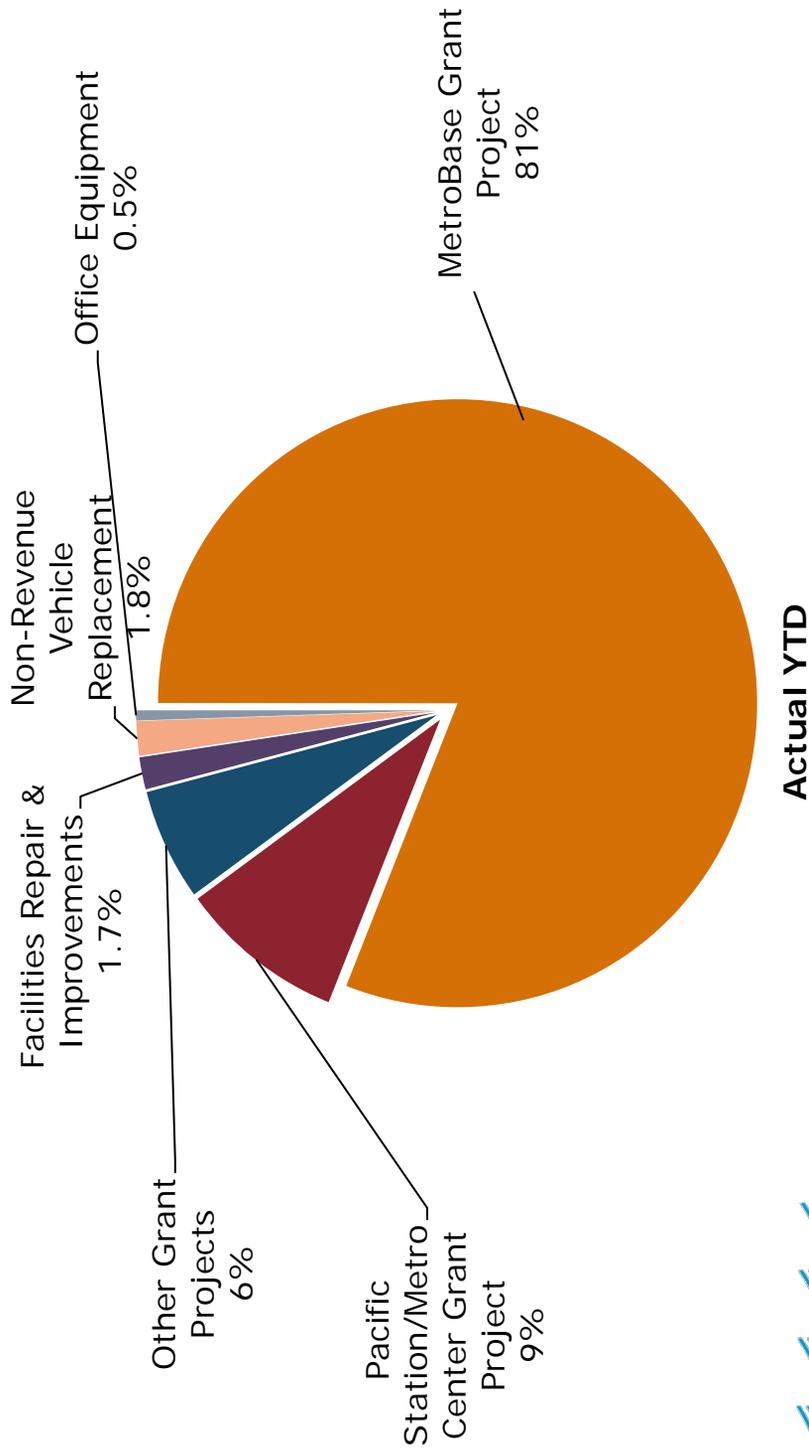


FY15 Capital Budget

Year to Date as of November 30, 2014

42% of Fiscal Year Elapsed

	Actual YTD	Total FY15 Budget	% Spent YTD
Total Capital Projects:	\$3,123,769	\$20,861,899	15%



Questions

12.9



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DATE: February 13, 2015

TO: Board of Directors

FROM: Alex Clifford, CEO

SUBJECT: RESPONSE TO BOARD CHAIR REGARDING POLLING COSTS

I. RECOMMENDED ACTION

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

II. SUMMARY

- At the January 23, 2015 Board of Directors Meeting, Board Chair Dene Bustichi asked what the cost would be for Santa Cruz Metropolitan Transit District (METRO) to perform a poll.
- The estimated cost to perform a poll is between \$17,000 and \$35,000.

III. DISCUSSION/BACKGROUND

At the January 23, 2015 Board of Directors Meeting, Chair Bustichi requested information regarding the cost of METRO conducting its own poll in connection with a possible 2016 Sales Tax Initiative.

Monterey-Salinas Transit recently had two polls conducted and provided the following information. The first poll conducted in the fall of 2013, was lengthy, asked a wide-ranging number of questions, and cost approximately \$35,000. The second poll conducted in June of 2014, was shorter and more focused, and cost approximately \$17,000.

IV. FINANCIAL CONSIDERATIONS/IMPACT

There are no financial considerations for this report.

V. ALTERNATIVES CONSIDERED

- Not applicable.

VI. ATTACHMENTS

None.

VII. APPROVALS:

Alex Clifford, CEO/General Manager





DATE: February 13, 2015
TO: Board of Directors
FROM: Andrew Kreck, Project Manager
SUBJECT: CONSIDERATION OF METROBASE STATUS REPORT

I. RECOMMENDED ACTION

Accept and file the MetroBase Status Report.

II. DISCUSSION/BACKGROUND

The Santa Cruz Metropolitan Transit District (METRO) has a contract with Lewis C. Nelson and Sons, Inc. for the construction of the Judy K. Souza Operations Building. The following is a status update from October 2014 to present.

- October 2014
 - Graded the bus parking area and placed aggregate base
 - Built retaining wall
- November 2014
 - 2nd Level deck concrete poured
 - First placement of lean concrete base
 - Building emergency generator installed
- December 2014
 - Remaining column reinforcement installed to roof level deck
 - Partnering session held December 11, 2014
 - Poured 8 of the 15 2nd Level columns
- January 2015
 - Stripping of 2nd Level concrete forms
 - Installation of shoring on top of the 2nd Level deck to prepare for forming the roof level deck
 - Lean concrete base operation ongoing
 - Dowel baskets installed in preparation for rigid concrete pavement
 - Remaining 7 of the 15 2nd Level columns poured

Figure 1 Grading of Bus Area



Figure 2 Retaining Wall



Figure 3 Concrete Pump



Figure 4 Concrete for Second Level



Figure 5 Lean Concrete Base Placement



Figure 6 Pavement Dowel Baskets



Figure 7 Column Formwork



Figure 8 Column Pour



Figure 9 Pavement Rebar Placement



Figure 10 Preparing Roof Forms



III. FINANCIAL CONSIDERATIONS/IMPACT

Attached MetroBase summary budget provides further detail. (See Attachment A.)

Attachment B reflects the executed Change Orders to date. Going forward the MetroBase Project Manager will provide a monthly board report on Change Orders executed within the CEO's authority.

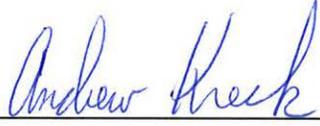
IV. ATTACHMENTS

Attachment A: Budget Table

Attachment B: Executed Change Orders Table

V. APPROVALS:

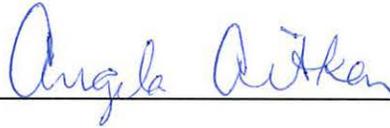
Andrew Kreck, Project Manager



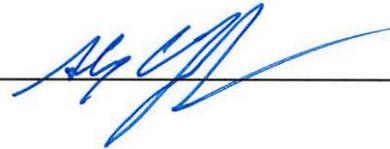
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

MetroBase Phase II Project Budget

Contract Value to Date (12/31/2014)

Construction Contract	Original Budget	Budget Amendment(s)	Revised Budget	Expended Budget	Remaining Budget
Lewis C. Nelson and Sons Inc. Prime Construction Contract	\$13,572,000.00		\$13,572,000.00	\$8,122,880.00	\$5,449,120.00
				59.85%	
Construction Contract Contingency Fifteen Executed Change Orders	\$1,377,258.20	\$200,586.00	\$1,577,844.20	\$451,773.68	\$1,126,070.52
				28.63%	

SC Metro Project Management	Original Budget	Budget Amendment(s)	Revised Budget	Expended Budget	Remaining Budget
Project Manager Budget FY13& FY14 Remaining Budget reallocated to Hill 12-2014	\$400,000.00	(\$205,766.00)	\$194,234.00	\$194,234.00	\$0.00
				100.00%	
Administrative Specialist Budget FY13& FY14 Remaining Budget reallocated to Hill 12-2014	\$215,000.00	(\$54,562.00)	\$160,438.00	\$160,438.00	\$0.00
				100.00%	
Project Manager and Admin. Specialist FY15 As of December 31, 2014	0.00	307,500.00	\$307,500.00	\$47,201.00	\$260,299.00
				15.35%	

Consultant Costs	Original Budget	Budget Amendment(s)	Revised Budget	Expended Budget	Remaining Budget
#15-04 Hill International, Inc: Hill Cost to Date (Pay App 03)	\$1,500,000.00	\$1,092,382.00	\$2,592,382.00	\$252,184.00	\$2,340,198.00
				9.73%	
#12-34 TRC Construction Management \$132,054 reallocated to Hill 12-2014	\$1,495,440.00	\$19,400.00 (\$132,054.00)	\$1,382,786.00	\$1,246,884.39	\$135,901.61
				90.17%	
RNL Design	\$800,000.00	\$136,255.00 \$100,243.00 \$39,118.00	\$1,075,616.00	\$744,093.00	\$331,523.00
				69.18%	
Consultant Design Support Services FY 15	0.00	\$300,000.00	\$300,000.00	\$244,390.00	\$55,610.00
				81.46%	
Consultant Project Management FY 15 Reallocated to Hill 12-2014	0.00	\$700,000.00 (\$700,000.00)	\$0.00	\$0.00	\$0.00
				100.00%	
Contingency 10% (Design, and PM) RNL Amendment 3 12-2014 RNL Amendment 1 3-2012	0.00	\$245,109.80 (\$100,243.00) (\$39,118.00)	\$105,748.80	\$0.00	\$105,748.80
				0.00%	
[Construction Contingency accounted above: \$1,622,368-\$1,377,258.20]					

Additional Costs and Services	Original Budget	Budget Amendment(s)	Revised Budget	Expended Budget	Remaining Budget
2 nd L/CNG Tank Project	0.00	\$814,000.00	\$814,000.00	\$813,595.00	\$405.00
				99.95%	
4VSW's hired 3/4/13 –through 2015	0.00	\$1,000,000.00	\$1,000,000.00	\$508,432.00	\$491,568.00
				50.84%	
Dubois temp. facility and related ongoing costs	0.00	\$1,200,000.00	\$1,200,000.00	\$703,822.00	\$496,178.00
				58.65%	
Furniture and cubicles for new facility	0.00	\$300,000.00	\$300,000.00	\$0.00	\$300,000.00
				0.00%	
Inside and Outside Council expenses	0.00	\$150,000.00	\$150,000.00	\$53,810.00	\$96,190.00
				35.87%	

Totals	\$24,732,549	\$11,188,812
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Attachment B

Executed Change Orders

Contract No. 12-23

Original Contract Amount: **\$13,572,000.00**
Original Contract Time (Days): **668**

Revised Contract Amount: **\$14,023,773.68**
Revised Contract Time (Days): **717**

No.	Effective Date	Description	Increase in Contract Amount	Increase in Contract Time (in Days)	Approved By
001	5/16/13	Site improvements at 135 Dubois	\$ 200,586.00	-0-	Les White
002	6/4/13	Extend completion date by 49 days	\$ -	49	Les White
003	6/4/13	Additional site improvements at 135 Dubois	\$ 36,369.00	-0-	Les White
004	6/4/13	Demolish concrete sound wall on North property line; Provide Pile Driving Notification service beyond original scope	\$ 17,297.00	-0-	Les White
005	6/4/13	Demolish CPU planter wall, trees, shrubs, and chain link fencing	\$ 8,905.00	-0-	Les White
006	7/25/13	Additional to Change Order No. 005; Provide operated backhoe to expose tops of overdriven piles	\$ 2,324.00	-0-	Les White
007	8/7/13	Cut off prestressed concrete piles 54 ft. long or less to achieve correct elevation	\$ 50,000.00	-0-	Les White
008	9/26/13	Cut off prestressed concrete piles longer than 54 ft. to achieve correct elevation	\$ 26,000.00	-0-	Les White
009	9/26/13	Provide labor, equipment, and materials to modify pile caps	\$ 18,994.00	-0-	Les White
010	9/15/14	Fire Service Backflow Preventor (FD #17)	\$ 10,621.00	-0-	Alex Clifford
012	11/20/14	Additional dump fee incurred due to differing site condition encountered during parking lot demolition.	\$ 49,777.00	-0-	Alex Clifford
013	11/20/14	Modification of parking deck storm drain piping at grid lines E/1 on ground floor (includes revising single 8" drain pipe to two 6" pipes and embedding these within the ground level concrete slab)	\$ 1,920.00	-0-	Alex Clifford
015	12/8/14	Five professionally facilitated partnering sessions (compensation for METRO's one half share of cost)	\$ 10,000.00	-0-	Alex Clifford
016	1/6/15	Furnishing and installing of epoxy-coated rebar dowels	\$ 3,798.68	-0-	Alex Clifford
017	1/14/15	Additional vehicular PCC pavement for buses in SW corner of bus parking lot	\$ 15,182.00	-0-	Alex Clifford

Totals: \$ 451,773.68 49

**Distributed at Board of Directors Meeting
on February 13, 2015**

14B.1

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DATE: February 13, 2015
TO: Board of Directors
FROM: Andrew Kreck, Project Manager
SUBJECT: CONSIDERATION OF AUTHORIZING THE CEO TO NEGOTIATE AND EXECUTE CONTRACT CHANGE ORDERS WITH LEWIS C. NELSON AND SONS, INC. FOR CONSTRUCTION OF THE JUDY K. SOUZA OPERATIONS FACILITY, PARKING STRUCTURE AND RELATED SITE WORK

I. RECOMMENDED ACTION

Authorize the CEO to Negotiate and Execute Four (4) Time Extension Contract Change Orders with Lewis C. Nelson and Sons, Inc. for Construction of the Judy K. Souza Operations Facility, Parking Structure and Related Site Work, and ratify the actions of the previous General Manager and Construction Manager.

II. SUMMARY

- The Santa Cruz Metropolitan Transit District (METRO) has a contract with Lewis C. Nelson and Sons, Inc. for the construction of the Judy K. Souza Operations Building.
- Lewis C. Nelson and Sons, Inc. has submitted four (4) Contract Change Order Requests for time extensions from 2013.
- Negotiation of the time requests will resolve several potential claim issues with the Contractor.
- Change Order No. 2 was approved by the prior administration without METRO Board of Directors (Board) approval. Ratification of this action is required.
- Five (5) delay days were approved by the previous Construction Manager without appropriate authority or change order execution. Ratification of this action is required.

III. DISCUSSION/BACKGROUND

Construction of the Judy K. Souza Operations Building (the Project) started on January 14, 2013 with an original duration of 668 calendar days and a completion date of November 13, 2014. Previously executed Contract Change Order No. 2, was approved by the prior administration on June 4, 2013 and reported to the Board on February 28, 2014, but was not properly submitted for approval by the Board. This Change Order approval requires ratification by the

Board. Change Order No. 2 extended the Project duration by 49 calendar days, thereby extending the completion date to January 1, 2015.

There are four (4) additional time extension requests recommended for approval at this time concerning delays that occurred in 2013, and totaling 69 calendar days. If each of these time extensions were granted, then the new Project completion date will be extended to March 10, 2015. There are additional pending Change Orders involving time extension claims, and a potential Buy America time extension request, that are yet to be negotiated, all of which may impact the extended completion date of the Project. Taking this into consideration, it is anticipated that the Project will not be completed by the March 10, 2015 date, and a preliminarily estimate of completion is early this Fall.

Scope of Ratification Request:

Change Order No. 2 – There is a total of forty nine (49) days of delay in 2013 for this change order which was approved by the prior administration at the time. METRO’s buses were obstructing work on the new facility pending completion of the site work required for relocation of the buses to the temporary facility on DuBois Street. Upon review, it was determined that the administration did not have this authority, therefore Board ratification of this action is required.

Change Order Request No. 9a – There is a total of five (5) days of delay for this portion of the change request. These days were determined by the previous Construction Manager to be allowed in the best interest of the Owner and approval was given to the Contractor. This request was not processed as a Change Order and Mr. Kelly did not have this authority, therefore Board ratification of this action is required.

Summary of Ratification Requests:

Number	Description	Days	Category	Potential Amount
2	Owner Delay Days	49	Non-Compensable	\$0
9a	Other Days	5	Non-Compensable	\$0
Total Days		54	Total Amount	0

Scope of Change Order Requests:

Change Order Request 9b – There is a total of eight (8) days of delay for this portion of the change request. Eight (8) days of delays are associated with inclement weather negatively affecting progress on the Project’s critical path activities.

Change Order Request 11 – Twelve (12) days of delay are associated with the redesign of 129 of 270 concrete piles to match existing underground conditions. The potential redesign of the piles was contemplated in the original design. The delay occurred in the implementation of the design change. The Change Request amount includes direct and time-related costs.

Change Order Request 32 – Twenty-three (23) days of delay are associated with the removal (cutoff) of excess pile length above the design elevations. The Change Request amount is for time-related costs only. Direct costs were included in Contract Change Orders No. 007 and 008 (Pile Cut Offs), which were executed in August 2013 and September 2013, respectively.

Change Order Request 20 – Twenty-one (21) days of delay are associated with the redesign of the pile cap. The pile cap is a concrete slab that connects the driven piles into one foundation system. The Change Request amount includes direct and time-related costs.

Summary of Change Order Requests:

Number	Description	Days	Category	Potential Amount
9b	Weather and Other Days	8	Non-Compensable	\$0
11	Concrete Pile Redesign	12	Compensable	\$88,192
32	Pile Cutoff (Time Only)	23	Compensable	\$34,799
20	Pile Cap Redesign	21	Compensable	\$67,086
Total Days		64	Total Amount	\$190,077

Delays associated with weather are considered non-compensable per the Contract. Delays attributed to the Owner are potentially compensable. Costs associated with compensable time extensions are Contractor’s home and/or field office overhead costs. The Contractor has submitted a daily home office rate of \$1,513 per day for each day of alleged Owner-caused delay. This rate is required to be substantiated, but is utilized to estimate cost impacts.

The number of days associated with these Contract Change Requests exceeds the CEO's authority. Therefore, authority is sought from the Board to negotiate these delay claims and authorize the CEO to execute Change Orders associated with these delay requests.

Staff recommends that the Board authorize the CEO to enter into negotiations with Lewis C. Nelson and Sons, Inc., provide authority to execute Contract Change Orders to resolve these Contract time extension requests on behalf of METRO up to an additional 69 days, and ratify the actions of both the previous administration and previous Construction Manager. Andrew Kreck, Project Manager, will serve as the Contract Administrator and will ensure contract compliance.

IV. FINANCIAL CONSIDERATIONS/IMPACT

Funding for the Judy K. Souza Operations Building is available with the funds METRO has secured for the Project and exist within contingency funds available within the MetroBase Phase II Budget for this Contract.

V. ALTERNATIVES CONSIDERED

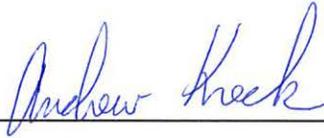
Do not approve the requests. This alternative is not recommended since the requests need to be resolved to determine the Project Schedule, and delaying resolution will result in claims made by Lewis C. Nelson and Sons, Inc. at the end of the Project.

VI. ATTACHMENTS

None.

VII. APPROVALS:

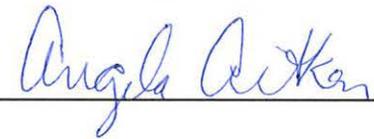
Andrew Kreck, Project Manager



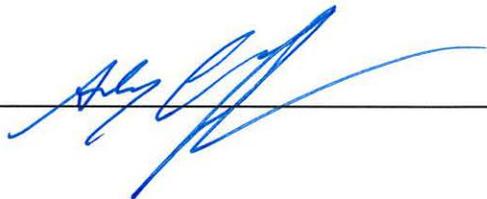
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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DATE: February 13, 2015
TO: Board of Directors
FROM: Ciro Aguirre, Chief Operations Officer
**SUBJECT: CONSIDERATION OF AN UPDATE TO PROVIDING DISCOUNT OR
GROUP BUS PASSES TO THE 180/180 PROGRAM**

That the Board of Directors Deny the Request for Free Bus Passes to Subsidize the Transportation Needs of Homeless Persons Under the 180/180 Project.

I. SUMMARY

- May 09, 2014, Mr. Phil Kramer, Director for the 180/180 Homeless Project (Project) made a presentation to Santa Cruz Metropolitan Transit District (METRO) Board of Directors.
- Mr. Kramer requested that the METRO Board provide free bus passes for the program participants.
- October 24, 2014, METRO staff provided the Board with a bulk sales option that could be considered for addressing the request of the 180/180 Program.
- The Board requested that METRO's staff further review this issue to determine if there are any other options that could be considered, including, amendments to current policies.

II. DISCUSSION/BACKGROUND

Since its May 09, 2014 meeting, METRO's Board of Directors and Phil Kramer, Director for the 180/180 Homeless Project (Project), have been engaged in discussions about two proposals made by the Project; the first was to obtain help from METRO to fund five (5) move-in kits valued at \$3,000 each. The second was a request to provide free bus passes for the program participants. Program participants' only mode of transportation was METRO.

The request for monetary contribution to subsidize the move-in kits had implications of a gift of public funds, and on this basis was denied. The Board requested that METRO staff further research issuance of free bus passes and report back at subsequent Board meeting findings.

On October 24, 2014 METRO staff reported to the Board of Directors the research performed and findings regarding the request made by Mr. Kramer (see Attachment D). The Board, however, directed staff to perform an additional review to determine if Mr. Kramer's request could be accommodated. Staff was asked to review whether a change to District Policies was feasible in order to accommodate the request of the 180/180 Project.

At this time, staff does not recommend changing METRO's policies to allow for the distribution of free bus passes to the 180/180 Project, or any other non-profit group seeking the same type of consideration. The basis for this recommendation is that such a change to METRO's policies would run afoul of the restrictions on the use of operating funds received from several of our funding sources (i.e., STA). The District is required to maintain its "fare box recovery" related to the actual cost of the service and the cost of fares received from riders. The recommended approach would be to continue to provide approved reduced fares as delineated in our current policies.

Further it is suggested that the 180/180 Project work with State and County social services to seek discounted fares for its participants. While staff is sympathetic to the needs of those less fortunate within our community, the distribution of free bus fares is not a viable option for a Transit District that is so heavily subsidized with public funds. The 180/180 Program might also consider approaching one of the current bulk sales customers to see if they will provide the Program with free passes.

III. FINANCIAL CONSIDERATIONS

The Group/Bulk Bus Pass purchasing agreements allow for various qualifying entities to purchase Bus Passes at a discount. The reduction in revenue due to these discounts has been taken into consideration as they are part of the agreed to Fare Ordinance and Resolution. Addition of entities to Group/Bulk Pass purchases would result in a greater number of passes being sold, albeit, at a discount to regular fare, but would add to METRO's revenue stream.

IV. ALTERNATIVES CONSIDERED

- Amend AR-4004 and remove restrictions that preclude the 180/180 Project from qualifying for free bus passes. Not recommended due to funding restrictions.
- Provide the 180/180 Project with a one-time issuance of free passes – Not recommended as this may be construed as a gift of public funds.
- Amend Group Pass Contract and Bus Pass Bulk Purchases Ordinance 84-2-1 to allow for a deeper discount to bulk pass purchases. This option is not recommended since it will affect more bulk sales customers than just 180/180 and result in a loss of projected revenues from fares

V. ATTACHMENTS

Attachment A: 180/180 Presentation, Phil Kramer, Director

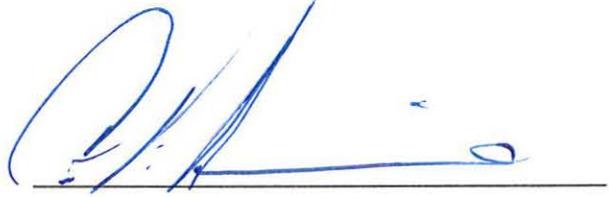
Attachment B: AR-4004 Bus Passes – Issuance of Free Passes

Attachment C: Bus Pass Bulk Purchase Discount Rates

Attachment D: October 24, 2014 Staff Report

VI. APPROVALS:

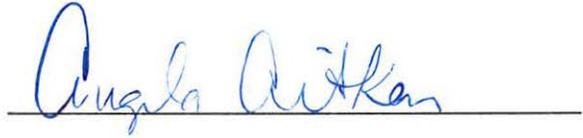
Ciro Aguirre, COO



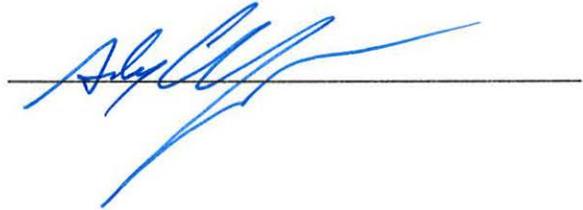
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



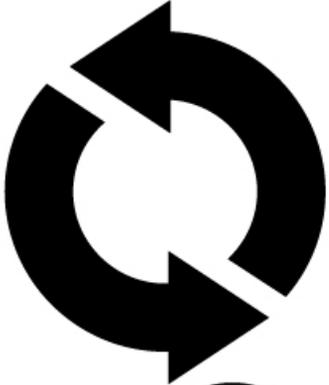
Alex Clifford, CEO/General Manager



Presentation to Santa Cruz METRO

Phil Kramer, Director

180/180

180 

180 

**MAKING A 180 DEGREE TURN
TO HOUSE 180 CHRONICALLY
HOMELESS MEN AND WOMEN
IN SANTA CRUZ COUNTY BY JULY 2014**



QuickTime™ and a decompressor are needed to see this picture.

- Permanent homes for 100,000 homeless men, women and families by July 2014
- 236 participating communities

95,000 people housed

Snapshot of Santa Cruz County

- 3,536 people experiencing homelessness
- 82% of the population is unsheltered
- 72% of the homeless population were living in the county when they became homeless
- 68% have at least one disabling condition

16A.4



Snapshot of Santa Cruz County

- 11% are veterans
- 15% are persons in families
- 989 (or 28%) are chronically homeless
- 37% are under 25 years old
- Transition Age Youth & unaccompanied children represent almost 27% of the county's homeless population... and are one of the fastest growing homeless sub-populations in the county

16A.5

Chronic homelessness is long term or repeated homelessness coupled with a disabling condition:

- Diagnosable substance abuse disorder
- Serious mental illness
- Developmental disability
- Chronic physical illness or disability

16A.6

Outreach / Vulnerability Index

180/180 uses a research tool called the **Vulnerability Index** survey to identify the most vulnerable (at risk) homeless residents

16A.7

QuickTime™ and a decompressor are needed to see this picture.

Attachment A

Dr. Jim O'Connell
- Boston Health Care for the Homeless



Profile of our most vulnerable homeless neighbors

- 70% male / 30% female
- Average Age: 50
- **Oldest: 78**
- Youngest: 19
- **12% veterans**
- Average number of years living in the Santa Cruz County area: **19**
- Average number of years homeless: **9**



Profile of our most vulnerable

- 51% have been to the emergency room three or more times in past 3 months
- 72% received treatment for mental health issues
- 63% have a permanent physical disability
- 54% have a serious brain injury or head trauma
- 59% have been the victim of a violent attack since becoming homeless

16A.9

Homeless Deaths in Santa Cruz

- 37 people died while homeless in Santa Cruz County in 2013
- The average number of homeless deaths per year over the preceding ten years (2002-2012) was 34
- The average age at death for homeless individuals in Santa Cruz County is ~ 50



“Million-Dollar Murray”

by MALCOM GLADWELL

Hospitals + Jail + Ambulance
+ Substance-abuse treatment
+ Doctors’ fees + other expenses
estimate \$100,000 / year x 10 years
= \$1,000,000

“It cost us one million dollars not to do something about Murray”

Housing First & Permanent Supportive Housing

Attachment A



16A.12

Housing First

QuickTime™ and a
decompressor
are needed to see this picture.

Attachment A

Housing First is an approach that
centers on **providing people who are
homeless with permanent housing right
away**, and then offering other services
as needed.

16A.13





QuickTime™ and a decompressor are needed to see this picture.

QuickTime™ and a decompressor are needed to see this picture.

Permanent Supportive Housing

QuickTime™ and a decompressor are needed to see this picture.

QuickTime™ and a decompressor are needed to see this picture.

How Permanent Supportive Housing works

Professional Case Managers **link** clients to primary care, behavioral health care, and substance abuse treatment using a Housing First approach.

...connecting participants with supportive services that help **increase housing retention** by **addressing substance abuse, mental illness** and **chronic health issues**.



Permanent
Supportive Housing
saves lives
and saves money

Permanent Supportive Housing is cost effective



QuickTime™ and a
decompressor
are needed to see this picture.

QuickTime™ and a
decompressor
are needed to see this picture.

Heather Bullock, chair of UCSC
psychology department, is
collaborating with Lois
MacGillivray, a Catholic nun, to
study the 180/180 campaign.

“We really want to dig deeper,” Bullock
says... “We want to understand what
combination of services along with housing
really helps support people.”

16A.18

“From Downtown Streets to Permanent Homes”

180/180 is leading a 100-
day initiative to identify and
house “visible, vulnerable
and high impact” homeless
individuals living in the
downtown commercial
centers of Santa Cruz &
Watsonville

County of Santa Cruz;
Board of Supervisors,
Human Services Dept.,
Mental Health Dept.,
HPHP,
Dept of Probation,
City of Santa Cruz
City of Watsonville
SCPD
Watsonville PD
Downtown Outreach
Encompass
Homeless Services Center
Pajaro Valley Shelter
PV Loaves & Fishes
Teen Challenge
Grace Harbor
Salvation Army
Veterans Administration
Housing Authority
SC Business Council

“100 Day Dash”

We have a goal to house 37 individuals (25 in Santa Cruz + 12 in Watsonville). We’ve surveyed 175, prioritized 76 and housed 10 so far, with another 41 on a pathway to housing, including 8 Veterans connected with VA services, for a **total of 51.**



How this affects METRO

- Riders / Customers
- Culture & Environment
- Community Partner

QuickTime™ and a decompressor are needed to see this picture.

How METRO can help

- **Move in kits**
 - Security deposits, furniture, essential household items
- **Bus Passes**
 - The only means of transportation for many of our most vulnerable homeless neighbors



Thank You

www.180santacruz.org

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Attachment B
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Regulation Number: AR-4004

Computer Title: freepass.doc

Effective Date: January 1, 1993

Pages: 3

TITLE: BUS PASSES - ISSUANCE OF FREE PASSES

Procedure History

REVISION DATE	SUMMARY OF REVISION	APPROVED
12/5/95	Revise format without content change	SG
7/19/96	Limits on student passes	SG
2/24/98	Clarify language	MD
04/24/03	New title without content change	LW
08/22/03	Increase in pass allowance to reflect fare increase	LW
01/23/04	Clarify language: Add language to allow bus passes for claimants and potential claimants	ER

I. POLICY

1.01 The Board of Directors or the General Manager of the Santa Cruz Metropolitan Transit District are authorized to issue free passes only in accordance with the following Regulation and the District Fare Ordinance.

II. APPLICABILITY

2.01 This regulation is applicable to all District employees, retirees, current and former members of the Board of Directors and their spouses.

III. ISSUANCE OF FREE BUS PASSES

3.01 Free bus passes may be issued by the Board of Directors or the General Manager in the following circumstances:

- a. Day or monthly passes may be issued to claimants, potential claimants and bus passengers who sustain injuries on the buses or, in District facilities if it is in the District's best interests.

Attachment B

Issuance of Free Passes

Page 2

- b. Monthly passes may be issued to persons who perform an act which directly benefits the District;
- c. Monthly passes may be issued as an award for a contest sponsored by the District;
- d. A monthly and/or weekly pass valid for no longer than one month may be issued to students participating in educational programs, which promote good will and friendship with other countries. A limit of \$3,000 per organization per calendar year is established for the value of passes issued to students with a District limit of \$10,000 to all organizations per year, except that an organization that has not previously requested passes during the year may request ten passes or less once the \$10,000 limit has been reached;
- e. An annual pass shall be issued upon request to all employees who retire from the District under the provisions of the Public Employee Retirement System with five or more years served in District employment and their spouses;
- f. An annual pass shall be issued upon request to the spouse of a deceased employee or Board of Directors' member who dies while in the service of the Santa Cruz Metropolitan Transit District;
- g. An annual pass shall be issued upon request to former Board Members who serve at least four years on the District's Board of Directors and their spouses;
- h. Passes may be provided to out-of-District participants in Transit meetings or conferences held in or near the Santa Cruz Metropolitan Transit District;
- i. Monthly passes may be issued to persons who supervise school children (K-12) traveling to and from school on weekdays on District buses. The school shall be responsible for certifying the need for such passes or tickets and for distribution.

3.02 The Santa Cruz Metropolitan Transit District may grant requests for discounted rates or donation of tickets and passes for use by recipients of services provided by emergency services agencies, provided the requests conform with the following criteria and procedures:

- a. The agency requesting the tickets and passes must be a non-profit organization which provides emergency services to the local community as defined below:
 - 1. Agency must be registered by the State of California as a private non-profit agency.

Attachment B

Issuance of Free Passes

Page 3

2. Agency must supply services to Santa Cruz County residents who are receiving services as a direct result of a bonafide emergency.
 - b. The organization must submit a letter of request to the District outlining the nature of the transportation emergency, the reasons for the request, who will use the tickets and/or passes, and the number of tickets and/or passes required.
 - c. The tickets and/or passes may only be used by the organization's clients in conjunction with the receipt of emergency services, for the purposes specified in the letter of request.
 - d. The monetary value of the donated tickets and/or passes may not exceed \$300 over a one-year period. If the organization wishes to obtain additional tickets and/or passes or extend the program beyond one year, the District may develop a service contract with the organization to meet its long-term needs, at an adjusted rate.
- 3.03 Annual passes shall be issued to each member of the Board of Directors, District employee and members of their immediate family (spouse, unmarried equivalent to spouse, and children under the age of 18 years who reside within the household and/or other approved person in accordance with an approved Labor Agreement).
- 3.04 For the purpose of fare payment, an annual pass shall be considered the same as a monthly pass for fixed route service.

IV. ENFORCEMENT

- 4.01 Any District employee who violates this regulation shall be disciplined up to and including termination.

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Attachment C
ORDINANCE NO. 84-2-1 As Amended

**AN ORDINANCE OF THE
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
ESTABLISHING SCHEDULE FOR BUS FARES**

Be it enacted by the Board of Directors of the Santa Cruz Metropolitan Transit District as follows:

SECTION I: FARE SCHEDULE - SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

A. Local Fixed Route Service

Fare/Pass	Rate
Regular Cash Fare	2.00
Discount Cash Fare - Older Adult/Individual with a Disability *	1.00
Youth and Adult Local Day Pass	6.00
Discount Local Day Pass - Older Adult/Individual with a Disability *	3.00
Youth and Adult Local 3 Consecutive Day Pass	15.00
Discount Local 3 Consecutive Day Pass - Older Adult/Individual with a Disability *	7.50
Youth and Adult Local 7 Consecutive Day Pass	32.00
Discount Local 7 Consecutive Day Pass - Older Adult/Individual with a Disability *	16.00
Youth and Adult Local 15 Ride Pass	27.00
Discount 15 Ride Pass - Older Adult/Individual with a Disability *	13.50
Local 31 Consecutive Day Pass	65.00
Discount Local 31 Consecutive Day Pass - Older Adult/Individual with a Disability *	32.00
Youth Local 31 Consecutive Day Pass	48.00
Prepaid School Field Trips	35.00

* To obtain Discount Fare, passenger must produce a Santa Cruz METRO Photo I.D. Card or other approved identification. Please Refer to AR-1028 for more information regarding discount fares.

Attachment C

ORDINANCE NO. 84-2-1 As Amended

B. AMTRAK/Highway 17 Express Service

Fare/Pass	Rate
Regular Cash Fare (One Way)	5.00
Discount Cash Fare (One Way) Older Adult/Individual with a Disability*	2.50
Day Pass:	10.00
▪ with exchange of Santa Cruz METRO Day Pass	4.00
▪ with exchange of VTA Day Pass	4.00
▪ with display of VTA Express Day Pass	2.00
▪ with exchange of Santa Cruz METRO Discount Day Pass	7.00
▪ with exchange of VTA Discount Day Pass	7.50
▪ with exchange of VTA Youth Day Pass	5.00
AMTRAK/Highway 17 Express 5 Consecutive Day Pass	42.00
AMTRAK/Highway 17 Express 31 Consecutive Day Pass	113.00
Display of Receipt and Pass of CalTrain Monthly Pass; 2 Zone minimum	4.00

C. Paratransit Service (ParaCruz)

Fare/Pass	Rate
ParaCruz Fare (One Way)	4.00

D. Group Pass Contract Rate

Fares for individuals of the Group are determined through negotiations between the Group and Santa Cruz METRO and are set forth in the contract. The Group shall provide identification cards for members which shall be satisfactory to Santa Cruz METRO and shall be responsible for fee collection.

E. Bulk Bus Pass Agreements

Santa Cruz METRO may enter into an agreement with a group to provide bulk bus pass purchases to that group at an agreed upon per pass rate. The Group must specify type of bus pass and the quantity desired so they can be invoiced properly.

F. METRO Cash Cards

Stored value “METRO Cash Cards” are available for persons wanting to ride Local Fixed Route or Highway 17 Express service with the convenience of not carrying dollar currency or coins. METRO Cash Cards are available in the following fixed denominations:

- \$10.00 METRO Cash Card
- \$20.00 METRO Cash Card
- \$30.00 METRO Cash Card
- \$50.00 METRO Cash Card

G. Service Charge on Return Checks

The service charge on returned checks is \$15.00.

Attachment C
ORDINANCE NO. 84-2-1 As Amended

Ordinance No. 84-2-1 of the Santa Cruz Metropolitan Transit District is hereby amended and shall become effective on September 15, 2011.

Passed and adopted by the Board of Directors on this 26^h day of August 2011, by the following vote:

AYES: Directors -

NOES: Directors -

ABSENT: Directors -

ABSTAIN: Directors -

ATTEST: _____
LESLIE R. WHITE
Secretary/General Manager

APPROVED: _____
ELLEN PIRIE
Chairperson

APPROVED AS TO FORM:

MARGARET GALLAGHER
District Counsel

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Attachment D

*Santa Cruz Metropolitan
Transit District*



DATE: October 24, 2014
TO: Board of Directors
FROM: Ciro Aguirre, Manager of Operations
**SUBJECT: CONSIDERATION OF PROVIDING DISCOUNT OR GROUP BUS
PASSES TO FACILITATE TRANSPORTATION NEEDS FOR
CHRONICALLY HOMELESS PERSONS UNDER THE 180/180
PROGRAM**

That the Board of Directors consider providing free bus passes to subsidize transportation needs of Homeless persons under the 180/180 program.

I. SUMMARY

- May 09, 2014, Mr. Phil Kramer, Director for the 180/180 Homeless project made a presentation to Santa Cruz METRO (SC METRO) Board of Directors
- Mr. Kramer requests the Board to consider assisting the project by providing funding for 5 Move-in Kits valued at \$3,000
- Additional request made of SC METRO Board to provide bus passes for the program participants
- SC METRO Board has asked staff to research the issue and provide a report at a subsequent meeting

II. DISCUSSION/BACKGROUND

During the May 09, 2014, Santa Cruz METRO (SC METRO) Board of Directors meeting, Mr. Phil Kramer, Director for the 180/180 Homeless Project provided a presentation describing the severity of homelessness amongst veterans, persons with disabilities, families, transition age youth, and unaccompanied children throughout Santa Cruz County (see Attachment A).

Mr. Kramer expressed that the 180/180 effort is based on a concept that makes both a 180 degree change in housing the homeless, but also a 180 degree system change in the services and programs that are working with the problems surrounding the issue of homelessness. It was explained by Mr. Kramer that the 180/180 - Housing First Program was designed to provide people who are homeless with permanent housing right away, then offering other services as needed.

The Board was asked to consider two proposals; the first was to obtain help from SC METRO to fund five (5) move-in kits valued at \$3,000 each. The second; was a request to provide free bus passes for the program participants. Program participants' only mode of transportation was SC METRO.

Attachment D

The SC METRO Board of Directors acknowledged Mr. Kramer's efforts at attempting to address such a serious countywide issue through the 180/180 project, but explained that a monetary contribution to subsidize the move-in kits had implications of a gift of public funds.

Regarding the request to have SC METRO provide free bus passes, the Board requested that SC METRO staff research the issue further and report back at a subsequent Board meeting.

The following is being provided relative to the request put forward by Mr. Kramer.

SC METRO Free Bus Passes:

The issuance of free bus passes is controlled by SC METRO Policy AR-4004, Bus Passes – Issuance of Free Passes (AR-4004) as adopted by the SC METRO Board of Directors in 1993 with the most recent revision completed in January 23, 2004. Section 3 – Issuance of Free Bus Passes establishes the criteria by which free SC METRO bus passes may be issued (see Attachment B).

Specific to Mr. Kramer's request to have SC METRO supply the 180/180 Project with free bus passes for the Housing First Program, Section 3.02 of AR-4004 states the following:

“The Santa Cruz Metropolitan Transit District may grant requests for discounted rates or donations of tickets and passes for use by recipients of services provided by emergency services agencies, provided the requests conform with the following criteria and procedures:

- a. The agency requesting the tickets and passes must be a non-profit organization which provides emergency services to the local community as defined below:
 1. Agency must be registered by the State of California as a private non-profit agency.
 2. Agency must supply services to Santa Cruz County residents who are receiving services as a direct result of a bonafide emergency.
- b. The Organization must submit a letter of request to the District outlining the nature of the transportation emergency, the reasons for the request, who will use the tickets and/or passes, and the number of tickets and/or passes required.
- c. The tickets and/or passes may only be used by the organization's clients in conjunction with the receipt of emergency services, for the purposes specified in the letter of request.
- d. The monetary value of the donated tickets and/or passes may not exceed \$300 over a one-year period. If the organization wishes to obtain additional tickets and/or passes or extend the program beyond one year,

Attachment D

the District may develop a service contract with the organization to meet its long-term needs at an adjusted rate.”

SC METRO’s Legal Department has opined that the 180/180 organization does not meet the criteria in AR-4004 for issuance of free bus passes.

SC METRO Group Pass Contract and Bus Pass Bulk Purchases:

A part of SC METRO’s Fare Ordinance 84-2-1, Group Pass Contract Rates, and Bulk Bus Pass Agreements are available allowing for the purchase of bus passes at a discounted rate. Currently, a variety of Agencies, Non-profits, and Employers hold agreements with SC METRO for purchasing bus passes in bulk at a discount. The discounts are offered in increments of 10%, 15%, and 20% depending on the number of passes purchased.

Mr. Kramer’s organization could qualify for purchases of Group/ Bulk Bus Passes if his organization was willing to enter into an agreement with SC METRO for purchasing discounted bus passes similar to what other agencies, non-profits, and employers are performing. Staff is recommending that Mr. Kramer enter into a Group or Bulk Bus Pass Agreement with SC METRO in order to purchase bus passes at a discounted rate.

III. FINANCIAL CONSIDERATIONS/IMPACT

The Group/Bulk Bus Pass purchasing agreements allow for various qualifying entities to purchase Bus Passes at a discount. The reduction in revenue due to these discounts have been taken into consideration as they are part of the agreed to Fare Ordinance and Resolution

1. FISCAL IMPACT:

Addition of entity/s to Group/Bulk Pass purchases would result in a greater number of passes being sold albeit at a discount to regular fare, but would add to SC METRO’s revenue stream.

IV. ALTERNATIVES CONSIDERED

- Refer Mr. Kramer to Santa Cruz County Health/Social Services or other participants for consideration of partnering in the Bulk Purchase Discounts.

V. ATTACHMENTS

Attachment A: 180/180 Presentation, Phil Kramer, Director

Attachment B: AR-4004 Bus Passes – Issuance of Free Passes

Attachment C: Bus Pass Bulk Purchase Discount Rates

Attachment D

Board of Directors
October 24, 2014
Page 4 of 4

VI. APPROVALS:

Dept. Manager Name, Title

Approved as to form:

Leslyn K. Syren, District Counsel

Approved as to fiscal impact:

Angela Aitken, Finance Manager

Alex Clifford, CEO/General Manager



DATE: February 13, 2015
TO: Board of Directors
FROM: Leslyn K. Syren, District Counsel
**SUBJECT: CONSIDERATION OF AMENDMENTS TO THE BYLAWS OF THE
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT'S BOARD OF
DIRECTORS**

I. RECOMMENDED ACTION

Adopt a resolution amending the District's Bylaws.

II. SUMMARY

- This revision to the Board's Bylaws follows the Board of Directors meeting on January 9, 2014, wherein the Board requested that a change to the nomination and voting process be incorporated into the Bylaws for appointments to either the Board Chair or Vice-Chair and for appointments to the Santa Cruz County Regional Transportation Commission (SCCRTC).
- Additional changes to the Bylaws are administrative in nature and include:
 - Change the Bylaw format for inclusion into the METRO Administrative Code.
 - The timeline for submitting documents for Board Agenda Packets (§1.2.5.201).
 - Title change from "Secretary/General Manager" to "CEO/General Manager."
 - Title change from "Administrative Services Coordinator" to "Executive Assistant."

III. DISCUSSION/BACKGROUND

Currently, the Board of Directors nominates and votes on members to serve as the Chair and Vice-Chair of the Board, and also appoints representatives to the SCCRTC in the month of January. As discussed during the January 9, 2014 Board meeting, this timeframe has historically been a problem since many new directors are not sworn in until late January or early February. Given the problems this creates, we have prepared an amendment to the Bylaws that gives the Board Chair the flexibility to set on the Board's agenda the nomination for these offices as late as the first meeting in February and election as late as the second meeting in February. The language is intended to provide the Board with flexibility in timing these important appointments to a date in which all new Board Directors will be sworn in and eligible to participate in the selection process.

These changes are found in the following sections as set forth below (added language is underlined):

§1.2.601 Elections

- A. The Directors shall at the first meeting in either January or February, as determined by the Board Chair, nominate members of the Board of Directors to serve as the Chair and as Vice-Chair. Nominations may be received until final selections occur. The Board of Directors shall, at its second regular meeting in either January or February (generally televised) of each year, choose one of its members to serve as Chair and one of its members to serve as Vice-Chair, to serve for the balance of the calendar year or until the selection of their successors. The officer election shall be agendaized at the second meeting immediately following roll call and shall not be paired with any other item.

§1.2.1402 Appointment to Santa Cruz Regional Transportation Commission

- A. The Board of Directors shall each year in either January or February, as determined by the Board Chair, appoint three representatives and three alternates (in order of priority) to the Santa Cruz County Regional Transportation Commission (SCCRTC) who must be members of the Board of Directors. The Board Chair shall submit nominations of three representatives for the first Board meeting in either January or February. At that meeting, the Chair shall entertain other nominations for SCCRTC representatives and alternates from the Directors. Nominations may be received until final selections occur. Thereafter, at the second meeting in either January or February, the Board of Directors shall vote on the nominations via a motion and a second. To be appointed, a nomination shall receive at least six affirmative votes. A Director may move a slate of three representatives or a slate of three alternates for appointment.

Staff has also made several administrative changes to the Bylaws that update titles for position and make format changes so that the Bylaws may be included in the Santa Cruz METRO Administrative Code.

Staff recommends adopting the Resolution, Attachment A, which will codify the above listed changes and incorporate the Board's Bylaws into the Administrative Code.

IV. FINANCIAL CONSIDERATIONS/IMPACT

None.

V. ALTERNATIVES CONSIDERED

- Board accepts to change only §§1.2.601 and 1.2.1402 as requested but rejects the suggested Administrative changes. Staff does not recommend this as the resulting document would be obsolete.
- Board rejects all changes. Staff does not recommend this as the resulting document would be obsolete.

VI. ATTACHMENTS

Attachment A: Resolution No. 69-2-1 adopting Title 1, Chapter 2 and Chapter 2.5 to the Santa Cruz Metropolitan Transit District Administrative Code.

Exhibit A: Bylaws, Title 1, Chapter 2

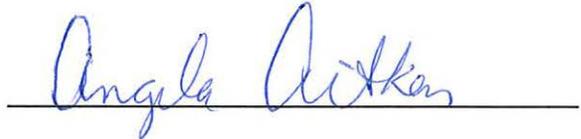
Exhibit B: Code of Ethics, Title 1, Chapter 2.5

VII. APPROVALS:

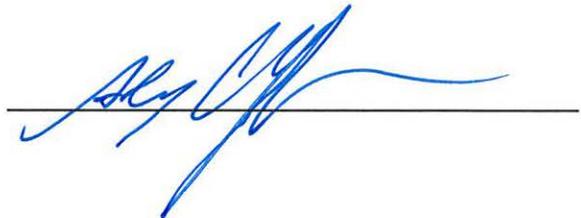
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

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

RESOLUTION NO. 69-2-1
Amended 01-21-83, 06-16-89, 08-21-92,
04-15-94, 04-21-95, 04-27-97, 09-18-98,
04-16-99, 11-19-99, 06-16-00, 06-08-01,
06-15-01, 09-21-01, 02-15-02, 06-21-02,
09-27-02, 10-10-03, 12-19-03, 09-24-04,
12-17-04, 02-24-06, 02-23-07, 05-25-07,
05-23-08, 08-28-09, 01-22-10, 06-25-10,
11-19-10, 05-13-11, 01-11-13, 2-28-14,
03-14-14, and 05-23-14
On the Motion of Director: _____
Duly Seconded by Director: _____
Is Hereby Amended: 02-13-15

A RESOLUTION ADOPTING TITLE 1, CHAPTER 2 AND CHAPTER 2.5 TO THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT ADMINISTRATIVE CODE.

WHEREAS, the Santa Cruz Metropolitan Transit District was created pursuant to the “Santa Cruz Metropolitan Transit District Act of 1967” as codified in Public Utilities Code sections 9800 et. seq; and

WHEREAS, Board of Directors of the Santa Cruz Metropolitan District may take all actions necessary for the proper administration of the affairs of the district; and

WHEREAS, the Board of Directors pursuant to its authority desires to establish an Administrative Code for the proper administration of the District; and

WHEREAS, the Board of Directors desires to include its Bylaws in the Administrative Code; and

NOW THEREFORE, BE IT RESOLVED by the Santa Cruz Metropolitan Transit District as follows:

Title I, Chapters 2 and 2.5 of the Administrative Code of Santa Cruz Metropolitan Transit District is adopted by the Board of Directors as set forth in Exhibits A and B to this Resolution.

Attachment A

Resolution No. 69-2-1

Page 2

PASSED AND ADOPTED at a regular meeting of the Santa Cruz Metropolitan Transit District, Santa Cruz, California, this 13th day of February 2015, by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

APPROVED: _____
DENE BUSTICHI
Chair

ATTEST:

ALEX CLIFFORD
CEO/General Manager

APPROVED AS TO FORM:

LESLYN K. SYREN
District Counsel

Attachment A Exhibit A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

ADMINISTRATIVE CODE

TITLE I – ADMINISTRATION

CHAPTER 2

BYLAWS

Table of Contents:

Article I	Regular Meetings
Article II	Agenda
Article III	Special Meetings
Article IV	Emergency Meetings
Article V	Directors
Article VI	Presiding Officers
Article VII	Conduct of Meeting
Article VIII	Quorum
Article IX	Adjournment/Continuances
Article X	Minutes
Article XI	Public's Role in Meetings/Public Hearings
Article XII	Resolutions, Ordinances and Motions
Article XIII	Method of Voting
Article XIV	Committees and Appointments
Article XV	Official Bulletin Board
Article XVI	Other Offices

Attachment A

Exhibit A

Article I

Regular Meetings

§1.2.101 Regular Meetings; Time

- A. Regular meetings of the Santa Cruz Metropolitan Transit District (METRO) Board of Directors shall be held on the second Friday of each month (if needed) and on the fourth Friday of each month. The Board of Directors may establish the time for the commencement and duration of its meetings as necessary through Board action. Notwithstanding the above, no regular meetings will be scheduled during the month of July.
- B. If a regular meeting falls within 5 working days of a recognized METRO holiday, i.e., Thanksgiving, Christmas or New Year's Day, the Board of Directors shall reschedule the meeting to a more convenient date. The regular meeting schedule shall be published for the upcoming year and approved by the Board of Directors during October of each year. This schedule shall include the date, location and commencement time for each regular meeting of the Board of Directors and shall be posted on METRO's website, and METRO's official Bulletin Board throughout the year.

§1.2.102 Regular Meetings; Place

- A. The Regular meeting of the Board of Directors on the second Friday of the month shall be convened in the Santa Cruz Conference Room at Santa Cruz Metropolitan Transit District, 110 Vernon Street, Santa Cruz, CA 95060. The Regular meetings of the Board of Directors on the fourth Friday of the month shall be convened in the Santa Cruz City Council Chambers, City Hall, 809 Center Street, Santa Cruz, California, except when the Board of Directors' regular meeting schedule sets forth an alternate location.
- B. If, by reason of fire, flood, earthquake or other emergency, it shall be unsafe to meet in the place designated above, the meeting shall be held for the duration of the emergency or unsafe condition at the place designated by the Chair of the Board of Directors in a notice to the local media that have requested notice in writing, by the most rapid means of communication available at the time. A notification advising the public of the changed meeting location during the emergency or unsafe condition shall be posted on the door of the regular meeting room by the ~~Secretary/General Manager~~CEO/General Manager, unless circumstances prevent her/him from doing so.
- C. The Board of Directors shall not conduct any meeting in any facility that prohibits the admittance of any person, or persons, on the basis of race, religious creed, color, national origin, ancestry, sex, gender, pregnancy or related medical

Attachment A

Exhibit A

condition, age, marital status, medical condition (cancer related or genetic characteristics), sexual orientation, veteran status, or which is inaccessible to persons with physical or mental disabilities, or where members of the public may not be present without making a payment or purchase.

§1.2.103 Regular Meetings; Open to the Public

- A. Meetings of the Board of Directors shall be open and public and all persons shall be permitted to attend except as otherwise allowed by law or when a closed session is authorized pursuant to applicable state law and properly noticed in accordance therewith.
- B. A Spanish-bilingual interpreter shall be present and available for translations at the Regular Board Meeting held on the fourth Friday of the month.

§1.2.104 Closed Sessions: State Reasons and Legal Authority; Scope of Coverage; Notice; Reporting Out

- A. Prior to holding any closed session, the Board of Directors shall disclose, in an open meeting, the item or items to be discussed in the closed session. The disclosures may take the form of a reference to the item or items as they are listed by number or letter on the agenda. In the closed session, the Board of Directors may consider only those matters covered in its statement. Nothing in this section shall require or authorize a disclosure of information prohibited by state or federal law.
- B. After any closed session, the Board of Directors shall convene into open session prior to adjournment and shall make any disclosures required by state law of action taken in the closed session.

Article II

Agenda

§1.2.201 Agenda; Notification and Posting

- A. In order to facilitate the orderly conduct of the business of the Board of Directors, all reports, communications, resolutions, or other matters to be submitted to the Board of Directors shall be submitted to the ~~Secretary/General Manager~~CEO/General Manager ~~not later than 5:00 p.m. on the Thursday one week prior to the date of the regular Board of Director's meeting unless the Administrative Offices are closed for a holiday, in which case, the deadline shall be moved up one day~~may adjust the schedule for agenda items as he/she determines provides the greatest efficiency for conducting District business.

Attachment A

Exhibit A

- B. The Chair, in consultation with the ~~Secretary/General Manager~~CEO/General Manager, shall arrange the agenda and shall furnish a copy of it to each member of the Board, to the District Counsel, to the management staff, and to METRO's Union representatives not later than the Tuesday in the week of a Regular Board meeting; the agenda shall be posted on the Official Bulletin Board for the public at the Administrative Office of the Santa Cruz Metropolitan Transit District at least 72 hours preceding each regular Board meeting. A record of this posting including the time and place of posting will be maintained by the ~~Administrative Services Coordinator~~Executive Assistant to the CEO General Manager.
- C. The agenda shall contain a brief description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. The description will be reasonably calculated to inform the public of the general nature of the subject matter of the item so that the public may seek further information on items of interest. The description will focus on the substance of the matter rather than the contemplated action. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public.
- D. Copies of the agenda shall be mailed to any individual or entity that has requested it. The Full Agenda Packet which includes attachments is available online at METRO's website, scmttd.com. Individuals and entities can voluntarily subscribe or unsubscribe to receive automated email notification when METRO's agendas and agenda packets are available online.

§1.2.202 Agenda; Public Input

Every agenda for regular open meetings shall provide an opportunity for members of the public to directly address the Board of Directors on any item of interest to the public, and before or during the Board's consideration item, that is within the subject matter jurisdiction of METRO, provided that no action shall be taken on any item not appearing on the agenda unless the board complies with Section 1.203 below.

§1.2.203 Agenda; Action Taken Not on Agenda

- A. No action or discussion shall be taken on any item not appearing on the posted agenda except that members of the Board of Directors present at the meeting or METRO staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights. In addition, on their own initiative, or in response to questions posed by the public, Directors or METRO staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. Furthermore, a Director or the Board itself may, subject to METRO's rules and regulations, provide a reference to staff or other resources for factual information, request staff to report back to the

Attachment A

Exhibit A

body at a subsequent meeting concerning any matter, or, take action to direct staff to place a matter of business on a future agenda.

- B. Notwithstanding subdivision (A) above, the Board of Directors may take action on items of business not appearing on the posted agenda under any of the conditions stated below. Prior to discussing any item pursuant to this section, the Chair of the Board of Directors shall publicly identify the item.
 - i. Upon a determination by a majority vote of the Board of Directors that an emergency situation exists, as defined in Section 4.01(b) herein;
 - ii. Upon a determination by a two-thirds vote of the Directors present at the meeting, or, if less than two-thirds of the members present at the meeting, a unanimous vote of those member present, that there is a need to take immediate action and that the need for action came to the attention of METRO subsequent to the agenda being posted; or
 - iii. The item was posted pursuant to a prior meeting of the Board of Directors occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

§1.2.204 Agenda; Other Distributed Writings

- A. Agendas and any other writings when distributed to all or a majority of all, the members of the Board of Directors by any person in connection with a matter subject to discussion or consideration at a public meeting are public records and shall be made available without delay unless the writing is exempt from disclosure pursuant to the California Public Records Act.
- B. Writings which are public records as set forth above and which are distributed during an open meeting shall be made available for public inspection at the meeting if prepared by METRO or a Director or after the meeting if prepared by some other person.

Article III

Special Meetings

§1.2.301 Special Meetings; Notice and Purpose

- A. A special meeting may be called at any time by the Chair or by a majority of the members of the Board of Directors, by delivering written notice to each member of the Board of Directors, and to each local newspaper of general circulation, radio or television station requesting notice in writing. The notice shall be delivered personally or by any other means at least 24 hours in advance of the

Attachment A

Exhibit A

meeting. The call and written notice shall specify the time and place of the special meeting and the business to be transacted and discussed.

- B. No other business shall be considered at the special meeting. The call and notice shall be posted at least 24 hours prior to the special meeting in a location that is freely accessible to members of the public.
- C. Every notice for a special meeting at which action is proposed to be taken on an item shall provide an opportunity for members of the public to directly address the Board of Directors concerning any item that has been described in the notice for the meeting before or during consideration of that item.
- D. Notice shall be required pursuant to this section regardless of whether any action is taken at the special meeting.

Article IV

Emergency Meetings

§1.2.401 Emergency Meetings; Notice and Purpose

- A. In the case of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, the Board of Directors may hold an emergency open meeting without complying with either the 24-hour notice requirement or the 24-hour posting requirement or both of the notice and posting requirements of s Special Meeting.
- B. For purposes of this section, "emergency situation" means any of the following:
 - i. An Emergency means a work stoppage, crippling disaster or other activity, which severely impairs public health, safety, or both, as determined by a majority of the members of the Board of Directors.
 - ii. A dire emergency means a crippling disaster, mass destruction, terrorist act, or threatened terrorist activity that poses peril so immediate and significant that requiring the Board of Directors to provide one-hour notice before holding an emergency meeting may endanger the public health, safety, or both, as determined by a majority of the members of the Board of Directors.
- C. Although no notice to the public is required, each local newspaper of general circulation and radio or television station which has requested notice of special meetings shall be notified by the presiding Chair of the Board of Directors, or designee thereof, one hour prior to the emergency meeting by telephone or in the case of a dire emergency, at or near the time that the Chair or designee notifies the directors of the emergency meeting. The notice shall be given by

Attachment A

Exhibit A

telephone and all telephone numbers provided in the most recent request of such newspaper or station for notification of special meetings shall be exhausted. In the event that telephone services are not functioning, the notice requirements of this section shall be deemed waived, and the Chair or designee thereof, shall notify those newspapers, radio stations, or television stations of the fact of the holding of the emergency meeting, the purpose of the meeting and any action taken at the meeting as soon after the meeting as possible.

§1.2.402 Emergency Meetings; Open to Public

Emergency meetings are always open meetings regardless of the subject matter except that if agreed to by a two-third vote of the Directors present or if less than two-thirds of the Directors are present, by a unanimous vote of those present, the Board of Directors may hold a closed session with the Attorney General, District Attorney, District Counsel, Sheriff or Chief of Police or their respective deputies, or a security consultant or a security operation manager on matters posing a threat to the security of public buildings, a threat to the security of essential public services, or a threat to the public's right of access to public service or public facilities.

§1.2.403 Emergency Meetings; Requirements

All special meetings requirements, as prescribed in Section 3.01 herein, shall be applicable to a meeting called pursuant to this section, with the exception of the 24-hour notice requirement.

§1.2.404 Emergency Meetings; Minutes

The minutes of a meeting called pursuant to this section, a list of persons who the presiding chair of the Board of Directors, or its designee notified or attempted to notify, a copy of the roll call vote and any actions taken at the meeting shall be posted for a minimum of 10 days in a public place as soon after the meeting as possible.

Article V

Directors

§1.2.501 The Board of Directors

METRO shall be governed by a Board of Directors of eleven members because such membership is necessary to insure adequate representation to all the areas in the County of Santa Cruz.

Attachment A

Exhibit A

§1.2.502 Appointment

The membership of the Board of Directors shall be composed of one member appointed by each City Council of Santa Cruz, Capitola, Scotts Valley, Watsonville and any other incorporated area of the District to represent the incorporated area and one member appointed by the Board of Supervisors of the County of Santa Cruz to represent the unincorporated area. Other appointments shall be made in accordance with the proportionate population within the District. The apportionment shall be based upon the population distribution within the District and the Board shall reapportion its membership whenever any part of the District is excluded or new territory is added or unincorporated territory within the District incorporates and as a result of the exclusion, annexation, or incorporation, representation on the Board no longer reflects the population distribution within the District. The Board shall also reapportion whenever the County election official advises the Board that the latest official census indicates a need for reapportionment.

§1.2.503 Qualifying Appointees to Board; Area residence

- A. The appointees to the Board shall have been residents of the area encompassed by the District for at least 30 days prior to their appointment and they shall also be residents of the City whose City Council appointed them, or a resident of the County if appointed by the Board of Supervisors.
- B. A person shall not be appointed to, or be a member of the Board of Directors unless that person is a resident of the District and has resided within the District at least 30 days immediately prior to his/her appointment to the Board.

§1.2.504 Term of Office

- A. The term of office for each Director shall be four years.
- B. If the appointee of any legislative body is one of its own members the appointee may serve only as long as the appointee is a member of the legislative body.
- C. An appointment to fill a vacancy on the Board or an appointment made after the expiration of the preceding term shall be for the unexpired portion of the term.
- D. The failure of a Board member to attend three consecutive meetings of the Board without good cause shall create a vacancy in the office of the Board member.

§1.2.505 Directors' Code of Ethics

A Directors' Code of Ethics is attached as Exhibit A to these Bylaws and shall serve as a guideline for the Directors in the work that they perform on behalf of METRO.

Attachment A

Exhibit A

§1.2.506 Director Compensation and Reimbursement

- A. Each Director shall receive compensation of \$50, up to a maximum of \$200 per month and their actual and necessary expenses, for performance of official METRO duties which shall include the following activities:
- i. Attendance at meetings of the Board of Directors;
 - ii. Attendance at meetings, as a District committee member, of a committee appointed by the Chair of the Board or the Board itself;
 - iii. Attendance at Advisory Committee meetings, as a METRO Director;
 - iv. Attendance at meetings, as a METRO Director, of the American Public Transit Association; and
 - v. Attendance at meetings, as a METRO Director, of the California Transit Association.
- B. Unless authorized by the Board of Directors in advance, attendance at meetings of the American Public Transit Association and the California Transit Association shall be limited to the Board Chair and Vice-Chair, or an alternate designee, as approved by the Board Chair or Vice-Chair.
- C. In addition to the meetings set forth above, each Director may receive reimbursement for the actual and necessary expenses incurred for the following METRO Official Duties:
- i. Attendance at meetings with State and Federal legislators and/or government officials re METRO business;
 - ii. Attendance at meetings with official METRO visitors and/or perspective METRO employees; and/or
 - iii. Participation at required educational and training meetings or seminars.
- D. Each Director shall be reimbursed for actual and necessary expenses incurred in the performance of official METRO duties. Reimbursement rates for travel, meals, and other actual and necessary expenses shall be in accordance with the reasonable reimbursement rates set forth in Exhibit B. Notwithstanding the foregoing, Directors shall not receive reimbursement for any costs incurred for lodging accommodations or for airline flights as those expenses shall only be booked and directly paid by METRO's ~~Administrative Services Coordinator~~ Executive Assistant to the CEO/General Manager.
- E. A Director may receive a travel advance, when approved by either the Board Chair or the Vice-Chair, up to \$100.00 per each full day of travel or attendance at

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Exhibit A

any of the events listed in section (a) above. Verification of the actual use of these funds shall comply with Section 5.07 below. A reduced advance may be permitted for partial days, as determined by the Board Chair or Vice-Chair.

- F. The Board of Directors in a public meeting shall approve all expenses that do not fall within the reimbursable rates set forth in Exhibit B before the expense is incurred.

§1.2.507 Reimbursement Process and Expense Report Form

- A. The ~~General Manager~~CEO/General Manager shall designate a staff member to schedule all conferences, lodging accommodations and transportation (including the scheduling of a METRO vehicle for in-state travel) for a Director and will obtain the best rate available at the time of booking. In no event shall the lodging costs exceed the maximum group rate published by the conference or activity sponsor provided that lodging at the group rate is available to the Director at the time of booking. If the group rate is not available, the designated staff member shall use comparable lodging that is consistent with those rates.
- B. Directors shall utilize METRO vehicles in the performance of official METRO duties in state when approved by the Board of Directors. If a METRO vehicle is available but the Director prefers to utilize his/her own vehicle, no mileage reimbursement shall be allowed.
- C. The designated staff member shall provide each Director with an Expense Report form to be filed with METRO for reimbursement of the actual and necessary expenses incurred on behalf of METRO in the performance of official duties or at a Director's request. The expense reports shall document that expenses meet the existing policy for expenditure of public resources. Directors shall submit expense reports within a reasonable time after incurring the expense but in no event later than four weeks after the expense has been incurred. The receipts documenting each expense shall accompany all reports. The Chair or Vice-Chair of the Board shall review the reports and insure compliance. Under no circumstances shall expenses be paid or reimbursed to a Director that are not allowed; including, any expenditures for spouses, friends, or others not specifically authorized by this policy to incur reimbursable expenses.
- D. Directors who have received advances, per §5.06(e), shall reconcile the advance payment with receipts obtained during travel. If the travel advance was inadequate to cover all valid expenses, the Director shall be reimbursed for all additional amounts. If the travel advance exceeds the verified expenses incurred, the Director shall reimburse METRO for the excess funds received.

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- E. Directors shall provide brief reports about the meetings attended at the expense of METRO at the next regular meeting of the Board of Directors.
- F. All documents related to reimbursable agency expenditures are public record subject to disclosure under the California Public Records Act.

§1.2.508 Directing the Work of Santa Cruz METRO Staff Members

All requests to utilize the staff of Santa Cruz METRO shall be coordinated by and approved by the ~~General Manager~~CEO/General Manager or District Counsel. In no event shall a Board Member assign work directly to a Santa Cruz METRO staff member without the approval of the ~~General Manager~~CEO/General Manager or District Counsel.

Article VI

Presiding Officers

§1.2.601 Election

- A. The Directors shall at the first meeting in ~~either~~ January or ~~February, as determined by the Board Chair,~~ nominate members of the Board of Directors to serve as ~~the~~ Chair and as Vice-Chair. Nominations may be received until final selections occur. The Board of Directors shall, at its second regular meeting in ~~either January or February~~ (generally televised) of each year, choose one of its members to serve as Chair and one of its members to serve as Vice-Chair, to serve for the balance of the calendar year or until the selection of their successors. The officer election shall be agendized at the second meeting immediately following ~~the~~ roll call and shall not be paired with any other item.
- B. Should the office of the Chair become vacant during the calendar year, the Vice-Chair shall assume the office of Chair. Should the office of Vice-Chair become vacant, the nomination and selection of Vice-Chair shall be agendized and acted upon by the Board of Directors.
- C. In the event of a vacancy of both the Chair and Vice-Chair positions, the Directors shall meet in order to nominate members of the Board of Directors for the vacant positions and make final selections.

§1.2.602 Chair to Preside

The Chair shall preside at all meetings of the Board of Directors, except the regular meeting of the Board of Directors held on the second Friday of the month which

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shall be presided by the Vice Chair. The Chair, or if presiding, the Vice Chair shall have authority:

- A. to determine the order of business under the rules of the Board of Directors;
- B. to enforce the rules of the Board of Directors; and
- C. to preserve order at all meetings and to remove or cause the removal of any person from any meeting of the Board of Directors for disorderly conduct.

§1.2.603 Absence of Chair

If the Chair is absent or unable to act, the Vice-Chair shall serve until the Chair returns or is able to act. The Vice-Chair has all of the powers and duties of the Chair while acting as Chair. In the absence of both the Chair and the Vice-Chair, the Directors shall nominate and elect a director to serve as chair pro tempore during such absences.

Article VII

Conduct of Meeting

§1.2.701 Call to Order

The Chair, or such other Director as may be presiding, shall at the hour appointed for the meeting, immediately call the Board of Directors to order when a quorum is present. The Chair shall preserve strict decorum at all meetings. She/he shall state every question coming before the Board of Directors, call for the vote, announce the decisions of the Board of Directors, and decide all questions of order, subject, however, to an appeal to the Board of Directors, in which a majority vote of the Board of Directors shall govern and conclusively determine such question of order.

§1.2.702 Rights of Chair

The Chair, or such other member of the Board as may be presiding, may second and debate, subject only to such limitation of debates as are by these rules imposed on all members; the Chair shall not be deprived of any of the rights and privileges of a Director by reason of holding the position of Chair.

§1.2.703 Rules of Debate

- A. Every Director desiring to speak shall address the Chair, and upon recognition by the presiding officer, shall be confined to the question under debate, avoiding all references to personalities and indecorous language.

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- B. A Director, once recognized, shall not be interrupted when speaking unless it is to call her/him to order. If a Director, while speaking, is called to order, she/he shall cease speaking until the question of order is determined and, if in order, she/he shall be permitted to proceed.
- C. A Director may request, through the presiding officer, the privilege of having an abstract of her/his statement on any subject under consideration by the Board of Directors entered into the minutes. If the Board of Directors consents thereto, such statement shall be entered; provided, however, that any Director, without the Board's consent, shall have the right to have the reasons for her/his dissent from, or protest against, any action of the Board of Directors entered into the minutes.
- D. The ~~Secretary/General Manager~~CEO/General Manager may be directed by the Chair, with the consent of the Board, to enter in the minutes a synopsis of the discussion of any question coming properly before the Board of Directors.

§1.2.704 Rules of Procedure

Rules of Procedure, which are attached hereto as Exhibit C and incorporated herein by reference shall be followed by the Board of Directors. A complete copy of the Bylaws shall be included in each Director's Board packet and made available for members of the public at Board of Directors' meetings.

§1.2.705 Disruption of Meeting; Clearing Room

In the event that any meeting is willfully interrupted by an individual, a group or groups of persons so as to render the orderly conduct of such meeting unfeasible and order cannot be restored by the removal of individual(s) who are willfully interrupting the meeting, the members of the Board of Directors conducting the meeting may order the meeting room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, shall be allowed to attend any session held pursuant to this section. In order to readmit individuals who were not disruptive, the following procedure shall be used:

- A. When a meeting is disrupted to the point that it cannot be continued, the Chair shall order those persons causing the disruption to leave the meeting.
- B. If those causing the disruption fail or refuse to leave the meeting, the Chair shall recess the meeting, order the meeting room cleared and summon law enforcement.
- C. Upon the arrival of law enforcement, the Chair shall reconvene the meeting.

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- D. METRO Staff shall be directed to readmit those members of the public who did not engage in the disorderly conduct on an individual and intermittent basis.
- E. If the meeting is again disrupted, the Chair shall cause the meeting room to be cleared and the meeting will continue with only the press in attendance if they have not engaged in any disruption.

Article VIII

Quorum

§1.2.801 Transaction of Business; Quorum

A six-member majority of the regular members of the Board of Directors shall constitute a quorum for the transaction of business.

Article IX

Adjournment/Continuances

§1.2.901 Adjournment of Meeting

- A. The Board of Directors may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment.
- B. Less than a quorum may adjourn any meeting.
- C. In the absence of all Directors from any meeting, the ~~Secretary/General Manager~~CEO/General Manager may declare the meeting adjourned to a stated day and hour. If she/he does, she/he shall then cause written notice of the adjournment to be given in the same manner as provided for Special Meetings set forth herein.
- D. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regularly adjourned regular, special, or adjourned special meeting was held within 24 hours after the time of adjournment.
- E. When a regular or adjourned regular meeting is adjourned as provided herein, the resulting adjourned meeting is a regular meeting for all purposes.
- F. When an order of adjournment of any meeting fails to state the hour that the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings of the Board of Directors.

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- G. Any hearing being held, or noticed or ordered to be held, by the Board of Directors at any meeting may by order or notice of continuance be continued or recontinued to any subsequent meeting of the Board of Directors in the same manner and to the same extent set forth above for the adjournment of meetings; provided that, if the hearing is continued to a time less than 24 hours after the time specified in the order or notice of hearing, a copy of the order or notice of continuance of hearing shall be posted immediately following the meeting at which the order or declaration of continuance was adopted or made.

Article X

Minutes

§1.2.1001 Minute Book Record of Open Sessions

- A. The ~~Secretary/General Manager~~CEO/General Manager, or her/his designee, shall attend all open meetings of the Board of Directors and record and maintain a full and true record of all of the proceedings of the Board of Directors in books that shall bear appropriate titles and be devoted to such purpose. Such books shall have a general index sufficiently comprehensive to enable a person readily to ascertain matters contained therein.
- B. Unless the reading of the minutes of a Board of Directors meeting is requested by the Board of Directors by a majority vote, such minutes may be approved without reading if the ~~Secretary/General Manager~~CEO/General Manager has previously furnished each member with a synopsis thereof.

§1.2.1002 Minute Book Record of Closed Sessions

The ~~Secretary/General Manager~~District Counsel and/or his/her designee shall attend each closed session of the Board of Directors unless otherwise directed by the Board of Directors and shall keep and enter in a minute book a record of topics discussed and decisions made at the meeting. The closed session minute book is not a public record and shall be kept confidential. This minute book shall be available only to members of the Board of Directors or, if a violation of the Ralph M. Brown Act is alleged to have occurred at a closed session, to a court of general jurisdiction.

§1.2.1003 Protests and Dissents by Directors Entered in Minutes

Any Director shall have the right to have the reasons for the Director's dissent from, or protest against any action of the Board entered in the minutes.

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Exhibit A

Article XI

Public's Role In Meetings/Public Hearings

§1.2.1101 Public Addressing the Board

- A. The Chair of the Board of Directors may, depending on the circumstances, limit the total amount of time allocated for public testimony on particular issues and/or for each individual speaker. However, any restrictions placed on public testimony shall be reasonable and not an effort to suppress expression merely because of the content of the speaker's view.
- B. All remarks shall be addressed to the Board of Directors as a body and not to any member thereof. No person, other than the Chair and the person having the floor, shall be permitted to enter into any discussion, either directly or through a member of the Board, without permission of the Chair. Additionally, any person may submit written materials to the Board of Directors for its consideration.

§1.2.1102 Public Hearings

- A. A public hearing will be held before the Board of Directors when required by federal, state, or local laws or regulations or when it is asked to take action on any of the following projects:
 - i. A change in 25% or more to the service mileage of any route.
 - ii. A change in METRO fares.
 - iii. Adoption of a Resolution authorizing application for federal funds, state or local funds when required by the funding source.
 - iv. Adoption of any action taken relating to the adoption of any plan, environmental document, property acquisition, resolution, condemnation resolution or other action relating to a project or property where such public hearing is required by state, federal or local law.
 - v. Adoption of the Annual Budget.
 - vi. Adoption of the Short Range Transit Plan.
 - vii. Adoption of an Ordinance.
- B. A METRO Regulation shall set forth the specific procedures to be followed in setting up a public hearing.

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Article XII

Resolutions, Ordinances and Motions

§1.2.1201 Acts of Board

The acts of the Board of Directors shall be expressed by Motion, Resolution or Ordinance. No Ordinance, Resolution or Motion shall have any validity or effect unless passed by the affirmative votes of six directors. The Board of Directors shall not take action by secret ballot, whether preliminary or final in an open or closed session.

§1.2.1202 Resolution

- A. No resolution shall be adopted by the Board unless it is presented before the Board in writing or read aloud. Where copies of the resolution have been presented to each Director, the reading of the resolution is automatically waived unless a Director specifically requests that it be read.
- B. A Resolution can be passed through a unanimous voice vote of all those present. However, if a dissent is registered, then a roll call vote shall be taken.

§1.2.1203 Ordinance

- C. No ordinance shall be passed until a public hearing has been held on it, which hearing shall be advertised in a newspaper of general circulation or posted in at least three public places at least 15 days prior to the hearing. No ordinance shall be adopted by the Board of Directors on the day of introduction. Ordinances must be adopted by a roll call vote.
- D. All ordinances shall be printed after passage, and maintained in METRO Administrative Offices.
- E. The enacting clause of all ordinances shall be as follows:

"Be it enacted by the Board of Directors of the Santa Cruz Metropolitan Transit District:..."
- F. All ordinances shall be signed by the Chair of the Board or Vice-Chair and attested by the ~~Secretary/General Manager~~CEO/General Manager.

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Article XIII

Method of Voting

§1.2.1301 Voice Vote

Unless a roll call vote is specifically requested by a Director, all matters, except the voting on Ordinances, shall be decided by voice vote. All actions of the Board of Directors shall be approved by affirmative vote of a minimum of six voting members of the Board of Directors unless otherwise specifically required.

§1.2.1302 Silence Recorded as Affirmative Vote

A member's silence shall be recorded as an affirmative vote.

§1.2.1303 Duty to Vote

Each Director has a duty to vote when present at a meeting on matters coming before the Board of Directors or a Board Committee unless he/she has notified the Board of Directors of a legal conflict of interest in accordance with California state law. If a conflict of interest is disclosed, the Director shall adhere to all California legal requirements.

Article XIV

Committees And Appointments

§1.2.1401 Creation of Committees

- A. The Board of Directors may establish committees for a stated purpose. If required by California Law, committees and their members shall comply with the Ralph M. Brown Open Meeting Act. Committees are required to comply with these Rules and Regulations. The ~~Secretary/General Manager~~CEO/General Manager shall provide adequate staffing to assist the committees in doing their work.
- B. Directors who are not committee members may attend committee meetings as long as they attend only as observers when a majority of the Board of Directors is in attendance at the committee meeting. Appointees to committees serve at the pleasure of the Board of Directors, except that no appointee will be removed from office for an illegal reason including the exercise of his/her right to speak about matters of public concern.
- C. The committees shall include the following:

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- i. Working committees or subcommittees of the Board of Directors analyze, review, and make recommendations to the Board of Directors on items to be presented to the full Board. The Chair of the Board shall appoint members of the Board to such committees or subcommittees and shall also appoint a Board member to chair the committees or subcommittees. If a vacancy occurs, the Board Chair shall appoint a Director to fill the vacancy. Minutes shall be taken at each committee and shall be prepared and distributed to the Directors at least two days prior to the regular Board meeting.
- ii. The Board of Directors may from time to time create advisory committees who shall be charged with giving advice to the Board of Directors regarding an issue relevant to METRO's business. Appointments to advisory committees may be made by the Chair, or the Board of Directors. Directors, employees or members of the public may sit on an advisory committee. The following are permanent advisory committees of the Board of Directors:
 - iii. The Metro Advisory Committee (MAC) is the official advisory committee of the Santa Cruz Metropolitan Transit District. Its purpose is to advise the Board of Directors on matters of METRO policy and operations referred to the committee by the Board or the ~~Secretary/General Manager~~CEO/General Manager and to perform such additional duties as assigned. The committee may also address issues which committee members or the public raise with respect to the quantity and quality of services provided by METRO. MAC shall be composed of 11 members appointed by the Board of Directors. Each director shall nominate one individual to serve as members of the MAC. The Board of Directors shall approve bylaws to be followed by MAC.

§1.2.1402 Appointment to Santa Cruz County Regional Transportation Commission

- A. The Board of Directors shall each year in either January or February, as determined by the Board Chair, appoint three representatives and three alternates (in order of priority) to the Santa Cruz County Regional Transportation Commission (SCCRTC) who must be members of the Board of Directors. The Board Chair shall submit nominations of three representatives ~~and three alternates~~ for the first Board meeting in either January or February. At that ~~first~~ meeting, ~~in~~ the Chair shall entertain other nominations for SCCRTC representatives and alternates from the Directors. Nominations may be received until final selections occur. Thereafter at the second meeting in either January or February, the Board of Directors shall vote on the nominations via a motion and a second. To be appointed, a nomination shall receive at least six

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affirmative votes. A Director may move a slate of three representatives or a slate of three alternates for appointment.

- B. The Board of Directors may provide its SCCRTC representatives with guidance on issues coming before the Commission to assist the director/commissioner in serving the best interests of METRO.

Article XV

Official Bulletin Board

§1.2.1501 Posting of Notices

- A. For purposes of posting official notices of the Board of Directors, notices of public hearings, and any other official papers of the Santa Cruz Metropolitan Transit District where posting is required by the law, the Official Bulletin Board of METRO shall be the bulletin board at the entrance of METRO Administrative Office located at 110 Vernon Street, Santa Cruz, California 95060. Should the Board of Directors hold a public hearing at any location other than its regular place of meeting, then, in addition to the posting of the notice on the Official Bulletin Board above listed, posting shall also be made upon or near the door of the place of meeting.
- B. All advisory committees created by the Board of Directors are required to post any and all official notices including those notices required by law at the official bulletin board at METRO's Administrative office entrance. Additionally, METRO staff may also post notices on the bulletin board at Pacific Station, 920 Pacific Avenue, Santa Cruz, CA 95060.

Article XVI

Other Offices

§1.2.1601 ~~General Manager~~CEO/General Manager; Powers and Duties

In addition to the powers, duties and obligations of the ~~General Manager~~CEO/General Manager, as set forth above, and the applicable Public Utilities Code pertaining to the Santa Cruz Metropolitan Transit District, the powers and duties of the ~~General Manager~~CEO/General Manager shall include the following:

- A. To have charge, subject to the direction and control of the Board of Directors, of the acquisition, construction, maintenance, and operation of the facilities of METRO.
- B. To have charge, subject to the direction and control of the Board of Directors, of the administration of the business affairs of METRO.

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- C. To insure that all ordinances of METRO are enforced.
- D. To administer the personnel system and collective bargaining agreements adopted by the Board of Directors and, except for officers appointed by the Board, to appoint, discipline or remove all officers and employees subject to the rules and regulations adopted by the Board, and the applicable provisions of any adopted collective bargaining agreement.
- E. To prepare and submit or cause to be prepared and submitted to the Board of Directors within 90 days after the end of each fiscal year a complete report of the finances and the administrative activities of METRO for the preceding year, and the financial status of METRO on the last day thereof.
- F. To keep the Board of Directors advised as to the needs of METRO.
- G. To formulate and present to the Board of Directors all plans and specifications for the construction of the works of METRO and the means to finance them.
- H. To cause to be installed and maintained a system of auditing and accounting which shall completely and at all times show the financial condition of METRO.
- I. Attend meetings of the Board of Directors as directed by the Board, and act as Secretary to the Board.
- J. To perform such other and additional duties as the Board may require.

§1.2.1602 ~~General Manager~~CEO/General Manager; Qualifications and Experience

The ~~General Manager~~CEO/General Manager shall be chosen on the basis of his/her qualifications with special reference to his/her actual experience in or knowledge of accepted practices and respect to the duties of his/her office as herein above set forth.

§1.2.1603 ~~General Manager~~CEO/General Manager; Pro Tempore Appointments

The Board of Directors may appoint a ~~General Manager~~CEO/General Manager pro tempore during any absence or disability of the ~~General Manager~~CEO/General Manager.

§1.2.1604 ~~General Manager~~CEO/General Manager; Resident Requirement

The ~~General Manager~~CEO/General Manager need not be a resident of this State at the time of his/her appointment, however /he/she shall establish a California residency within 30 days of the commencement of his or her duties with the Transit District.

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§1.2.1605 District Counsel; Appointment, Powers and Duties

The District Counsel shall be admitted to the practice of law in all courts of this State. The District Counsel shall have the power and be required to:

- A. Represent and advise, if authorized and directed by the Board of Directors, the Board of Directors and all METRO officers, committees or departments in all matters pertaining to their office.
- B. Represent and appear, if authorized and directed by the Board of Directors, for METRO and any officer or employee, in any and all actions and proceedings in which METRO or any officer or employee, in or by reason of their official capacity, is concerned or is a party; however, the Board of Directors shall have control of all legal business and proceedings and may employ other attorneys to take charge of any litigation or matter, or to assist the District Counsel therein.
- C. Attend all meetings of the Board of Directors as directed by the Board of Directors and give legal advice or opinions in writing whenever requested to do so by the Board of Directors, or by any of the committees or officers of METRO.
- D. Review all contracts to be made by METRO and provide the Board of Directors, its officers and staff with legal advice regarding same.
- E. Prepare any and all proposed ordinances or resolutions for METRO and amendments thereto.
- F. Perform such other acts relating to the office as the Board of Directors shall require; and
- G. On vacating the office, surrender all books, papers, files, and documents pertaining to METRO's affairs.

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Exhibit B

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

ADMINISTRATIVE CODE

TITLE I – ADMINISTRATION

CHAPTER 2.5

DIRECTOR'S CODE OF ETHICS

(This chapter replaces AR-1004)

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Article II	Applicability
Article III	Responsibilities of Public Service
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Article VII	Ethics Training

Article I

Policy

METRO Directors are public servants and, as such, are expected to be impartial and responsible in fulfilling the public trust placed in them. The public expects the highest standard of ethical conduct from all those in public service. METRO Directors are expected to demonstrate personal integrity, honesty, and truthfulness in all their public activities in order to inspire public confidence and trust in METRO.

Article II

Applicability

§1.2.5.201 This policy is applicable to all METRO Directors.

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Exhibit B

§1.2.5.202 Notwithstanding any provision of this Code every METRO Director shall comply with applicable Federal, State and local laws.

Article III

Responsibilities of Public Service

§1.2.5.301 METRO Directors are bound to discharge faithfully the duties of their offices, recognizing that the lives, safety, health, and welfare of the general public must be their primary concern. Their conduct in their official and private affairs should be above reproach to assure that their public office is not used for personal gain.

Article IV

Political Activity

§1.2.5.401 Except as herein otherwise provided, or as necessary to meet requirements of federal or state law, no restriction shall be placed on the political activities of any METRO Director.

§1.2.5.402 No METRO Director who holds, or who is seeking election or appointment to, any office or employment in a state or local agency shall, directly or indirectly, use, promise, threaten or attempt to use any office, authority, or influence, whether then possessed or merely anticipated, to confer upon or secure for any person, or to aid, obstruct, or to prevent any person from securing, any position, nomination, confirmation, promotion, or change in compensation or position within METRO.

§1.2.5.403 No METRO Director shall directly or indirectly solicit a political contribution from a METRO employee, except if such solicitation is part of a solicitation made to a significant segment of the public, which may include METRO employees.

§1.2.5.404 No METRO Director who holds, or is seeking election or appointment to, any office shall offer or arrange for any increase in compensation or salary for a METRO employee in exchange for, or promise of, a contribution or loan for the person who holds, or who is seeking election or appointment to such office.

§1.2.5.405 No METRO Director shall engage in political activity while acting in his/her capacity as a Director for METRO.

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Article V

Nondiscrimination

§1.2.5.501 METRO Directors shall not, in the performance of their METRO responsibilities, engage in unlawful discrimination of any sort under any applicable federal, state, county or municipal law or ordinance, including without limitation discrimination against any person on the basis of race, religious creed, color, national origin, ancestry, sex, gender, pregnancy or related medical condition, age, marital status, medical condition (cancer related or genetic characteristics), sexual orientation, veteran status or physical or mental disabilities and they shall make good faith efforts to support and comply with METRO's equal opportunity and affirmative action goals and objectives.

Article VI

Reporting of Improper Government Activities

§1.2.5.601 METRO Directors are encouraged to serve the public interest by disclosing to the Board of Directors to the extent not in conflict with the attorney-client privilege or the physician-patient privilege, information concerning METRO activities where the Director has reasonable cause to believe that the information discloses a violation of state or federal statute, or violation or noncompliance with state or federal regulation. No Director of METRO shall use or attempt to use his or her authority to interfere with such disclosure made by another Director or a METRO employee or to retaliate against a Director or METRO employee for such disclosure.

Article VII

Ethics Training

§1.2.5.701 Each Director shall receive at least two hours of training in general ethics principles and ethics laws relevant to his/her public service every two years.

§1.2.5.702 Ethics laws include but are not limited to the following:

- A. Laws relating to personal financial gain by public servants, including but not limited to, laws prohibiting bribery and conflict-of-interest laws;
- B. Laws relating to claiming prerequisites of office, including but not limited to gift and travel restrictions, prohibitions against the use of public resources for personal or political purposes, prohibitions against gifts of public funds, mass mailing restrictions, and prohibitions against acceptance of free or discounted transportation by transportation companies;

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- C. Government transparency laws, including, but not limited to financial interest disclosure requirements and open government laws;
- D. Laws relating to fair processes, including but not limited to common law bias prohibitions, due process requirements, incompatible offices, competitive bidding requirements for public contracts, and disqualification from participating in decisions affecting family members.

§1.2.5.703 METRO's ~~Administrative Services Coordinator~~Executive Assistant to the CEO/General Manager shall provide information on training available to meet the requirements of this section to the directors at least once annually.

§1.2.5.704 Each Director in office as of January 1, ~~2006-2015~~ except for officials whose terms of office ends before January 1, ~~2007-2016~~, shall receive the training required herein before January 1, ~~2007-2016~~. Thereafter, each local agency official shall receive such training at least once every two years.

§1.2.5.705 A Director who serves more than one local agency shall satisfy the training requirements once every two years without regard to the number of local agencies with which he/she serves.

§1.2.5.706 The ~~Administrative Services Coordinator~~Executive Assistant to the CEO/General Manager shall maintain training records as required herein for at least 5 years which indicate both of the following:

- A. The dates that the Directors satisfied these training requirements.
- B. The entity that provided the training.

§1.2.5.707 All ethics training records prepared and/or maintained in accordance with this section are subject to disclosure under the California Public Records Act.

BOARD OFFICERS AND APPOINTMENTS



2014

Chair

DENE BUSTICHI

Vice Chair

LYNN ROBINSON

SCCRTC Representatives

DANIEL DODGE

DENE BUSTICHI

LYNN ROBINSON

SCCRTC Alternates (in order)

RON GRAVES

HILARY BRYANT

KARINA CERVANTEZ

AD HOC Pacific Station Redesign

DENE BUSTICHI

BRUCE McPHERSON

LYNN ROBINSON

BOARD OFFICERS AND APPOINTMENTS



2015

Chair
Vacant

Vice Chair
Vacant

BOARD OFFICERS AND APPOINTMENTS



2015

SCCRTC Representatives

DENE BUSTICHI

Vacant

Vacant

SCCRTC Alternates (in order)

KARINA CERVANTEZ

Vacant

Vacant

AD HOC Pacific Station Redesign

DENE BUSTICHI

BRUCE McPHERSON

Vacant

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DATE: February 13, 2015
TO: Board of Directors
FROM: Alex Clifford, CEO
**SUBJECT: CONSIDERATION OF APPOINTING METRO DIRECTORS TO SERVE AS
SANTA CRUZ CIVIC IMPROVEMENT CORPORATION (SCCIC)
DIRECTORS**

I. RECOMMENDED ACTION

**That the METRO Board of Directors Appoint Five (5) METRO Directors to
Serve as Directors on the Santa Cruz Civic Improvement Corporation (SCCIC).**

II. SUMMARY

- Article III, Section 3.03 of the Santa Cruz Civic Improvement Corporation (SCCIC) Bylaws provides that the METRO Board of Directors shall appoint METRO Directors to the SCCIC.
- Each SCCIC Director shall hold office for a term of two (2) years.

III. DISCUSSION/BACKGROUND

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 Santa Cruz Civic Improvement Corporation (SCCIC) Bylaws provides that the METRO Board of Directors shall appoint METRO Directors to the SCCIC. Each will hold the office for a term of two (2) years.

Staff recommends that the METRO Board of Directors appoint METRO Directors to serve on the SCCIC. At this time, five (5) appointees are needed for five (5) vacant positions.

IV. FINANCIAL CONSIDERATIONS/IMPACT

Funding support for the SCCIC is contained in the adopted METRO FY15 Admin Operating Budget.

V. ALTERNATIVES CONSIDERED

- None

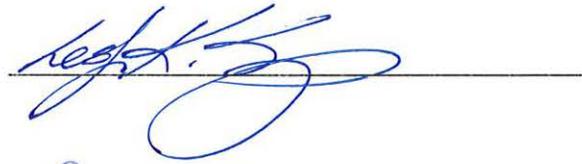
VI. ATTACHMENTS

Attachment A: SCCIC Roster 2013-2015

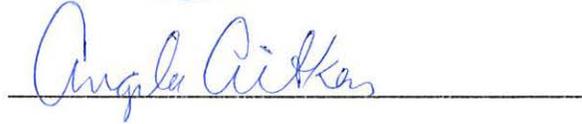
Attachment B: SCCIC Bylaws

APPROVALS:

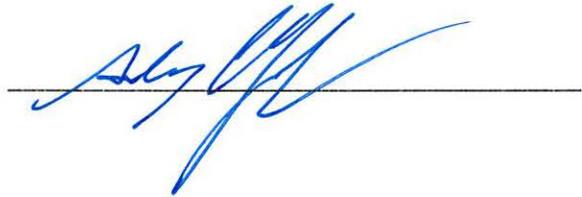
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

G5 BH5 '7 FI N7 J7 ADFCJ9A9BH7 CF DCF5 HCB'

6 C5 F8 'C: '8 F97 HCFG
&\$% '!&\$%'

	YEAR TERM BEGAN	YEAR TERM ENDS
Fcb'; fUj YgZDfYgJXYbh	2013	2015
@bb'FcV]bgcbZJ]W'DfYgJXYbh	2013	2015
A]W Y`Y<]b_`YZGYWYUfmi	2013	2015
8 YVcfU '@bYZHfYUgi fYf'	2013	2015
<]Ufmi6 fnUbi	2013	2015

Leslie R. White, Chief Executive Officer

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

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BYLAWS
OF THE
SANTA CRUZ CIVIC
IMPROVEMENT
CORPORATION

110 Vernon Street, Santa Cruz, California

Amended December 7, 2012

Attachment B
BYLAWS
OF
SANTA CRUZ CIVIC
IMPROVEMENT CORPORATION

ARTICLE I.

Name, Organization, Purpose and Limitations, Principal Office, Seal

Section 1.01: Name: The name of this corporation is SANTA CRUZ CIVIC IMPROVEMENT CORPORATION (hereinafter referred to as the “Corporation”).

Section 1.02: Organization, Purpose and Use of Funds: The Corporation is a nonprofit public benefit corporation organized under the Nonprofit Public Benefit Corporation Law of the State of California to provide financial assistance to the Santa Cruz Metropolitan Transit District (the “District”), by acquiring, constructing and financing various public facilities, land and equipment and the leasing of facilities, land and equipment for the use, benefit and enjoyment of the public served by the District (herein “Facilities”). The activities of the Corporation shall be limited to the activities described in its Articles of Incorporation. No gains, profits or dividends shall be distributed to any of the Directors or officers of the Corporation; and no part of the net earnings, funds or assets of the Corporation shall inure to the benefit of any Director or any other person, firm or Corporation excepting only the District.

This corporation is organized exclusively for charitable purposes with in the meaning of Section 501(c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law). Notwithstanding any other provision of these Bylaws, this corporation shall not, except to an insubstantial degree, carry on or engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on

- (i) by a corporation exempt from Federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law);
- (ii) by a corporation, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

Section 1.03: Property Limitations: The property, assets profits and net income are dedicated irrevocable to the purposes set forth in Section 1.02 above. No part of the profits or net earnings of this corporation shall ever inure to the benefit of any of its Directors, trustees, officers, members (if any), employees, or to the benefit of any private individual.

Section 1.04: Principal Office: The principal office of the Corporation is hereby fixed and located at 110 Vernon Street, Santa Cruz, California 95060. The Board of Directors is hereby granted full power and authority to change said principal office from one location to

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another in the County of Santa Cruz. Any such change shall be noted by the Secretary opposite this section, but shall not be considered an amendment to these Bylaws.

Section 1.05: Seal: The corporate seal of the Corporation shall set forth the name of the Corporation and shall have inscribed thereon the words "Incorporated 1986."

ARTICLE II

No Members

Section 2.01: No Members: Pursuant to Section 5310 of the Nonprofit Public Benefit Corporation Law the bylaws of a nonprofit corporation may provide that the corporation shall have no members. The Corporation shall have no members.

ARTICLE III

Directors

Section 3.01: Powers: Subject to limitation of the Articles of Incorporation of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to the duties of Directors as prescribed by these Bylaws, all powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be controlled by, the Board of Directors. No Director shall be responsible for any error in judgment or for anything that he or she may do or refrain from doing in good faith. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Directors shall have the following powers, to wit:

- a) To select and remove all the other officers, agents and employees of the Corporation, prescribe such powers and duties for them as may not be inconsistent with law or the Articles of Incorporation or Bylaws, fix their compensation and require from them security for faithful service;
- b) To conduct, manage and control the affairs and business of the Corporation and to make such rules and regulations therefor not inconsistent with law or the Articles of Incorporation or Bylaws, as they may deem best; and
- c) To borrow money and incur indebtedness for the purposes of the Corporation, and to cause to be executed and delivered therefor, in the name of the Corporation, promissory notes, bonds, certificates of participation, debentures, deeds of trust, mortgages, pledges, hypothecation or other evidences of debt and securities therefor.

Section 3.02: Number and Qualification of Directors: The authorized number of Directors shall be five (5) until changed by amendment of the Articles of Incorporation or by amendment of the Bylaws.

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Section 3.03: Selection and Term of Office: The initial Directors shall be appointed by the Board of Directors of the Santa Cruz Metropolitan Transit District; provided, however, that pending such appointment, the incorporator of the Corporation, in accordance with Section 5134 of the Nonprofit Public Benefit Corporation Law of the State of California, may designate such Directors, subject to ratification by the Directors of the Santa Cruz Metropolitan Transit District (hereinafter referred to as "District"). Except as hereinafter provided, each Director shall hold office for a term of two (2) years from the date of appointment. Unless a vacancy in the office occurs as herein provided, the Director appointed shall hold office until the expiration of his/her term and until a successor has been designated and has accepted the office. The members of the Board of Directors of the District may, with or without cause, remove any Director from office.

Section 3.04: Vacancies: Subject to the provisions of Section 5226 of the California Nonprofit Public Benefit Corporation Law, any Director may resign effective upon giving written notice to the President, the Secretary, or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be selected before such time, to take office when the resignation becomes effective.

A vacancy or vacancies in the Board of Directors shall be deemed to exist in case of death, resignation, or removal of any Director, the end of their term on the Santa Cruz METRO Board of Directors, or if the authorized number of Directors is increased.

Vacancies in the Board shall be filled in the same manner as the Director whose office is vacant was selected. Each Director so selected shall hold office until the expiration of the term of the replaced Director and until a successor has been selected and has accepted the office.

Section 3.05: Organization and Annual Meetings: The Board of Directors shall hold an annual meeting for the purpose of organization, selection of Directors and officers, and the transaction of other business. Annual meetings of the Board shall be held on the fourth Friday of February provided, however, should said day fall upon a holiday observed by the Corporation at its principal office, then said meeting shall be held at the same time on the next day thereafter ensuing which is a full business day. The meetings shall be held in the same venue as the Santa Cruz METRO Board of Directors meeting.

Section 3.06: Regular Meetings: The Board of Directors by resolution may provide for the holding of regular meetings and may fix the time and place of holding such meetings.

Section 3.07: Special Meetings, Notice Waiver: A special meeting of the Board of Directors shall be held whenever called by the President or by a majority of the Directors. Written notice of each such meeting shall be delivered personally or by telegram to each Director at least twenty-four (24) hours before the time of such meeting and to each local newspaper of general circulation, radio, or television station who has requested such notices in writing. The call and written notice shall signify the time and place of the special meeting and the business to be transacted. No other business shall be considered at such meetings by the Board of Directors.

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The call and notice shall be posted at least twenty-four (24) hours prior to the special meeting in a location that is fully accessible to members of the public. Every notice for a special meeting at which action is proposed to be taken on an item shall provide an opportunity for members of the public to directly address the Board of Directors concerning that item prior to any action on the item. The written notice may be dispensed with by any member of the Board of Directors, who at or prior to the time the meeting convenes, files with the President of the Corporation a written waiver of notice. The waiver may be given by telegram. Written notice may also be dispensed with as to any member who is actually present at the meeting at the time it convenes. Notice shall be required pursuant to this section regardless of whether any action is taken at the special meeting.

Section 3.08: Adjourned Meetings; Notice of Adjournment: The Board of Directors may adjourn any annual, regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held within twenty-four (24) hours after the time of the adjournment. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes.

Section 3.09: Quorum: A majority of the authorized number of Directors shall be necessary to constitute a quorum for the transaction business. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present, shall be regarded as the act of the Board of Directors unless a greater number be required by law or by the Articles of Incorporation.

Section 3.10: Fees and Compensation: Directors shall receive no compensation or expenses for their services as Directors.

Section 3.11: Ralph M. Brown Act: Notwithstanding any of the provisions of these Bylaws to the contrary, all meetings of Directors shall be subject to the Ralph M. Brown Act, commencing at Section 54950 of the Government Code of the State of California.

Section 3.12: Conduct of Meetings: The President or, in his absence, the Vice President, or a Chairperson chosen by a majority of the Directors present, shall preside.

Section 3.13: Public Addressing the Board: Each person addressing the Board may but is not required to give his/her name and address in an audible tone of voice for the record, and unless further time is granted by the Board, shall limit his/her address to five minutes; if more than five people wish to address the Board of Directors on any one issue, each individual speaker shall be limited to three minutes. All remarks shall be addressed to the Board of Directors as a body and not to any member thereof. No person, other than the President and the person having the floor, shall be permitted to enter into any discussion, either directly or through a member of the Board, without permission of the President. No question shall be asked of a

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Board member except through the President. Additionally, any person may submit written materials to the Board of Directors for its consideration.

ARTICLE IV

Officers

Section 4.01: Officers: The Officers of the Corporation shall be President, a Vice President, a Secretary and a Treasurer. The Corporation may also have, at the discretion of the Board of Directors, one or more additional Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be appointed by the Board of Directors. One person may hold two or more offices, except that the offices of President and Secretary or President and Treasurer may not be combined.

Section 4.02: Election: The officers shall be chosen annually by the Board of Directors and each shall hold office until the officer shall resign, be removed, or otherwise disqualified to serve, or the officer's successor shall be elected and qualified.

Section 4.03: Removal and Resignation: Any officer may resign, or may be removed, with or without cause, by the Board of Directors at any time. Vacancies caused by death, resignation or removal of any office may be filled by appointment by the Board of Directors, or by the President until such appointment by the Board of Directors.

Section 4.04: President: The President shall be the executive officer of the Corporation and, subject to the control of the Board of Directors, shall have general supervision, direction and control of the affairs of the Corporation. The President shall preside at all meetings of members and meetings of the Board of Directors.

Section 4.05: Vice President: In the absence or disability of the President, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors or by the Bylaws.

Section 4.06: Secretary:

- (i) The Secretary shall keep at the principal office of the Corporation a book of minutes of all meetings of Directors, with the time and place of holding, how called or authorized, the notice thereof given, and the names of those present at Directors' meetings. The Secretary shall also keep, or cause to be kept, at the principal office of the State of California, a copy of the Articles of Incorporation and Bylaws as amended to date.
- (ii) The Secretary shall give, or cause to be given, notice of all meetings of the Board and of committees of the Board required by these Bylaws to be given. The

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Secretary shall keep the seal of the corporation in safe custody and shall have such other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

Section 4.07: Treasurer: The Treasurer shall be the chief financial officer and shall keep and maintain adequate and correct books of account showing the receipts and disbursements of the Corporation, and an account of its cash and other assets, if any. Such books of account shall at all reasonable times be open to inspection by any Director.

The Treasurer shall deposit all moneys of the corporation with such depositories as are designated by the Board of Directors, and shall disburse the funds of the Corporation as may be ordered by the Board of Directors, and shall render to the President or the Board of Directors, upon request, statements of the financial condition of the Corporation.

Section 4.08: Subordinate Officers: Subordinate officers shall perform such duties as shall be prescribed from time to time by the Board of Directors or the President.

ARTICLE V

Committees

Section 5.01: Committees of the Board: The Board, by resolution adopted by a majority of the Directors then in office, may create one or more committees, each consisting of two or more Directors, to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority vote of the Directors then in office. The Board may appoint one or more Directors as alternate members of any such committee, who may replace an absent member at any meeting. Any such committee shall be advisory only, and shall report to the Board the work it has done together with its recommendations.

Section 5.02: Meetings and Actions of the Committees: Meetings and action of committees of the Board shall be governed by, held and taken in accordance with the provisions of Article V of these Bylaws, concerning meetings and other action of the Board, except that the time for regular meetings of such committees and the calling of special meetings thereof may be determined either by resolution of the Board or, if there is no Board resolution, by resolution of the committee of the Board. Minutes shall be kept of each meeting of any committee of the Board and shall be filed with the corporate records. The Board may adopt rules for the government of any committee not inconsistent with the provision of these Bylaws or in the absence of rules adopted by the Board, the committee may adopt such rules.

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ARTICLE VI

Staff

Section 6.01: Staff: The Secretary/General Manager of the District shall act as the Chief Executive Officer of the Corporation and shall manage the day to day operation of the corporation at the direction of the Board of Directors subject to the approval of the District Board of Directors. The Secretary/General Manager shall be assisted by District staff as needed.

ARTICLE VII

Miscellaneous

Section 7.01: Execution of Documents: The Board of Directors may authorize any officer or officers as agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances and unless so authorized by the Board of Directors, no officer, agent or other person shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 7.02: Inspection of Bylaws: The Corporation shall keep in its principal office the original or a copy of these Bylaws, as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by the public at all reasonable times during office hours.

Section 7.03 Annual Report: The annual report referred to in Section 6321 of the Nonprofit Public Benefit Corporation Law of the State of California is expressly dispensed with.

Section 7.04: Fiscal Year: The fiscal year of the Corporation shall begin July 1 and end June 30 of each year, except for the first fiscal year which shall run from the date of incorporation to June 30, 1987.

Section 7.05: Dissolution: In the even of dissolution of the Corporation in any manner and for any cause, after the payment or adequate provision for the payment of all of its debts and liabilities, all of the remaining funds, assets and properties of the Corporation shall be paid or distributed to the District.

Section 7.06: Construction and Definitions: Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the Nonprofit Public Benefit Corporation Law of the State of California shall govern the construction of these Bylaws. If any section, subsection, sentence, clause or phrase of these Bylaws, or the application thereof, is contrary to the Nonprofit Public Benefit Corporation Law of the State of California, the provisions of that law shall prevail. Without limiting the generality of the foregoing the

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masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term “person” includes a corporation as well as a natural person.

ARTICLE VIII

Amendments

Section 8.01: Power of Directors: New Bylaws may be adopted or these Bylaws may be amended or repealed by a majority vote of the Board of Directors. No amendment to these Bylaws shall be effective until approved by the Board of Directors of the District.

EFFECTIVE DECEMBER 7, 2012



DENE BUSTICHI
PRESIDENT