

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

BOARD OF DIRECTORS REGULAR MEETING AGENDA DECEMBER 14, 2001 (Second Friday of Each Month) SCMTD ENCINAL CONFERENCE ROOM *370 ENCINAL STREET, SUITE 100* SANTA CRUZ, CALIFORNIA

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

1. ROLL CALL
2. ORAL AND WRITTEN COMMUNICATION
 - a. James Bosso, S.C. Transportation RE: Community Bridges Contract Extension
 - b. Susan Mankowski RE: Traffic Congestion
 - c. Ann Ainsworth RE: County Housing Project, Watsonville
3. LABOR ORGANIZATION COMMUNICATIONS
4. METRO USERS GROUP (MUG) COMMUNICATIONS
5. METRO ACCESSIBLE SERVICES TRANSIT FORUM (MASTF) COMMUNICATIONS
6. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

CONSENT AGENDA

- 7-1. APPROVE REGULAR BOARD MEETING MINUTES OF 11/9/01 AND 11/16/01
Minutes: Attached
- 7-2. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS
Report: Attached
- 7-3. ACCEPT AND FILE NOVEMBER 2001 RIDERSHIP REPORT
Report: Attached (Ridership figures will be included in the Add-On Packet)
- 7-4. CONSIDERATION OF TORT CLAIMS: Deny the Claims of: AmCom Insurance Service; Nina Carlotta; Kathleen Smith
Claims: Attached
- 7-5. ACCEPT AND FILE MINUTES OF MASTF COMMITTEE MEETING OF 11/15/01
Minutes: Attached
- 7-6. ACCEPT AND FILE MINUTES OF MUG COMMITTEE MEETING OF 11/14/01
Minutes: Attached

* Please note: Location of Meeting Place

- 7-7. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR OCTOBER 2001,
APPROVAL OF BUDGET TRANSFERS
Staff Report: Attached
- 7-8. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE
UPDATE
Staff Report: Attached
- 7-9. ACCEPT AND FILE STATUS REPORT ON CALL STOP ISSUE PROGRESS
Staff Report: Attached
- 7-10. ACCEPT AND FILE STATUS REPORT ON ADA PARATRANSIT PROGRAM FOR
OCTOBER 2001
Staff Report: To be included in the Add-On Packet
- 7-11. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR OCTOBER 2001
Staff Report: Attached
- 7-12. ACCEPT AND FILE STAFF REPORT ON THE INVESTIGATION OF BIO-DIESEL AS
AN INTERIM FUEL
Staff Report: Attached
- 7-13. CONSIDERATION OF FINAL REPORT ON THE "IBUS" TDA-DEMONSTRATION
PROJECT
Staff Report: Attached

REGULAR AGENDA

- 8. CONSIDERATION OF ACCEPTANCE OF FINANCIAL STATEMENTS AND REPORTS
OF INDEPENDENT AUDITOR FOR YEAR-ENDING JUNE 30, 2001
Presented by: Elisabeth Ross, Finance Manager
Benjamin Reyes, Brown Armstrong
Staff Report: Attached
- 9. CONSIDERATION OF ADOPTION OF REVISED FARE ORDINANCE FOR HIGHWAY
17 EXPRESS SERVICE
Presented by: Mark Dorfman, Assistant General Manager
Staff Report: Attached
- 10. CONSIDERATION OF APPROVAL OF 2002 STATE LEGISLATIVE PROGRAM
Presented by: Les White, General Manager
Josh Shaw, Shaw & Yoder
Staff Report: Attached

11. CONSIDERATION OF APPROVAL OF 2002 FEDERAL LEGISLATIVE PROGRAM
Presented by: Les White, General Manager
Staff Report: Attached
12. CONSIDERATION OF AWARD OF CONTRACT FOR ELIGIBILITY SOFTWARE FOR PARATRANSIT RIDES
Presented by: Tom Stickel, Fleet Maintenance Manager
Staff Report: To be included in the Add-On Packet
13. CONSIDERATION OF AMENDING HAZARDOUS WASTE DISPOSAL CONTRACT
Presented by: Tom Stickel, Fleet Maintenance Manager
Staff Report: Attached
14. CONSIDERATION OF AMENDING CONTRACT FOR PRINTING OF *HEADWAYS*
Presented by: Tom Stickel, Fleet Maintenance Manager
Staff Report: Attached
15. CONSIDERATION OF NOMINATION OF DIRECTORS TO SERVE AS BOARD OFFICERS FOR THE YEAR 2002, TRANSPORTATION COMMISSION, AND METRO USERS GROUP CHAIRPERSON ASSIGNMENTS
Presented by: Les White, General Manager
Staff Report: Attached
16. CONSIDERATION OF WAIVING \$21,498 IN ADMINISTRATIVE FEE REBATES FROM COMMUNITY BRIDGES TO ALLOW FOR THE IMPLEMENTATION OF DEPENDENT MEDICAL CARE COVERAGE FOR LIFT LINE EMPLOYEES
Presented by: Les White, General Manager
Staff Report: Attached

SECTION II: CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – CONSIDERATION OF INITIATION OF LITIGATION
Pursuant to Government Code Section 54956.9 (c)
(Number of Potential Cases: One)
2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Pursuant to Section 54957 of the Government Code

Title: General Manager

SECTION III: RECONVENE TO OPEN SESSION

17. REPORT OF CLOSED SESSION

ADJOURN

NOTICE TO PUBLIC

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

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.

The Santa Cruz Metropolitan Transit District does not discriminate on the basis of disability. The Encinal Conference Room is located in an accessible facility. If you wish to attend this meeting and require special assistance in order to participate, please contact Dale Carr at 426-6080 at least 72 hours in advance of the Board of Directors meeting.

Santa Cruz Transportation Inc.
131 Front Street
Santa Cruz, CA 95060
(831) 423-6161

November 19,200 1

Board of Directors
Santa Cruz Metropolitan Transit District
370 Encinal Street
Santa Cruz, CA 95060

**Re: Contract Extension to Community Bridges Including Rate
Adjustments Adopted on October 19, 2001**

Dear Members of the Board:

We were dismayed on October 19,200 1 when the Board adopted the staff recommendation on the above item based on the report provided by Community Bridges to the staff, but not to our company prior to the meeting. Moreover, while apparently discussions had been ongoing with Community Bridges since August 2 1,200 1 to change the previously adopted 70/30 ratio to a greater percentage to Community Bridges, the input of our company was not requested. In fact, numerous telephone calls to Mark Hartunian, then Division Director CTSA for Community Bridges, in the weeks preceding the meeting went unanswered.

Our concern and dismay is that your Board was misled by the statistical information conveyed to your staff and, in turn, conveyed to you in the staff report.

The gist of the staff report, and the accompanying Community Bridges supporting documents was that Community Bridges will provide rides at an average cost of \$24.52 per ride whereas the taxicab expenses would be \$27.89 per ride for Santa Cruz Transportation Inc. The problem with that logic is that Mr. Hartunian fails in his analysis to recognize the nature of the people now serviced by the taxicab company versus those furnished by Liftline vehicles. The distortion of that data basis leads to false conclusions which then form the basis of the Community Bridges proposal.

To be more specific, the Community Bridges routes all of the calls which come to the taxicab companies and decides which calls the taxicab companies receive versus those

which the **Lifeline** vehicles receive. For example, most the **Lifeline** fares are routed so that the vans pick up fares in the urbanized areas where the rides are shorter and more passengers can therefore be accommodated. **Lifeline** in turn routes to the taxicabs, and in particular, Santa Cruz Transportation because of the geographical configuration of the North end of the County, longer fares which result in higher prices, but lower volumes of customers. The following are examples of passengers which are routed to Santa Cruz Transportation on a daily basis:

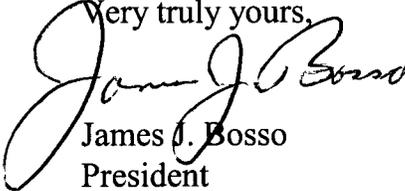
Julia White	939 Middletown Drive, Boulder Creek to 1674 Aptos Creek, Aptos Fare: \$52.50 average each way
Marianna Bauldwin	469 State Highway 1 to Capitola Fare: \$45.00 average each way
Ann Patnik	301 Center Street (Loudon Nelson Centre) to 199 Hope Drive, Watsonville Fare: \$37.00 average each way

While those are substantial fares, they are almost impossible to couple with other riders and almost always result in an “empty” return fare. Thus, when Community Bridges averages those high fares on a “cost per ride” basis, our service looks far more expensive than the local, multiple fares which they reserve for their vehicles.

In other words, use of an average cost per ride statistic is inappropriate, meaningless, and misleading. The Santa Cruz Metropolitan Transit District deserves a more cogent analysis of what it is actually paying for in similar rides in length. We know, based on prior analysis, that when that kind of evaluation is done the private taxicab service will come in at the lowest figure. That is true even though Community Bridges adds its own overhead and profit (17%) to our cost.

Board of Directors
November 19, 2001
Page 3

We urge the Directors of the District to request that their staff make a more detailed analysis of this matter so that both the District and its customers are better served.

Very truly yours,

James J. Bosso
President

dear BRUCE,

Please pursue more long term strategies for reducing traffic congestion. I do not support widening Hwy 1. How about light railways & bikeways for a start.

Let's consider our environment, our global relations & our bodies & move toward a wiser future.

I am an auto free resident here 2 1/2 out of 20 yrs. Just beginning! SUSAN MANKOWSKI

dear MIKE,

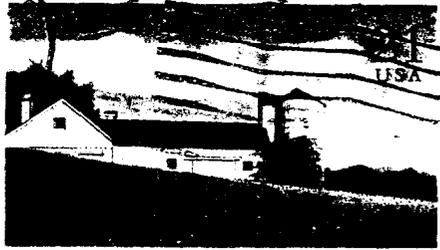
Please pursue more long term strategies for reducing traffic congestion. I do not support widening Hwy 1. How about light railways & bikeways for a start?

Let's consider our environment, our global relations & our bodies & move toward a wiser future. I am an auto free

resident here 2.5 out of 20 years.
SUSAN MANKOWSKI

803 1/2 BROADWAY ST
SC 95062

PM
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RECEIVED
NOV 20 2001
SANTA CRUZ
METROPOLITAN TRANSIT DISTRICT

Ruice Gabriel
TRANSIT DISTRICT
370 ENCINAL STE 100
Santa Cruz 95060

803 1/2 BROADWAY ST
SC 95062

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SANTA CRUZ
METROPOLITAN TRANSIT DISTRICT

MIKE KEOGH
TRANSIT DISTRICT
370 ENCINAL STE 100
Santa Cruz CA 95060

“Cecilia Espinola” <Cecilia.Espinola@hra.co.santa-cruz.ca.us>

X-Mozilla-Status2: 00000000

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

From: Ann Ainsworth [mailto:ann@mcfarland-associates.com]

Sent: Wednesday, November 14, 2001 6:07 PM

To: Eileen Stern

Subject: Please help me forward this to the appropriate person in HRA? Thanks

1 1-14-01

Dear SC Metro Board,

I am an English teacher at the County Housing Project at 295 San Andreas Rd. here in Watsonville. There are about 250 stranded transit passengers living in this complex. Without public transit they are unable to avail themselves of myriad of services offered (mostly by the County) to improve education and employment opportunities for both themselves and their families.

My students need to get to:

1) the Family Literacy Center, Adalante! Family Resource Center, WIC Nutrition, Head Start, and Pajaro Valley Prevention Services, at 521 Main for the variety of services they offer all day on weekdays;

2) the County Library, the City Computer facility and Cabrillo's extension campus near Beach and Main for education and literacy support up until 9 pm weekdays and 6 pm Saturdays;

3) the County "One-Stop" center at 18 West Beach for the Computer Skills class from 8:30 to 11:30 am and the English Needed on the Job class from 12:30 to 2:30 pm weekdays;

4) a connection to the Highway 17 METRONTA bus so that they can get to San Jose to take their citizenship tests during weekday business hours; and,

5) the post office, pharmacy, doctor, dentist, grocery store, and all other services and businesses that we all depend upon for our basic living needs.

I follow the Route 54 bus down San Andreas every day and watch it make a dangerous U-turn at Sand Dollar Beach Rd and

return back to 41st street. If this bus continued South to the bus stop already constructed at 295 San Andreas, continued on San Andreas to its conclusion, turned East on Beach and concluded near Beach and Main, it would add a maximum of 15 more minutes to the route and would break the isolation that is severely limiting my students' progress.

County Planning should have made provisions with the Transit Board to make sure that these people had access to the Metro Service before they were even moved into the facility. I urge you to correct this oversight.

Sincerely,

Ann Ainsworth, Watsonville Resident

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

November 9, 2001

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, November 9, 2001 at the District's Administrative Office, 370 Encinal Street, Santa Cruz, CA.

Vice-Chairperson Reilly called the meeting to order at 9:05 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Jeff Almquist
Tim Fitzmaurice
Bruce Gabriel
Michelle Hinkle
Mike Keogh
Christopher Krohn
Emily Reilly
Ex-Officio Mike Rotkin

DIRECTORS ABSENT

Sheryl Ainsworth (arrived at 9:07 a.m.)
Jan Beautz (arrived at 9:15 a.m.)
Rafael Lopez
Dennis Norton

STAFF PRESENT

John Aspesi, Fleet Maint. Supervisor
Bryant Baehr, Operations Manager
Kim Chin, Planning & Marketing Manager
Mark Dorfman, Asst. General Manager
Terry Gale, IT Manager
Margaret Gallagher, District Counsel
Tom Hiltner, Grants/Legis. Analyst

David Konno, Fac. Maint. Manager
Lloyd Longnecker, District Buyer
Ian McFadden, Transit Planner
Elisabeth Ross, Finance Manager
Judy Souza, Base Superintendent
Leslie R. White, General Manager

EMPLOYEES AND MEMBERS OF THE PUBLIC WHO INDICATED THEY WERE PRESENT

Jim Bosso, S. C. Transportation
Wally Brondstatter, UTU
Ceil Cirillo, Redevelopment Dept.
Linda Clayton, SEA
Pat Dellin, SCCRTC
Dianna Dunn, SEIU

Mary Ferrick, PSA
Kasandra Fox, MASTF
Jeff LeBlanc, Rider
Bonnie Morr, UTU
Will Regan, VMU
Candace Ward, UCSC

2. ORAL AND WRITTEN COMMUNICATION

- a. Dorothy LeNormand RE: Route #3B

3. LABOR ORGANIZATION COMMUNICATIONS

New Union positions were announced as follows:

Will Regan, Interim President, VMU (filling in after John Mellon's resignation)
Bonnie Morr, Chair of UTU's Local 23
Linda Clayton, President of SEA
Mary Ferrick, Chair, PSA

Will Regan also informed the Board of the importance of the Second Harvest Food Drive.

ITEM #22 FROM THE REGULAR AGENDA WAS TAKEN OUT OF ORDER.

22. CONSIDERATION OF MEMORANDUM OF UNDERSTANDING WITH THE CITY OF SANTA CRUZ FOR PROJECT MANAGEMENT FOR METRO CENTER RENOVATION/EXPANSION

Summary:

Les White reported that the Metro Center renovation/expansion project would be broken down into a number of phases. He summarized Phase I - III as having two parts:

Part 1 – Development of conceptual design and strategy for maximizing development potential of the property; examination of mixed use of the property; development of budget (public and private funds), and environmental review.

Part 2 – Acquisition of Greyhound for parking capacity. State funds in the amount of \$1M were earmarked at 100% for design, examination, budget development, strategies, and Greyhound property acquisition.

METRO has entered into a Memorandum of Understanding (MOU) with the City of Santa Cruz for various functions, including acquisition of the necessary right-of-way, as outlined in the MOU. The proposed MOU was distributed at this meeting. Phase I is anticipated to cost approximately \$200,000.

Staff is recommending that the City of Santa Cruz and METRO apply for a grant for \$75,000 under the Downtown Rebound Program to augment this funding. Ceil Cirillo reported that the Redevelopment Agency will go before the City Council on November 20 in this regard.

DIRECTOR BEAUTZ ARRIVED AT THE MEETING.

Discussion:

Director Reilly was informed that the timeline on the \$1M in State funds is 24 months; therefore, these funds need to be utilized by August 2003. The long-term funding for this project is not in place, however, Ceil Cirillo and her staff will work with METRO staff to find the necessary funding sources. Ms. Cirillo has the tax information that METRO staff requested and will have this delivered. The Redevelopment Agency will be involved up to the construction phase that will include property acquisition, the public input process, and permitting process.

There was discussion regarding construction of a housing development on the adjoining property. Director Almquist requested that METRO staff ensure that a child care facility be considered as a potential use as well. Director Gabriel expressed concern regarding the mixed use of transit and housing, and the specifics on funding for each use. There is currently interest from Pacific Properties and from UCSC in the housing aspect of this project.

4. METRO USERS GROUP (MUG) COMMUNICATIONS

No questions or comments.

5. METRO ACCESSIBLE SERVICES TRANSIT FORUM (MASTF) COMMUNICATIONS

No questions or comments.

6. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

The following items were distributed to the Board at this meeting and will be distributed through an add-on packet as well for the 11/16/01 Board meeting: Board Meeting Minutes of 10/19/01, October Ridership report, ADA Paratransit Program report for September, Memorandum of Understanding between METRO and the City of Santa Cruz.

CONSENT AGENDA

7-1. APPROVE REGULAR BOARD MEETING MINUTES OF 10/12/01 AND 10/19/01

No questions or comments.

7-2. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS

No questions or comments.

7-3. ACCEPT AND FILE OCTOBER 2001 RIDERSHIP REPORT

No questions or comments.

7-4. CONSIDERATION OF TORT CLAIMS: Deny the Claim of: Sheila Solano

Ex-Officio Director Rotkin expressed concern that a rider whose life was very likely saved by a bus operator is now suing the METRO for having to crouch down to avoid gunfire.

7-5. ACCEPT AND FILE MINUTES OF MASTF COMMITTEE MEETING OF 10/18/01

No questions or comments.

7-6. ACCEPT AND FILE MINUTES OF MUG COMMITTEE MEETING OF 10/17/01

No questions or comments.

7-7. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR SEPTEMBER 2001, APPROVAL OF BUDGET TRANSFERS

Ex-Officio Rotkin requested an update on how Staff is responding to the current budget situation. Elisabeth Ross reported that the budget had not been updated since the budget revision was adopted by the Board last month. Ms. Ross will not have an update on the sales tax until December. Passenger revenues are down and Staff is conducting a survey of other transit centers to see if they are experiencing the same shortfall in passenger revenues. Staff will return to the Board in January or February with another budget revision. Ex-Officio Director Rotkin inquired about the expense for temporary staff and was informed that Staff is aggressively recruiting to fill the vacant positions. This issue should resolve itself within the next few months due to a larger number of applicants showing interest in the positions. Ms. Ross added that funds would be transferred to cover temporary help and that this expense would be a "wash".

7-8. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE

Bryant Baehr went to the UCSC campus in response to Director Fitzmaurice's concerns that the bus capacity at approximately 7:00 p.m. is inadequate. Mr. Baehr reported that temporary resources have been shifted to alleviate this problem, with a view towards making these changes permanent. Two additional trips between 7:30 p.m. and 8:30 p.m. have been added. This route will be monitored on a weekly basis.

Ex-Officio Director Rotkin reported on the recent meeting between METRO Staff and UCSC Transportation and Parking Services (TAPS) staff. Regular monthly meetings were established to discuss concerns on campus. These meetings will take place on the second Tuesday of the month at 9:00 a.m. Compromises were made regarding signage on both the METRO buses and campus shuttles. It was determined that the route around the perimeter of the campus could be run less expensively by METRO than by TAPS, however, METRO is not in a position to take over the entire perimeter service. Meeting participants included Bryant Baehr, Mark Dorfman, Les White, Emily Reilly, Mike Rotkin, Ian McFadden, Kim Chin, and Wes Scott and Larry Paegler from UCSC. METRO Staff will talk with UCSC staff after the enrollment period ends regarding the shift in classes that would affect transit timetables. Mark Dorfman added that billings are up 12.86%. There was discussion of the possibility of having bus pass swipe cards on campus. This type of pass will be tested on the Lift Line employees.

7-9. ACCEPT AND FILE STATUS ON CALL STOP ISSUE PROGRESS

Bryant Baehr reported that the agenda for the call stop training has been finalized. A “Train the Trainer” session will be held on Monday. Awareness training for the bus operators will take place December 3 – 13, 2001. The Board-approved call stop list will be included in the *Headways* as of December. District Counsel is still waiting to hear back from the Office of Civil Rights on this list. Director Fitzmaurice is interested in what is entailed in the training. Bonnie Morr invited the Directors to attend the training. Jeff LeBlanc reiterated how important it is for the bus operators to use both the microphone and scrolling sign for hearing impaired passengers.

ITEMS 10 AND 11 WERE TAKEN OUT OF ORDER.

10. CONSIDERATION OF AUTOMATED ANNOUNCEMENT SPECIFICATIONS

Summary:

In response to Director Fitzmaurice’s concerns, Bryant Baehr reported that once installed, there would be a central control unit that integrates all systems, thereby ensuring that the equipment is not turned off by the operators. Mr. Baehr stated that lapel microphones would be investigated. Staff is researching integrating this system into the radio system and utilizing foot switches to turn microphones on and off.

Discussion:

There was discussion regarding a change order to ensure that the current buses on order would not have a different type of system, which would make it necessary to replace it with the newly acquired announcement equipment.

11. CONSIDERATION OF MONITORING CALL STOP COMPLIANCE

Summary:

Staff is seeking direction from the Board on a program to monitor compliance. Three options were given in the Staff Report: Customer Service reports, trained customers, and National monitoring company or local investigators.

Discussion:

Ex-Officio Director Rotkin suggested utilizing customer input in conjunction with notifying passengers that they can complain if the stops are not called out. Director Reilly requested an update from Staff as to compliance, which Director Almquist explained would be needed in order to win the lawsuit that is pending in this regard.

DIRECTOR REILLY RETURNED TO THE CONSENT AGENDA AT THIS POINT.

7-10. ACCEPT AND FILE STATUS REPORT ON ADA PARATRANSIT PROGRAM FOR SEPTEMBER 2001

No questions or comments.

7-11. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR SEPTEMBER 2001

No questions or comments.

7-12. CONSIDERATION OF AUTHORIZATION TO PARTICIPATE IN CAL-CARD PROGRAM

No questions or comments.

7-13. ACCEPT AND FILE STAFF REPORT ON THE INVESTIGATION OF BIO-DIESEL AS AN INTERIM FUEL

Summary:

Les White stated that Staff is continuing to work on this investigation. Additional regulations are coming out and the California Air Resources Board (CARB) is looking into applying the Urban Bus Rule to schools.

- 7-14. a. CONSIDERATION OF APPROVAL OF REVISION TO BY-LAWS OF SANTA CRUZ CIVIC IMPROVEMENT CORPORATION (SCCIC) TO CHANGE ANNUAL MEETING DATE TO THIRD FRIDAY IN OCTOBER AND CHANGE CORPORATION ADDRESS TO 370 ENCINAL, SANTA CRUZ;**
- b. CONSIDERATION OF APPROVAL OF CONTRACT WITH SANTA CRUZ METROPOLITAN TRANSIT DISTRICT FOR TAX ACCOUNTING SERVICES FOR SCCIC WITH BROWN ARMSTRONG, CPA, FOR FISCAL YEARS ENDING JUNE 30, 2001, 2002 AND 2003.**

No questions or comments.

ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR KEOGH

Continue meeting past 11:00 a.m.

Motion passed unanimously with Directors Lopez and Norton absent.

DIRECTOR FITZMAURICE LEFT THE MEETING.

REGULAR AGENDA

8. ANNOUNCEMENT: NOTIFICATION OF MEETING LOCATION FOR NOVEMBER 16, 2001 – Watsonville City Council Chambers, 250 Main Street, Watsonville

Summary:

Director Reilly reminded the audience that next week's Board meeting would be held in Watsonville. Director Ainsworth commented that if there is no public participation from the area in which the Board meeting is being held, then the Board should rethink its decision to rotate the Board meetings to different venues. Jeff LeBlanc added that it comes down to publicizing that the Board meeting would be in a specific city.

9. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

No questions or comments.

12. CONSIDERATION OF BUS STOP ADVISORY COMMITTEE (BSAC) RECOMMENDATIONS REGARDING BUS STOP IMPROVEMENTS

Summary:

David Konno reported BSAC's recommendations relating to the August Board meeting discussion on shelter maintenance. Les White added that the BSAC Committee felt that trashcans at every shelter were not necessary. Mr. White recommended to the Board that installation or purchase of additional shelters be put on hold until the shelter program is resolved. A resolution would be to install a ½ or full panel on the approach side, a perforated panel back side, and no panel or a metal panel on the far side. Also, he recommends that existing shelters be retrofitted in this configuration before putting additional shelters on line.

Discussion:

A booklet on Tolar Shelters was distributed to the Board. Director Beutz stated that she prefers that METRO not acquire any more acrylic panels. Les White recommended to the Board that they defer this item for one month so Staff can come to a consensus on a better recommendation. Director Ainsworth asked for more information regarding number of shelters, design, sizes, custom element. Director Almquist suggested that tempered glass be used in the shelters to alleviate the graffiti problem.

ACTION: MOTION: DIRECTOR ALMQUIST SECOND: DIRECTOR KEOGH

Move Items #14 through 20 and Item #23 to the Consent Agenda.

Motion passed with Directors Fitzmaurice, Lopez and Norton absent.

DIRECTOR ALMQUIST LEFT THE MEETING.

ACTION: MOTION: DIRECTOR KEOGH SECOND: DIRECTOR GABRIEL

Defer Item #12 to the December Board Meeting.

Motion passed with Directors Almquist, Fitzmaurice, Lopez and Norton absent.

Director Krohn suggested placing recycling and garbage bins side by side at the shelters to reduce trash.

13. FIRST READING OF REVISED FARE ORDINANCE FOR HIGHWAY 17 EXPRESS SERVICE

Summary:

Mark Dorfman reported that two public hearings would be conducted on November 28th in Santa Cruz and San Jose. Transcripts will be available at the December 21st Board meeting at the time of the second reading and adoption. The Board will receive copies of all e-mails received on this issue when the Fare Ordinance is being considered for adoption.

14. CONSIDERATION OF 2002 REGULAR BOARD MEETING SCHEDULE

Moved to Consent Agenda for 11/16/01 Board meeting.

15. CONSIDERATION OF RENEWAL OF CONTRACT FOR REVENUE AND NON-REVENUE TIRES

Moved to Consent Agenda for 11/16/01 Board meeting.

16. CONSIDERATION OF AWARD OF CONTRACT FOR VEHICLE BODY REPAIR AND PAINTING

Moved to Consent Agenda for 11/16/01 Board meeting.

17. CONSIDERATION OF AMENDING CONTRACT TO REPOWER UP TO FORTY-TWO (42) DIESEL ENGINE ASSEMBLIES

Moved to Consent Agenda for 11/16/01 Board meeting.

18. CONSIDERATION OF AWARD OF REGIONAL TRANSIT COORDINATING COUNCIL (RTCC) CONTRACT FOR ENGINE OIL

Moved to Consent Agenda for 11/16/01 Board meeting.

19. CONSIDERATION OF AWARD OF CONTRACT FOR DENTAL INSURANCE COVERAGE

Moved to Consent Agenda for 11/16/01 Board meeting.

20. CONSIDERATION OF RENEWAL OF CONTRACT FOR LONG-TERM DISABILITY INSURANCE

Moved to Consent Agenda for 11/16/01 Board meeting.

21. CONSIDERATION OF AUTHORIZATION TO OPERATE WATSONVILLE HOLIDAY SHUTTLE

Summary:

Mark Dorfman stated that Staff is requesting authorization to operate the Watsonville Holiday Shuttle. He added that when the Transportation Commission took action on this topic, it required that there be no fee. The METRO's participation would be 23%.

ACTION: MOTION: DIRECTOR KEOGH SECOND: DIRECTOR AINSWORTH

Move Item 21 to the Consent Agenda.

Motion passed with Directors Almquist, Fitzmaurice, Lopez and Norton absent.

23. CONSIDERATION OF AWARD OF CONTRACT FOR FURNISHING ONE NEW DETROIT DIESEL SERIES 50 ENGINE ASSEMBLY

Moved to Consent Agenda for 11/16/01 Board meeting.

ADJOURN

There being no further business, Director Reilly adjourned the meeting at 11:34 a.m.

Respectfully submitted.

DALE CARR
Administrative Services Coordinator

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

November 16, 2001

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, November 16, 2001 at the Watsonville City Council Chambers, 250 Main Street, Watsonville, CA.

Chairperson Ainsworth called the meeting to order at 9:04 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Sheryl Ainsworth
Jeff Almquist
Jan Beautz
Tim Fitzmaurice
Michelle Hinkle
Mike Keogh (arrived at 9:20 a.m.)
Christopher Krohn
Emily Reilly
Ex-Officio Mike Rotkin

DIRECTORS ABSENT

Bruce Gabriel
Rafael Lopez
Dennis Norton

STAFF PRESENT

John Aspesi, Fleet Maint. Supervisor
Bryant Baehr, Operations Manager
Kim Chin, Planning & Marketing Manager
Mark Dorfman, Asst. General Manager
Marilyn Fenn, Asst. Finance Manager
Margaret Gallagher, District Counsel

David Konno, Fac. Maint. Manager
Elisabeth Ross, Finance Manager
Robyn Slater, Asst. H.R. Manager
Judy Souza, Base Superintendent
Leslie R. White, General Manager

EMPLOYEES AND MEMBERS OF THE PUBLIC WHO INDICATED THEY WERE PRESENT

Ceil Cirillo, Redevelopment Dept.
Linda Clayton, SEA
Dianna Dunn, SEIU
Mary Ferrick, PSA
Kasandra Fox, MASTF
Jeff LeBlanc, Rider

Bonnie Morr, UTU
Carolyn O'Donnell, SC TMA
Carlos Palacio, Watsonville City Manager
Pat Spence, MASTF
Will Regan, VMU
Linda Wilshusen, SCCRTC

2. ORAL AND WRITTEN COMMUNICATION

Written:

- a. Dorothy LeNormand
- b. Cara Lamb

RE: Route #3B
RE: Route #71 Bus

Oral:

Bonnie Morr made an announcement about the Thanksgiving dinner being held at the Veterans Hall on Front St. in Santa Cruz. Ms. Morr stated that volunteers are needed for preparation from Tuesday, through the dinner on Thursday. All Directors were invited to attend.

Carlos Palacio thanked the Board for using Watsonville as its venue for this Board meeting. He also voiced his appreciation of METRO Staff and for the express service to Santa Cruz in the mornings. Mr. Palacio added that an affordable housing project will be under long-term lease with the City of Watsonville and will be built near the site of the Watsonville Transit Center. There will be childcare facilities as well.

3. LABOR ORGANIZATION COMMUNICATIONS

None

4. METRO USERS GROUP (MUG) COMMUNICATIONS

Director Hinkle read the following Motions made at the recent MUG Meeting:

1. MUG RECOMMENDS THAT THE BOARD PURSUE BUS OPERATOR CALL STOP TRAINING NOW AND INVESTIGATE CD-ROM MONITORING SYSTEMS FOR THE FUTURE.
2. MUG URGES THE BOARD TO MOVE FORWARD WITH THE HWY 17 FARE INCREASES.

5. METRO ACCESSIBLE SERVICES TRANSIT FORUM (MASTF) COMMUNICATIONS

Pat Spence, Paratransit Chairperson for MASTF, invited the Board to attend MASTF's meeting on December 20th at which time there will be the annual presentation of certificates of appreciation and its 13th anniversary celebration. Certificates and recognition will be given to the individuals who participated in the paratransit awareness training. The meeting will take place from 2-4:00 p.m. at the University Towne Center, 1101 Pacific Avenue. Director Fitzmaurice may be the keynote speaker.

6. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

SECTION 1:

ADD TO ITEM #2

ORAL AND WRITTEN COMMUNICATIONS:

1. Cara Lamb RE: Route #71 Bus
(Add written communication)

CONSENT AGENDA:

- ADD TO ITEM #7-1** APPROVE REGULAR BOARD MEETING MINUTES OF 10/12/01 AND 10/19/01
**(Add Minutes of 10/19/01 and Revised Minutes of 10/12/01)
(10/19/01 Minutes were distributed to the Board at the 11/9/01 Board Meeting)**
- ADD TO ITEM #7-3** ACCEPT AND FILE OCTOBER 2001 RIDERSHIP REPORT
**(Add Ridership Report)
(Report was distributed to the Board at the 11/9/01 Board Meeting)**
- ADD TO ITEM #7-10** ACCEPT AND FILE STATUS REPORT ON ADA PARATRANSIT PROGRAM FOR SEPTEMBER 2001
**(Insert Report)
(Report was distributed to the Board at the 11/9/01 Board Meeting)**

REGULAR AGENDA:

- DELETE ITEM #8** ANNOUNCEMENT: NOTIFICATION OF MEETING LOCATION FOR NOVEMBER 16, 2001 BOARD MEETING
(Announcement made at 11/9/01 Board Meeting)
- DELETE ITEM #12** CONSIDERATION OF BUS STOP ADVISORY COMMITTEE (BSAC) RECOMMENDATIONS REGARDING BUS STOP IMPROVEMENTS
(Deferred to December Board Meeting)
- ADD TO ITEM #22** CONSIDERATION OF MEMORANDUM OF UNDERSTANDING WITH THE CITY OF SANTA CRUZ FOR PROJECT MANAGEMENT FOR METRO CENTER RENOVATION/EXPANSION
(Add Revised Memorandum of Understanding)

In addition, a newly revised version of the Memorandum of Understanding for Item #22 was distributed to the Board.

CONSENT AGENDA

- 7-1. **APPROVE REGULAR BOARD MEETING MINUTES OF 10/12/01 AND 10/19/01**
7-2. **ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS**
7-3. **ACCEPT AND FILE OCTOBER 2001 RIDERSHIP**
7-4. **CONSIDERATION OF TORT CLAIMS: Deny the Claim of: Sheila Solano**
7-5. **ACCEPT AND FILE MINUTES OF MASTF COMMITTEE MEETING OF 10/18/01**
7-6. **ACCEPT AND FILE MINUTES OF MUG COMMITTEE MEETING OF 10/17/01**

- 7-7. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR SEPTEMBER 2001, APPROVAL OF BUDGET TRANSFERS
- 7-8. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE
- 7-9. ACCEPT AND FILE STATUS ON CALL STOP ISSUE PROGRESS
- 7-10. ACCEPT AND FILE STATUS REPORT ON ADA PARATRANSIT PROGRAM FOR SEPTEMBER 2001
ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR SEPTEMBER 2001
- 7-12. CONSIDERATION OF AUTHORIZATION TO PARTICIPATE IN CAL-CARD PROGRAM
- 7-13. ACCEPT AND FILE STAFF REPORT ON THE INVESTIGATION OF BIO-DIESEL AS AN INTERIM FUEL
- 7-14. a. CONSIDERATION OF APPROVAL OF REVISION TO BY-LAWS OF SANTA CRUZ CIVIC IMPROVEMENT CORPORATION (SCCIC) TO CHANGE ANNUAL MEETING DATE TO THIRD FRIDAY IN OCTOBER AND CHANGE CORPORATION ADDRESS TO 370 ENCINAL, SANTA CRUZ;
b. CONSIDERATION OF APPROVAL OF CONTRACT WITH SANTA CRUZ METROPOLITAN TRANSIT DISTRICT FOR TAX ACCOUNTING SERVICES FOR SCCIC WITH BROWN ARMSTRONG, CPA, FOR FISCAL YEARS ENDING JUNE 30, 2001, 2002 AND 2003.
- 7-15. CONSIDERATION OF 2002 REGULAR BOARD MEETING SCHEDULE
- 7-16. CONSIDERATION OF RENEWAL OF CONTRACT FOR REVENUE AND NON-REVENUE TIRES
- 7-17. CONSIDERATION OF AWARD OF CONTRACT FOR VEHICLE BODY REPAIR AND PAINTING
- 7-18. CONSIDERATION OF AMENDING CONTRACT TO REPOWER UP TO FORTY-TWO (42) DIESEL ENGINE ASSEMBLIES
- 7-19. CONSIDERATION OF AWARD OF REGIONAL TRANSIT COORDINATING COUNCIL (RTCC) CONTRACT FOR ENGINE OIL
- 7-20. CONSIDERATION OF AWARD OF CONTRACT FOR DENTAL INSURANCE COVERAGE
- 7-21. CONSIDERATION OF RENEWAL OF CONTRACT FOR LONG-TERM DISABILITY INSURANCE
- 7-22. CONSIDERATION OF AUTHORIZATION TO OPERATE WATSONVILLE HOLIDAY SHUTTLE
- 7-23. CONSIDERATION OF AWARD OF CONTRACT FOR FURNISHING ONE NEW DETROIT DIESEL SERIES 50 ENGINE ASSEMBLY

ACTION: MOTION: DIRECTOR FITZMAURICE SECOND: DIRECTOR BEAUTZ

Approve Consent Agenda.

Motion passed unanimously.

In reference to the Cara Lamb letter under Written Communications, Les White stated that this issue is being investigated by the Service Planning and Review Committee to find resources to add service to this corridor. Director Reilly requested that the Board be kept apprised on this issue and be supplied with a copy of the response letter that would be sent to Ms. Lamb.

REGULAR AGENDA

ITEM #22 WAS TAKEN OUT OF ORDER.

22. CONSIDERATION OF MEMORANDUM OF UNDERSTANDING WITH THE CITY OF SANTA CRUZ FOR PROJECT MANAGEMENT FOR METRO CENTER RENOVATION/EXPANSION

Summary:

Les White reported that a Memorandum of Understanding (MOU) with the City of Santa Cruz is needed in order for Staff to move forward on the renovation/expansion project for the Metro Center. Expertise will be needed in the development and mixed-use aspects of this project. After meeting with the Redevelopment Staff, it was recommended that the MOU be shortened to two years at an estimated cost of \$120,000. A copy of this amended MOU was distributed to the Board. METRO Staff will work with the City to determine if there is other funding that would allow Staff to conduct an examination of mixed use and housing. Staff is requesting authorization to move forward on the MOU with the City of Santa Cruz.

Discussion:

Director Beautz clarified that \$1M in Traffic Congestion Reduction Program (TCRP) funds could not be used for any other project. The State of California understands that METRO will approach them again to participate in the funding of Phase II. Director Ainsworth was informed that in conjunction with assistance from METRO staff, Ceil Cirillo and the Redevelopment Agency would take the lead in pursuing private partners to assist in the funding. Ms. Cirillo and the Redevelopment Agency will provide the Board with periodic status reports in order to receive recommendations from the Board.

ACTION: MOTION: DIRECTOR FITZMAURICE SECOND: DIRECTOR KROHN

Authorize the General Manager to sign a Memorandum of Understanding with the City of Santa Cruz for project management services for the Santa Cruz METRO Center renovation/expansion project.

Motion passed unanimously.

8. DELETED

9. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

None of the following employees were present to accept their longevity certificates.

TWENTY YEARS

Carolyn (Coco) Conklin, Bus Operator
Bruce Grobman, Bus Operator
Linda Tarsky, Bus Operator

TWENTY-FIVE YEARS

Mary Kohama, Bus Operator
Maurice Jemison, Bus Operator

10. CONSIDERATION OF AUTOMATED ANNOUNCEMENT SPECIFICATIONS

Summary:

Bryant Baehr stated that the Request For Proposal (RFP) is prepared for the installation of the talking bus technology. Staff recommends that the Board authorize Staff to proceed with the RFP.

ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR FITZMAURICE

Approve specification for the Automated Announcement System and authorize the General Manager to issue a Request for Proposal (RFP).

Motion passed unanimously.

11. CONSIDERATION OF MONITORING CALL STOP COMPLIANCE

Summary:

Bryant Baehr reported that Staff is seeking direction from the Board as it relates to monitoring call stop compliance. The staff report lists three common programs used for monitoring – 1) customer service reports – stops will be listed in the *Headways* as of December; 2) utilize customers, such as seniors' groups, and receive reports on a monthly basis; 3) utilize an outside company to monitor compliance at approximately \$500-\$650/day. Utilizing a local firm to monitor compliance would cost approximately \$250/day. Another option would be for Staff to conduct a baseline audit once training is complete and report back to the Board with its findings. Call Stop training will be complete by December 12, 2001, for all operators except those on Workers' Comp, long-term leave and vacations.

Discussion:

Director Keogh suggested that Staff contact Monterey-Salinas Transit (MST) about trading supervisor staff time so they can audit our system and METRO supervisors could audit MST's call stop system. Mr. Baehr will investigate this option and will contact Valley Transportation Authority (VTA) as well. Ex Officio Director Rotkin suggested no monitoring system until Staff can discern whether the training was successful. He further suggested that customers be made aware that they have a right to complain if stops aren't called, and also advise the passengers that the drivers are in training in this regard. Jeff LeBlanc would like to see a formal monitoring system in place and stated that MASTF's members have participated in the training for the past ten years, to no avail. Mr. Baehr stated that Staff should have good idea of compliance with one week of monitoring, utilizing a local firm at a cost of approximately \$1,250. Bonnie Morr commented that as long as no disciplinary action is taken or any specific drivers are monitored,

the union isn't opposed to monitoring of the system. She added that with training and the Talking Bus technology, the funds for monitoring could go to bus service instead.

ACTION: MOTION: DIRECTOR FITZMAURICE
SECOND: DIRECTOR ALMQUIST

Explore options related to the most economical way to audit the system periodically on a proposed quarterly basis.

Motion passed unanimously.

Bryant Baehr confirmed that if the use of MST and/or VTA supervisors cannot be arranged by January 2002, he would utilize an outside agency. Director Fitzmaurice recommended that Staff go forward with one baseline review of the effectiveness of the system.

12. DEFERRED TO DECEMBER BOARD MEETINGS

13. FIRST READING OF REVISED FARE ORDINANCE FOR HIGHWAY 17 EXPRESS SERVICE

Summary:

Mark Dorfman reported that the Board had approved changes to the budget last month. Staff was directed to consider raising fares on the Highway 17 Express; the last increase to this service was in 1993. Mr. Dorfman reviewed the process that needed to take place. Two public hearings have been set: one in Santa Cruz and one in San Jose, on November 28th. Rider alerts have been placed in the buses to inform Highway 17 riders of this proposal and of the two public hearings. In addition, a website has been established for rider input. Messages from this website will be provided to the Board at the second reading of the Fare Ordinance as well as transcripts of the two public hearings. Mr. Dorfman reiterated the proposed fare increases and added that the monthly pass includes unlimited rides on METRO's system and VTA's system as well as on the light rail. VTA is supportive of the increases as well and the increases would be conducted jointly with VTA.

Discussion:

Director Ainsworth encouraged Board members to attend the public hearings. She suggested that information be placed in the Highway 17 buses advising riders that this is the first increase since 1993, along with information about gas prices and car prices. Income projections from the fare increase would be an additional \$28,890 for the remainder of 2001. Annually, the fare increase would produce \$57,000 in revenue. Linda Wilshusen remarked that the proposed increases are reasonable and suggested that information regarding "cost per mile" be given out with the other proposed information to the ridership.

ACTION: MOTION: DIRECTOR FITZMAURICE
SECOND: DIRECTOR ALMQUIST

Introduce the fare ordinance as presented that will raise the fare on the Highway 17 Express, including information on the cost of driving and other suggested information to the ridership.

Motion passed unanimously.

14. **MOVED TO CONSENT AGENDA AS ITEM #7-15**

15. **MOVED TO CONSENT AGENDA AS ITEM #7-16**

16. **MOVED TO CONSENT AGENDA AS ITEM #7-17**

17. **MOVED TO CONSENT AGENDA AS ITEM #7-18**

18. **MOVED TO CONSENT AGENDA AS ITEM #7-19**

19. **MOVED TO CONSENT AGENDA AS ITEM #7-20**

20. **MOVED TO CONSENT AGENDA AS ITEM #7-21**

21. **MOVED TO CONSENT AGENDA AS ITEM #7-22**

23. **MOVED TO CONSENT AGENDA AS ITEM #7-23**

24. **REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION: District Counsel**

District Counsel Gallagher reported that there would be discussions in Closed Session regarding whether or not to initiate litigation in one case.

25. **ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION**

None

SECTION II: CLOSED SESSION

Chairperson Ainsworth adjourned to Closed Session at 10:26 a.m. and reconvened to Open Session at 10:36 a.m.

SECTION III: RECONVENE TO OPEN SESSION

26. **REPORT OF CLOSED SESSION**

Margaret Gallagher stated that there is nothing to report at this time.

ADJOURN

There being no further business, Chairperson Ainsworth adjourned the meeting at 10:36 a.m.

Respectfully submitted.

DALE CARR
Administrative Services Coordinator

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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DATE 11/01/01 THRU 11/30/01

CHECK NUMBER	CHECK DATE	CHECK VENDOR AMOUNT	VENDOR NAME	VENDOR TRANS. TYPE NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
5085	11/02/01	677.38 00	PACIFIC BELL/SAC	75894	OCT PHONE LINE MIS	94.01	
				75895	OCT PHONE LINE MIS	260.55	
				75896	OCT PHONE LINE MIS	342.79	
5086	11/02/01	35.32 001025	COUNTY OF SANTA CRUZ	75897	SEPT/OCT WOODWASTE	33.22	
5087	11/02/01	479.00 001257	DOMINICAN HOSPITAL OF S C	75992	SEPT EXAMS	479.00	
5088	11/02/01	415.71 001263	ABBITT STREET RADIATOR	75898	REPAIR RADIATOR	415.71	
5089	11/02/01	196.71 001296	BENDER & CO. INC., MATTHEW	75899	CA EMP LAW- LEGAL	196.71	
5090	11/02/01	2,370.74 001346	CITY OF SANTA CRUZ	75995	2000-02 STORM WATER	2,370.74	
5091	11/02/01	1,137.50 001492	EVERGREEN	75900	HAZ WASTE DISPOSAL	1,137.50	
5092	11/02/01	595.37 001683	WEBB ENTERPRISES	75901	P/D FORMS	595.37	
5093	11/02/01	4,490.60 001743	ITI HARTFORD	75994	NOV LIFE INSURANCE	4,490.60	
5094	11/02/01	309.00 001752	THOMPSON PUBLISHING GROUP, INC.	75995	FAMILY/MEDICAL LEAVE	309.00	
5095	11/02/01	43,710.00 001762	COMMUNITY BRIDGES	75902	OCT DISPATCH FEE	43,710.00	
5096	11/02/01	3,462.91 001800	THERMO KING OF SALINAS, INC	75903	ALTERNATOR'S-FLEET	3,462.91	
5097	11/02/01	455.00 001844	BRINKS INCORPORATED	75904	OCT SECURITY	455.00	
5098	11/02/01	1,580.70 001931	LITTLER MENDELSON	75905	LEGAL SERVICES	1,580.70	
5099	11/02/01	4,867.80 001991	BAY STAFFING	75906	TEMPS W/E 10/7 FLEET	791.00	
				75996	TEMPS W/E 10/22 PLNS	896.00	
				75997	TEMPS W/E 10/8 MIS	3,180.80	
5099F1	11/02/01	-4,867.80 001991	BAY STAFFING	76019	VOID CHECK	-3,180.80	PRE-PAID
				76021	VOID CHECK	-791.00	
				76023	VOID CHECK	-896.00	
			VOID CHECK				
5100	11/02/01	516.75 002028	WESTCOAST LEGAL SERVICE	75907	PROF SERVICES	516.75	
5101	11/02/01	7,007.50 002065	BOWMAN & WILLIAMS	75908	ENGINEERING SVCS	7,007.50	
5102	11/02/01	388.69 002063	COSTCO	75909	EMPLOYEE INCENTIVE	330.77	
				75910	PHOTO PROCESS-OPS	23.96	
				75911	PHOTO PROCESS-LEGAL	6.46	
				75912	PHOTO PROCESS-OPS	27.48	
5103	11/02/01	100.86 002161	APPLIED INDUSTRIAL TECH	75913	REPAIRS/MAINT FAC	100.86	
5104	11/02/01	6,352.25 002192	BAY EQUIPMENT & REPAIR	75914	GUT REPAIR REV VEH	6,352.25	
5105	11/02/01	2,000.00 002267	SHAW & YODER	75923	MAY LEGISLATIVE REP	2,000.00	
5106	11/02/01	650.00 002385	OPTIMUM BUSINESS MACHINES	75915	COPIER MAINT DUBOIS	650.00	
5107	11/02/01	64.00 002567	DEPARTMENT OF JUSTICE	75916	SEPT FINGERPRINTS	64.00	
5108	11/02/01	1,767.75 002607	CIC ANALYTICAL SERVICES INC.	75917	DIL ANALYSIS	1,767.75	
5109	11/02/01	2,130.22 002626	NELSON\NYGAARD	75918	ADA CERT TO 8/31/01	2,130.22	
5110	11/02/01	3,333.84 002662	NETWORK ASSOCIATES, INC.	75919	NETSHIELD SECURITY	3,333.84	
5111	11/02/01	907.30 002686	WATERLEAF ARCHITECTURE	75998	PROF SVCS TO 9/28/01	907.30	
5112	11/02/01	25.07 002707	PITNEY BOWES CREDIT CORP	75920	POSTAGE METER-PLANS	25.07	
5113	11/02/01	230.05 007	UNITED PARCEL SERVICE	75921	9/13-10/12 MAILINGS	230.05	
5114	11/02/01	121.91 009	PACIFIC GAS & ELECTRIC	75922	9/13-10/12 PAUL ST	121.91	
5115	11/02/01	679.24 013	MCI SERVICE PARTS, INC.	75923	REV VEH PARTS	679.24	
5116	11/02/01	900.00 017	SUN MICROSYSTEMS, INC.	75924	10/1-12/31 SVCS	900.00	
5117	11/02/01	570.42 018	SALINAS VALLEY FORD SALES	75925	REV VEH PARTS/SUPPLY	570.42	
5118	11/02/01	416.36 020	ADT SECURITY SYSTEMS,	75926	REPAIR WIRING	92.67	
				75927	NOV ALARMS	323.69	
5119	11/02/01	529.65 042	ORCHARD SUPPLY HARDWARE	75929	SEPT SUPPLIES	529.65	
5120	11/02/01	303.50 056	GREEN LINE	75999	HAZ MAT GREASE TRAPS	303.50	
5121	11/02/01	4,122.22 057	U.S. BANK	76000	4251-2400-0554-7229	4,122.22	
5122	11/02/01	936.00 060A	CITY OF SANTA CRUZ	76001	PARKING PERMITS (9)	936.00	

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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 ALL CHECKS FOR COAST COMMERCIAL BANK

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

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5123	11/02/01	170.72 067	ROTO-ROOTER SEWER/PLUMBING	75928	METRO - REPAIR	170.72
5124	11/02/01	23.00 077	SANTA CRUZ MUNICIPAL UTILITY	75930	TREE TRIM REFUGE	23.00
5125	11/02/01	193.25 081	KAR PRODUCTS	75931	PARTS/SUPPLIES	193.25
5126	11/02/01	120.00 083	THYSSENKRUPP ELEVATOR -042	75932	OCT ELEVATOR SVC	120.00
5127	11/02/01	53.23 104	STATE STEEL COMPANY	75133	REPAIR/MAINT SUPPLY	53.23
5128	11/02/01	3,545.66 117	GILLIG CORPORATION	76002	REV VEH PARTS	2,566.99
				76003	REV VEH PARTS	978.67
5129	11/02/01	711.16 120	OFFICE DYNAMICS INC.	76004	COPIER MAINT. ADMIN	711.16
5130	11/02/01	583.01 135	SANTA CRUZ AUTO PARTS, INC.	75934	REPAIR IMPACT GUN	583.01
5131	11/02/01	100.00 136	DANCING MAN IMAGERY	75935	PHOTO SUPPLY/PROCESS	100.00
5132	11/02/01	1,340.03 148	ZEP MANUFACTURING COMPANY	75936	REV VEH PARTS	762.22
				75937	Z GREEN CLEANER	577.81
5133	11/02/01	75.00 150	U.C. REGENTS	75938	SEPT ROOM RENTAL	75.00
5134	11/02/01	2,562.40 180	HANFLOWER TEMPORARY SERVICE INC	75339	TEMPS W/E 9/23 PLANG	676.40
				75940	TEMPS W/E 9/30 HRD	1,886.00
5135	11/02/01	272.23 192	ALWAYS UNDER PRESSURE	75941	OUT REPAIR EQUIPT	272.23
5136	11/02/01	1,166.10 216	LABOR READY, INC.	75942	TEMPS W/E 10/12 FAC	1,166.10
5137	11/02/01	40.00 271	CARLSON, BRENT D., M.D., I N C .	75943	SEPT EXAMS	40.00
5138	11/02/01	257.20 282	BRINGER INC. W. W.	76005	CLEANING SUPPLIES	257.20
5139	11/02/01	198.40 288	MUNCIE RECLAMATION & SUPPLY	75944	REV VEH PARTS	198.40
5140	11/02/01	72.00 299	STANEK, RICHARD	75945	CANNON TYPEWRITER	72.00
5141	11/02/01	72.23 300	MATCO TOOLS	75946	REPAIR AIR RATCHET	72.23
5142	11/02/01	1,989.60 358	POWR-FLITE	75947	CLEANING SUPPLIES	46.95
				75948	FLOOR MACHINES	1,942.65
5143	11/02/01	22,011.81 376	MULTISYSTEMS, INC	75949	7/1-8/31 PARATRANSIT	22,011.81
5144	11/02/01	4,517.56 378	STEWART & STEVENSON	75950	CORE CREDIT	-269.39
				75951	REV VEH PARTS	806.33
				75952	REV VEH PARTS	112.71
				75953	REV VEH PARTS	1,062.45
				75954	REV VEH PARTS	1,292.75
				75955	REV VEH PARTS	812.71
5145	11/02/01	202.00 394	APPLIED DIGITAL SOLUTIONS	75956	PRINTER MINT.	202.00
5146	11/02/01	1,147.01 395	APPLIEDGRAPHICS, INC.	75957	OPS DAILY VEH SHEETS	1,147.01
5147	11/02/01	165.09 399	SEARS	75958	TOOLS - FACILITIES	119.29
				75959	PARTS/SUPPLIES FAC	45.80
5148	11/02/01	4,765.00 410	TRANSIT INFORMATION PRODUCTS	75960	HEADWAYS FALL EDIT.	4,765.00
5149	11/02/01	590.00 421	PAGE PUBLICATIONS	75961	TRANSIT ACCESS REPT	295.00
				75962	TRANSIT ACCESS-LEBL	295.00
5150	11/02/01	2,665.60 432	EXPRESS PERSONNEL SERVICES	75963	TEMPS W/E 9/23 HRD	896.00
				75964	TEMPS W/E 10/7 HRD	1,769.60
5151	11/02/01	144.92 436	WEST GROUP PAYMENT CTR	76006	AUG MONTHLY ACCESS	144.92
5152	11/02/01	399.00 439	SKILLPATH SEMINARS	76014	FINANCE & ACCT TRAIN	399.00
5153	11/02/01	60.00 456	CLARK, MIKE	75965	TRANSLATE WINTER SVC	60.00
5154	11/02/01	12,504.78 477	SANTA CRUZ COUNTY TAX COLLECTR	75966	SVTC PROP. TAX 01/02	12,504.78
5155	11/02/01	1,085.00 478	BEE CLENE	75967	CLEANING OF OFFICES	1,085.00
5156	11/02/01	154.08 493	IMAGING PRODUCTS, INTERNATIONL	75968	100 ROLLS COLOR FILM	154.08
5157	11/02/01	191.92 510	ASCQM HASLER LEASING	75969	NOV POSTAGE MACHINE	191.92
5158	11/02/01	506.52 542	CAIS LABORATORIES INC.	75970	REV VEH PARTS	506.52
5159	11/02/01	376.65 566	CALISTOGA SPRING WATER CO.	75971	SEPT/OCT WATER ADMN	261.65
				75972	SEPT/OCT WATER PLNG	94.67

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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DATE: 11/01/01 THRU 11/30/01

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR NAME	VENDOR TRANS. TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
5160	11/02/01	139.50	601 ENERGY CONTROL GROUP LLC	75973		REV VEH PARTS	139.50	
5161	11/02/01	207.50	612 GM DISTRIBUTING	76007		REPAIR SHREDDER	207.50	
5162	11/02/01	2,360.00	620 KSBW-TV	75974		T.V. ADVERTISING	2,360.00	
5163	11/02/01	40.00	632 GOVERNMENT FINANCE OFFICERS	76008		PENSION/BENEFITS	40.00	
5164	11/02/01	93.40	640 HEAVY DUTY SPECIALTIES	75975		SMALL TOOLS - FLEET	93.40	
5165	11/02/01	6.00	708 CALIFORNIA HIGHWAY PATROL	76009		REPORT	6.00	
5166	11/02/01	194.89	779 STAR MACHINE & TOOL CO.	75976		SMALL TOOLS 190	194.89	
5167	11/02/01	560.00	787 KRAY 103.5	76013		ADVERTISING	560.00	
5168	11/02/01	200.00	793 CHEUNG, KIM WAI	75977		REMOVE REFRIDGERATOR	200.00	
5169	11/02/01	2,678.67	795 IBM	75978		OUT REPAIR EQUIPT	2,678.67	
5170	11/02/01	450.90	796 CHALK'S TRUCK PARTS, I N C.	75979		SMALL TOOLS 440	450.90	
5171	11/02/01	11.30	980 MCMASTER-CARR SUPPLY CO	75980		REPAIRS/MAINT	11.30	
5172	11/02/01	100.00	8001 AINSWORTH, SHERYL	75981		OCT BOARD MEETINGS	100.00	
5173	11/02/01	100.00	8002 ALMQUIST, JEFF	75982		OCT BOARD MEETINGS	100.00	
5174	11/02/01	100.00	8003 BEAUTZ, JAN	75983		OCT BOARD MEETINGS	100.00	
5175	11/02/01	100.00	8004 FITZMAURICE, TIM	75984		OCT BOARD MEETINGS	100.00	
5176	11/02/01	100.00	8005 GABRIEL, BRUCE	75985		OCT BOARD MEETINGS	100.00	
5177	11/02/01	50.00	8006 HINKLEMICHELLE	75986		OCT BOARD MEETINGS	50.00	
5178	11/02/01	100.00	8008 KROHN, CHRISTOPHER	75987		OCT BOARD MEETINGS	100.00	
5179	11/02/01	50.00	8010 NORTON, DENNIS	75988		OCT BOARD MEETINGS	50.00	
5180	11/02/01	100.00	8011 REILLY, EMILY	75989		OCT BOARD MEETINGS	100.00	
5181	11/02/01	10.00	E386 CENTER, DOUGLAS	75990		DMV/VTT FEES OPS	10.00	
5182	11/02/01	66.00	E505 NAUKKARINEN, JUKKA	76010		REIMB. MEDICAL EXAM	66.00	
5183	11/02/01	30.70	E522 CARR, DALE	75991		INK CARTRIDGE	30.70	
5184	11/02/01	242.00	M014 HARRELL, LAURA	76011		NOV MEDICAL PREMIUM	242.00	
5185	11/02/01	2,793.84	R363 BERGSTROM, JORDAN	76012		SETTLEMENT CLAIM	2,793.84	
5186	11/05/01	80.00	E239 SLATER, ROBYN	76015		TRAVEL ADVANCE	80.00	MANUAL
5187	11/09/01	82,715.59	001316 DEVCO OIL	76018		OCTOBER FUEL	82,715.59	
5188	11/09/01	4,397.40	001991 BAY STAFFING	76020		TEMPS W/E 10/8 MIS	2,710.40	
				76022		TEMPS W/E 10/8 FLEET	791.00	
				76024		TEMPS W/E 10/22 PLNG	896.00	
5189	11/09/01	59.63	057 U.S. BANK	76016		4251-2400-0574-2597	59.63	
5190	11/09/01	152,471.36	502 PUBLIC EMPLOYEES'	76017		NOV MEDICAL INS	152,471.36	
5191	11/08/01	30.00	001374 SANTA CRUZ COUNTY SHERIFF	76235		APPLICATION FEE	30.00	MANUAL
5192	11/16/01	1,344.43	001 PACIFICSELL/SAC	76170		OCT/NOV PHONE LINE	1,344.43	
5193	11/16/01	9,173.28	001043 VISION SERVICE PLAN	76025		NOVEMBER VISION INS	9,173.28	
5194	11/16/01	599.00	001054 INTERNATIONAL PERSONNEL	76026		ANNUAL MEMBERSHIP	599.00	
5195	11/16/01	8,848.42	001063 NEW FLYER INDUSTRIES LIMITED	76027		REV VEH PARTS 174	214.90	
				76028		REV VEH PARTS 708	707.74	
				76029		REV VEH PARTS 32	32.22	
				76030		REV VEH PARTS 1683	1,683.47	
				76031		REV VEH PARTS 375	375.45	
				76032		REV VEH PARTS 3029	3,028.95	
				76033		REV VEH PARTS 1049	1,048.51	
				76034		REV VEH PARTS 752	752.22	
				76035		REV VEH PARTS 296	295.46	
				76036		REV VEH PARTS 704	704.10	
5196	11/16/01	1,326.26	001119 MACERICH PARTNERSHIP, LP. THE	76171		DEC - CAPITOLA MALL	1,326.26	

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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5197	11/16/01	360.96	001230	CAPITOL CLUTCH AND BRAKE, INC	76037	REV VEH PARTS	360.96	
5198	11/16/01	300.66	001296	BENDER & CO., INC., MATTHEW	76038	EMPLOYMNT LAW BOOK	116.39	
					76039	LABOR/EMP ARBITR, TN	184.27	
5199	11/16/01	128.35	00315	WASTE MANAGEMENT OF S C	76040	OCT MT HRM/KINGS VLB	16.40	
					76041	OCT KINGS VLB ROAD	111.95	
5200	11/16/01	745.60	001579	SAFETY-KLEEN CORP	76042	HAZ WASTE DISPOSAL	745.60	
5201	11/16/01	250.00	001600	DIAMOND LINK FENCE CO.	76043	REPLACE PARTS- GATE	250.00	
5202	11/16/01	906.74	001616	UNUM	76044	NOV LTD INSURANCE	35,906.74	
5203	11/16/01	44.63	001646	STEVE'S UNION	76045	SEPT FUELS	44.63	
5204	11/16/01	1,200.00	001708	SANTA CRUZ AREA TMA	76172	TDA DEMO	1,200.00	
5205	11/16/01	366.12	001711	MOHAWK MFG, & SUPPLY CO.	76173	REV VEH PARTS 366	366.12	
5206	11/16/01	298.00	001752	THOMPSON PUBLISHING GROUP, INC.	76046	FAIR LABOR HANDBOOK	298.00	
5207	11/16/01	45,661.00	001762	COMMUNITY BRIDGES	76174	SEPT ADA PARATRANSIT	145,661.00	
5208	11/16/01	2,766.00	001774	EOS CLAIMS SERVICES, INC.	76047	10/24-12/26 SVC FEE	2,766.00	
5209	11/16/01	900.00	001887	HUMPHREY, YVONNE A.	76176	DEC - VERNON ST LOT	900.00	
5210	11/16/01	582.74	001936	WORLDCOM TECHNOLOGIES, INC.	76048	OCT LONG DISTANCE	582.74	
5211	11/16/01	38.10	001944	SANTA CRUZ COUNTY LAW LIBRARY	76049	381 COPIES	38.10	
5212	11/16/01	387.85	001976	SPORTWORKS NORTHWEST, INC.	76050	REV VEH PARTS 382	387.85	
5213	11/16/01	699.18	001991	BAY STAFFING	76051	TEMP W/E 9/16 FLEET	211.66	
					76052	TEMP W/E 10/21 FLET	1,043.00	
					76175	TEMP W/E 10/28 PLNG	444.50	
5214	11/16/01	199.04	002012	CARTER, H.V. CO. INC.	76053	REPAIRS/MAINT.	199.04	
5215	11/16/01	164.62	002028	WESTCOAST LEGAL SERVICE	76054	PROF SVCS	164.62	
5216	11/16/01	237.82	002063	COSTCO	76055	REFRIGERATOR-SMC	163.86	
					76056	PHOTO PROCESS-OPS	18.71	
					76057	PHOTO PROCESS-OPS	55.25	
5217	11/16/01	169.40	002069	A TOOL SHED, INC.	76058	EQUIPT RENTAL	169.40	
5218	11/16/01	28,761.47	002116	HINSHAW, EDWARD & BARBARA	76177	DEC - 120 DUBOIS	5,861.19	
					76178	DEC - 370 ENCINAL	22,900.28	
5219	11/16/01	10,173.30	002117	IUDANG, NICK	76179	DEC - 111 DUBOIS	10,173.30	
5220	11/16/01	4,259.69	002192	BAY EQUIPMENT & REPAIR	76059	OCT REPAIR REV VEH	4,259.69	
5221	11/16/01	2,000.00	002267	PHAW & YONER V DE	76060	SEPT LEGISLATIVE REP	2,000.00	
5222	11/16/01	5,997.88	002287	CALIFORNIA SER I EMPLOYEE	76061	NOV MEDICAL INS	5,997.88	
5223	11/16/01	208.40	002313	HARTSELL & OLIVIERI	76062	TRANSCRIPTS - LEGAL	208.40	
5224	11/16/01	3,750.95	002346	CHANEY, CAROLYN & ASSOC INC.	76063	NOV LEGISLATIVE REP	3,750.00	
					76064	APR-SEPT EXPENSES	236.95	
5225	11/16/01	134.69	002380	MOBILE STORAGE GROUP, INC.	76065	10/22-11/19 CONTAINR	134.69	
5226	11/16/01	367.27	002412	BORDEN DECAL CO., INC.	76066	REV VEH PARTS	367.27	
5227	11/16/01	26.50	002447	SETON IDENTIFICATION PRODUCTS	76067	NAME PLATES	26.50	
5228	11/16/01	713.85	002459	SCOTT'S VALLEY WATER DISTRICT	76068	8/8-10/9 KINGS VLB	28.70	
					76069	8/8-10/9 KINGS VLB	685.15	
5229	11/16/01	2,217.30	002610	FREDERICK ELECTRONICS CORP.	76180	DEC - 375 ENCINAL	2,217.30	
5230	11/16/01	1,024.36	002634	PITNEY BOWES PURCHASE POWER	76181	POSTAGE - PLANNING	1,024.36	
5231	11/16/01	710.19	002639	NEXTEL COMMUNICATIONS	76070	9/26-10/25 PHONES	710.19	
5232	11/16/01	253.80	002643	IOS CAPITAL	76182	11/22-12/21 COPIER	253.80	
5233	11/16/01	300.00	002683	TRUCK-TRAILER-TRANSIT	76071	REV VEH PARTS 300	300.00	
5234	11/16/01	150.19	002689	B & B SMALL ENGINE REPAIR	76072	REPAIRS/MAINT	150.19	
5235	11/16/01	408.81	004	NORTH BAY FORD LINC-MERCURY	76073	REV VEH PARTS	408.81	
5236	11/16/01	161.82	007	UNITED PARCEL SERVICE	76183	OCT/NOV FREIGHT	161.82	
5238	11/16/01	12,079.73	009	PACIFIC GAS & ELECTRIC	76074	10/4-11/1 PACIFIC	747.67	

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					76075	10/4-11/1 PACIFIC	1,195.81	
					76076	9/25-10/29 RIVER	2,282.10	
					76077	9/28-10/29 GOLF CLUB	2,087.13	
					76078	9/28-10/29 GOLF CLUB	133.37	
					76079	9/27-10/26 SAKATA	8.64	
					76080	9/28-10/29 RIVER	41.67	
					76081	9/28-10/29 RODRIGUEZ	1,362.39	
					76082	9/28-10/29 RODRIGUEZ	17.66	
					76083	9/28-10/29 BEACH ST	134.25	
					76084	10/2-10/30 DUBOIS	150.52	
					76085	10/2-10/30 ENCINAL	2,832.44	
					76086	10/2-10/30 HARVEY WT	38.58	
					76087	10/2-10/30 DUBOIS	981.96	
					76088	10/2-10/30 ENCINAL	57.96	
					76089	9/27-10/26 SAKATA	10.50	
					76184	10/4-11/1 PACIFIC	73.64	
					76185	9/30-10/31 CNG FUEL	13.42	
5239	11/16/01	1,000.00	CABRILLO COLLEGE		76090	TDA DEMO	1,000.00	
5240	11/16/01	2,595.31	SALINAS VALLEY FORD SALES		76091	REV VEH PARTS	1,327.70	
					76092	REV VEH PARTS	1,267.61	
5241	11/16/01	69.98	KELLY-MOORE PAINT CO INC.		76093	REPAIRS/MAINT	69.98	
5242	11/16/01	1,070.46	KINKO'S INC.		76186	OCTOBER PRINTING	1,070.46	
5243	11/16/01	59.14	LENZ ARTS. INC.		76094	EMPLOYEE INCENTIVE	59.14	
5244	11/16/01	2,687.84	MISSION UNIFORM		76187	OCT UNIFORMS/LAUNDRY	554.36	
					76188	OCT UNIFORMS/LAUNDRY	2,133.48	
5245	11/16/01	276.19	ORCHARD SUPPLY HARDWARE		76189	OCT SUPPLIES - FAC	276.19	
5246	11/16/01	1,976.87	PALACE M T & OFFICE SUPPLY		76222	OFFICE SUPPLIES	224.22	
					76223	TIMECARDS - OPS	395.56	
					76224	OFFICE SUPPLY-HRD	61.35	
					76225	OFFICE SUPPLY-LEGAL	201.50	
					76226	FRANKLIN PLANNER-MIS	23.97	
					76227	OFFICE SUPPLY-FIN	181.35	
					76228	OFFICE SUPPLY-FAC	94.22	
					76229	OFFICE SUPPLY-ADMIN	34.40	
					76230	OFFICE SUPPLIES	115.17	
					76231	OFFICE SUPPLY-ADMIN	264.38	
					76232	COPY PAPER-ADMIN	201.19	
					76233	OFFICE SUPPLY-HRD	55.45	
					76234	OFFICE SUPPLY-ADMIN	124.11	
5247	11/16/01	325.91	ROYAL WHOLESALE ELECTRIC		76095	REPAIRS/MAINT	325.91	
5248	11/16/01	2,741.17	BATTERIES U.S.A. INC.		76190	REV VEH PARTS	2,741.17	
5249	11/16/01	73.23	REGISTER PAJARONIAN		76096	ADVERTISING	73.23	
5250	11/16/01	512.04	KENVILLE & SONS LOCKSMITH		76097	REPAIRS/MAINT	512.04	
5251	11/16/01	77.15	COAST PAPER & SUPPLY INC.		76098	CLEANING SUPPLIES	77.15	
5252	11/16/01	14,843.03	SANTA CRUZ MUNICIPAL UTILITY		76099	9/1-10/31 PACIFIC	66.29	
					76100	9/1-10/31 PACIFIC	6,731.03	
					76101	8/31-10/30 GOLF CLUB	1,416.31	
					76102	8/31-10/30 RIVER ST	3,122.51	
					76103	8/31-10/30 ENCINAL	165.50	
					76104	8/31-10/30 DUBOIS	1,183.60	

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					76105	8/31-10/30 ENCINAL	1,432.80	
					76191	8/31-11/1 PACIFIC	724.99	
5253	11/16/01	10,999.68	085 DIXON & SON, INCORPORATED		76106	OUT REPAIR REV VEH	577.00	
					76107	OCT TIRES & TUBES	10,422.68	
5254	11/16/01	75,834.71	101 EOS CLAIMS SERVICES, INC.		76108	GCT W/C TRUST ACCT	75,834.71	
5255	11/16/01	381.06	107 SAN LORENZO LUMBER CO., INC.		76109	REPAIRS/MAINT	381.06	
5256	11/16/01	2,238.60	110 TRANSMART		76192	DEC CUSTODIAN SVCS	2,238.60	
5257	11/16/01	21.18	115 SNAP-ON TOOLS CORPORATION		76110	EMPLOYEE TOOLS	21.18	
5258	11/16/01	8,979.71	117 GILLIG CORPORATION		76111	REV VEH PARTS	205.93	
					76112	REV VEH PARTS	4,286.04	
					76113	REV VEH PARTS	3,507.69	
					76114	REV VEH PARTS	149.12	
					76115	REV VEH PARTS	331.00	
					76116	REV VEH PARTS	86.92	
					76117	REV VEH PARTS	320.08	
					76118	REV VEH PARTS	92.93	
5259	11/16/01	3,245.95	134 PAY WIRELESS SYSTEMS		76193	OUT REPAIR EQUIP 226	3,245.95	
5260	11/16/01	919.49	135 SANTA CRUZ AUTO PARTS, INC.		76119	REV VEH PARTS/SUPPLY	919.49	
5261	11/16/01	460.15	147 ZEE MEDICAL SERVICE		76120	SAFETY SUPPLIES	460.15	
5262	11/16/01	686.76	149 SANTA CRUZ SENTINEL		76194	OCTOBER ADS	686.76	
5263	11/16/01	515.48	156 PRINT GALLERY, THE		76121	PRINTING - PLANNING	515.48	
5264	11/16/01	808.99	166 HOSE SHOP, INC., THE		76122	REV VEH PARTS/SUPPLY	607.02	
					76123	REPAIRS/MAINT	201.97	
5265	11/16/01	1,007.75	170 TOWNSEND'S AUTO PARTS		76124	REV VEH PARTS/SUPPLY	1,007.75	
5266	11/16/01	431.39	172 CENTRAL WELDERS SUPPLY, I NC.		76125	PARTS & SUPPLIES	421.39	
5267	11/16/01	36.20	173 AGM RISK SERVICES INC.		76126	EMPLMNT LIABILITY	36.20	
5268	11/16/01	1,242.08	191 GOLDEN GATE PETROLEUM		76127	OCT FULES	1,242.08	
5269	11/16/01	813.95	211 BOWMAN DISTRIBUTION		76195	PARTS & SUPPLIES 773	813.95	
5270	11/16/01	1,794.00	216 LABOR READY, INC.		76128	TEMPS W/E 11/2 FAC	598.00	
					75129	TEMPS W/E 10/26 FAC	598.00	
					76196	TEMPS W/E 11/2 FAC	598.00	
5271	11/16/01	3,488.80	221 VEHICLE MAINTENANCE PROGRAM		76130	REV VEH PARTS 1733	1,803.45	
					75157	REV VEH PARTS 1685	1,685.35	
5272	11/16/01	247.11	289 MUNCIE RECLAMATION & SUPPLY		76131	REV VEH PARTS	247.11	
5273	11/16/01	250.00	292 NORTH COUNTY RECOVERY & TOWING		76132	OUT REPAIR REV VEH	250.00	
5274	11/16/01	783.86	294 ANDY'S AUTO SUPPLY		76133	REV VEH PARTS/SUPPLY	783.86	
5275	11/16/01	266.36	316 WATSONVILLE AUTO SUPPLY		75134	REV VEH PARTS	266.36	
5276	11/16/01	4,350.00	350 NEW HORIZONS		76198	TRAINING CLASSES 30	4,350.00	
5277	11/16/01	36.94	372 FEDERAL EXPRESS		76135	POSTAGE & MAILINGS	36.94	
5278	11/16/01	18,211.76	376 MULTISYSTEMS, INC		76136	SEPT PROF SVCS	9,566.24	
					75137	DEC-JAN PROF SVCS	8,645.52	
5279	11/16/01	338.04	405 JOHN'S ELECTRIC MOTOR		76138	OUT REPAIR EQUIPT	338.04	
5280	11/16/01	144.81	424 VERIZON WIRELESS-PAGERS		76139	NOV PAGERS	144.81	
5281	11/16/01	150.00	434A VERIZON WIRELESS		76140	NOV REPEATER	150.00	
5282	11/16/01	271.18	436 WEST GROUP PAYMENT CTR		76141	LITIGATION HANDBOOK	80.81	
					76142	SEPT ACCESS CHARGES	190.37	
5283	11/16/01	2,063.41	480 DIESEL MARINE ELECTRIC		76143	REV VEH PARTS	2,063.41	
5284	11/16/01	410.00	481 PIED PIPER EXTERMINATORS, INC.		76144	OCT PEST CONTROL	410.00	
5285	11/16/01	1,650.00	490 FAST RESPONSE ON-SITE		76145	PROF/TECH SVCS	1,650.00	
5286	11/16/01	269,106.00	508 COMPLETE COACH WORKS		76146	OUT REPAIR REV VEH	134,553.00	

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					76147	OUT REPAIR REV VEH	134,553.00	
5287	11/16/01	636.55	511 LUMINATOR		76148	PARTS & SUPPLIES 38	48.94	
					76199	REV VEH PARTS 583	587.61	
5288	11/16/01	116.05	524 JIM'S BUSINESS MACHINES CO.		76150	TIMECLOCK RIBBONS	116.05	
5289	11/16/01	480.00	533 LINDSKOG P. E., ROBERT		76151	PROF SVCS 10/15-16	480.00	
5290	11/16/01	75.00	540 SUPERIOR ALARM		76152	OUT REPAIR BLDG/IMP	75.00	
5291	11/16/01	360.00	571 MONTEREY INFORMATION TECH.		76153	PROF/TECH SVCS	360.00	
5292	11/16/01	22,229.90	582 TOYOTA OF SANTA CRUZ		76154	TOYOTA PRIUS SEDAN	22,229.90	
52513	11/16/01	4,099.80	585 IDEAL ENVIRONMENTAL		76155	STORAGE CONTAINER	4,099.80	
5294	11/16/01	1,565.32	587 JAGUAR DESIGN STUDIO		76156	BUS CARDS/POSTERS	1,565.32	
5295	11/16/01	383.00	614 TESSCO TECHNOLOGIES, INC.		76157	REV VEH PARTS	383.00	
5296	11/16/01	2,367.95	629 HUGHES & ASSOCIATES		76158	PROF SVCS 10/2-22	2,367.95	
5297	11/16/01	39,603.24	633 PRUDENTIAL HEALTHCARE		76200	NOV DENTAL INS.	39,603.24	
5298	11/16/01	8,857.50	636 SCHARRENBERG LAW OFFICES		76201	PROF SVCS 9/5-10/12	8,857.50	
5299	11/16/01	43.49	647 GFI BENFARE		76202	FREIGHT CHARGES	43.40	
5300	11/16/01	1,175.00	650 CENTRAL COAST LANDSCAPE		76203	OCT LANDSCAPE	1,175.00	
5301	11/16/01	783.50	656 SIRENNET.COM		76204	REV VEH PARTS 748	783.50	
5302	11/16/01	22.95	657 VISUAL STUDIO MAGAZINE		76205	SUBSCRIPTION - 1 YR	22.95	
5303	11/16/01	373.40	658 RENAISSANCE ESMERALDA RESORT		76206	HOTEL & SHUTTLE	373.40	
534	11/16/01	312.50	659 ARMADA GROUP, INC.		76207	CONSULTING SVCS	312.50	
5305	11/16/01	6.00	708 CALIFORNIA HIGHWAY PATROL		76208	REPORT FEE	6.00	
5306	11/16/01	289.92	710 S & J PRODUCTS		76209	REV VEH PARTS 271	289.92	
5307	11/16/01	572.56	775 STAR MACHINE & TOOL CO.		76210	PARTS/SUPPLIES 565	572.56	
5308	11/16/01	319.91	783 HOUSE OF MACHINING, INC.		76211	OUT REPAIR EQUIPT	319.91	
5309	11/16/01	450.90	7% CHALK'S TRUCK PARTS, INC.		76212	SMALL TOOLS 449	450.90	
5310	11/16/01	169.40	932 A.L. LEASE COMPANY, INC.		76213	RENTAL - CHIPPER	169.40	
5311	11/16/01	66.42	973 SANTA CRUZ DODGE		76214	REV VEH PARTS	66.42	
5312	11/16/01	80.00	E012 ASPESI, JOHN		76215	TUB TRAINING 11/29	80.00	
5313	11/16/01	35.45	E012A ASPESI, JOHN		76216	BID REFRESHMENTS	35.45	
5314	11/16/01	42.00	E091 MELLON, JOHN		76217	LUNCH & PARKING FEES	42.00	
5315	11/16/01	64.00	E245 GALLEGOS, JUAN		76218	DMV FEES - FLEET	64.00	
5316	11/16/01	64.00	E246 HERNANDEZ, EFRAIN		76219	DMV FEES - FLEET	64.00	
5317	11/16/01	120.00	E397 GALLAGHER, MARGARET		76220	CALTIP CONF 12/6-7	120.00	
5318	11/16/01	139.99	M001 HORTON, JOSEPH		76221	DEC MEDICAL PREMIUM	130.00	
5319	11/16/01	130.00	M002 RACKLEY, EARL		76222	DEC MEDICAL PREMIUM	130.00	
5320	11/16/01	65.00	M003 WYANT, JUDI		76223	DEC MEDICAL PREMIUM	65.00	
5321	11/16/01	65.00	M005 ROSS, EMERY		76224	DEC MEDICAL PREMIUM	65.00	
5322	11/16/01	169.00	M006 VAN DER ZANDE, E D		76225	DEC MEDICAL PREMIUM	169.00	
5323	11/16/01	122.00	M007 BLAIR-ALWARD, GREGORY		76226	DEC MEDICAL PREMIUM	122.00	
5324	11/16/01	122.00	M008 CAMPOS, ARVILLA		76227	DEC MEDICAL PREMIUM	122.00	
5325	11/16/01	339.00	M009 FREEMAN, MARY		76228	DEC MEDICAL PREMIUM	339.00	
5326	11/16/01	122.00	M010 SHORT, SLOAN		76229	DEC MEDICAL PREMIUM	122.00	
5327	11/16/01	46.00	M011 LAWSON, LOIS		76230	DEC MEDICAL PREMIUM	46.00	
5328	11/16/01	46.00	M012 ROSE, JACK		76231	DEC MEDICAL PREMIUM	46.00	
5329	11/16/01	38.00	M013 JAHNKE, ELJHEM		76232	DEC MEDICAL PREMIUM	38.00	
5330	11/16/01	228.23	R364 NORTH COUNTY RECOVERY AND		76233	SETTLEMENT PROP DMG	228.23	
5331M	11/20/01	2,030.00	080 STATE BOARD OF EQUALIZATION		76234	OCT PREPAY USE TAX	2,030.00	MANUAL
						OCT PREPAY USE TAX		
5332	11/30/01	3,105.68	001 PACIFIC BELL/SAC		76236	NOV SUMMARY BILL	2,325.14	
					76237	NOV PHONE LINE-MIS	345.72	

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
CHECK JOURNAL DETAIL BY CHECK NUMBER
ALL CHECKS FOR COAST COMMERCIAL BANK

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

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR NUMBER	VENDOR NAME	VENDOR TRANS. TYPE NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
					76238	NOV PHONE LINE - MIS	343.72	
					76239	NOV PHONE LINE- MIS	73.10	
5333	11/30/01	36.74	001025	COUNTY OF SANTA CRUZ	76240	OCTOBER WOODWASTE	36.74	
5334	11/30/01	9.37	001072	BETSON WEST	76241	LAMP - FACILITIES	9.37	
5335	11/30/01	415.71	001263	ABBOTT STREET RADIATOR	76242	LOW FLOOR RADIATOR	415.71	
5336	11/30/01	1,110.00	001492	EVERGREEN	76243	HAZ WASTE DISPOSAL	1,110.00	
5337	11/30/01	198.00	001523	SANTA CRUZ MEDICAL CLINIC	76342	OCT MEDICAL EXAMS	66.00	
					76343	OCT MEDICAL EXAMS	132.00	
5338	11/30/01	283.00	001752	THOMPSON PUBLISHING GROUP, INC.	76344	LEAVE & DISABLT	283.00	
5339	11/30/01	43,710.00	001762	COMMUNITY BRIDGES	76244	NOV DISPATCH FEE	3,710.00	
5340	11/30/01	7,333.00	001774	EDS CLAIMS SERVICES, INC.	76245	12/24-1/23 W/C FEE	7,333.00	
5341	11/30/01	2,008.92	001800	THERMO KING OF SALINAS, INC	76345	REV VEH PARTS/REPAIR	2,008.92	
5342	11/30/01	70.00	001856	BAY COMMUNICATIONS	76246	OCTOBER PHONE REPAIR	70.00	
5343	11/30/01	1,494.50	001991	BAY STAFFING	76346	TEMPS W/E 1 1/11 FLT	1,494.50	
5344	11/30/01	319.41	002005	TRANSIT RESOURCES, INC.	76347	REV VEH PARTS	319.41	
5345	11/30/01	523.09	002022	WESTCOAST LEGAL SERVICE	76348	OCT PROF SVCS	523.09	
5346	11/30/01	59.53	002063	COSTCO	76247	PHOTO PROCESSING	56.29	
					76248	PHOTO PROCESSING	3.24	
5347	11/30/01	1,223.42	002117	IULIANO, NICK	76249	01/02 PROPERTY TAXES	1,223.42	
5348	11/30/01	311.17	002161	APPLIED INDUSTRIAL TECH	76250	REPAIR/MAINT FAC	264.46	
					76349	REPAIRS/MAINT SUPPLY	46.71	
5349	11/30/01	1,194.08	002192	BAY EQUIPMENT & REPAIR	76350	REPAIR VEH #9822	1,194.08	
5350	11/30/01	274.60	002413	ERIK'S DELICAFE, INC.	76351	WINTERBIDLUNCH	274.60	
5351	11/30/01	128.00	002567	DEPARTMENT OF JUSTICE	76251	OCT FINGERPRINTS	128.00	
5352	11/30/01	110.86	002610	FREDERICK ELECTRONICS CORP.	76253	ADDITIONAL DEC RENT	110.86	
5353	11/30/01	1,845.00	002654	VNA OF SANTA CRUZ	76254	FLU SHOTS	1,845.00	
5354	11/30/01	13,222.68	002686	WATERLEAF ARCHITECTURE	76255	PROF SVCS TO 10/26	13,222.68	
5355	11/30/01	1,079.93	002713	SANTA CRUZ AUTO TECH, INC	76256	OUT REPAIR OTHER VEH	67.65	
					76257	REPAIR VEH #8022	567.06	
					76258	PARTS FOR BRAKE REP.	123.35	
					76259	REPAIR VEH #8021	301.85	
5356	11/30/01	871.67	009	PACIFIC GAS & ELECTRIC	76260	10/10-11/8 KINGS VLG	21.16	
					76261	10/10-11/8 KINGS VLG	fi.23	
					75262	10/10-11/8 KINGS VLG	722.99	
					76263	10/12-11/14 PAUL SWT	116.29	
5357	11/30/01	161.06	013	MCI SERVICE PARTS, INC.	76264	REV VEH PARTS	161.06	
5358	11/30/01	17.00	014	CABRILLO COLLEGE	76265	NOV FINGERPRINTING	17.00	
5359	11/30/01	2,032.05	018	SALINAS VALLEY FORD SALES	76266	REV VEH PARTS	2,032.05	
5360	11/30/01	1,745.00	056	GREEN LINE	76267	HAZ WASTE DISPOSAL	1,745.00	
5361	11/30/01	1,863.71	057	U.S. BANK	76352	4231-2400-0554-7229	1,863.71	
5362	11/30/01	99.55	079	SANTA CRUZ MUNICIPAL UTILITY	76268	10/1-10/31 LANDFILL	99.55	
5363	11/30/01	840.75	081	KAR PRODUCTS	76269	REV VEH PARTS/SUPPLY	840.75	
5364	11/30/01	120.00	083	THYSSENKRUPP ELEVATOR -042	76270	NOV ELEVATOR SVC	120.00	
5365	11/30/01	246.25	090	CRYSTAL SPRINGS WATER CO.	76353	OCT/NOV WATER FLEET	246.25	
5366	11/30/01	2,450.00	116	SANTA CRUZ COMMUNITY	76354	6/1-8/31 PROF SVCS	2,450.00	
5367	11/30/01	3,573.37	117	BILLIS CORPORATION	76271	REV VEH PARTS	197.54	
					76272	REV VEH PARTS	694.13	
					76273	REV VEH PARTS	638.86	
					76274	REV VEH PARTS	1,842.84	
5368	11/30/01	224.00	126	EDUCATIONAL COMMERCIAL SERVICES	76275	SVTC SWEEPING	224.00	

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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DATE: 11/01/01 THRU 11/30/01

CCK NR	CHECK DATE	CHECK VENDOR AMOUNT	VENDOR NAME	VENDOR TRANS. TYPE NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
5669	11/29/01	1,913.21	130 WATSONVILLE CITY WATER DEPT.	76276	10/1-11/1 RODRIGUEZ	9.06	
				76277	10/1-11/1 SAKATA LN	70.98	
				76278	10/1-11/1 SAKATA LN	12.80	
				76279	9/5-11/2 RODRIGUEZ	57.56	
				76280	11/15 CONTAINER	1,230.00	
				76281	9/5-11/2 RODRIGUEZ	474.98	
				76282	9/5-11/2 RODRIGUEZ	57.83	
5370	11/30/01	238.78	147 ZEE MEDICAL SERVICE	76283	SAFETY SUPPLIES	238.78	
5371	11/30/01	577.81	148 ZEP MANUFACTURING COMPANY	76284	CLEANING SUPPLY	577.81	
5372	11/30/01	75.00	150 U.C. REGENTS	76285	OCT ROOM RENTAL	75.00	
5373	11/30/01	41.02	161 OCEAN CHEVROLET INC	76286	REV VEH PARTS	41.02	
5374	11/30/01	120.19	172 CENTRAL WELDERS SUPPLY, INC.	76355	PARTS / RENTALS	120.19	
5375	11/30/01	7,067.17	180 MANPOWER TEMPORARY SERVICE INC	76356	TEMPS W/E 10/21 FLT	1,352.80	
				76357	TEMPS W/E 10/21 HRD	1,735.92	
				76358	TEMPS W/E 10/28 FLT	676.40	
				75359	TEMPS W/E 10/14 HRD	1,859.49	
				76360	TEMPS W/E 11/4 HRD	1,442.56	
5376	11/30/01	120.57	186 WILSON, GEORGE H., INC.	76287	REPAIRS/MAINT	120.57	
5377	11/30/01	25.00	188 PACIFIC BUS MUSEUM	76361	ANNUAL MEMBERSHIP	25.00	
5378	11/30/01	34.25	210 HOLIDAY MUFFLER SERVICE	76288	REPAIR MUFFLER #2021	94.26	
5379	11/30/01	211.04	215 IKON OFFICE SOLUTIONS	76289	11/1-12/1 COPIER-OPS	211.04	
5380	11/30/01	478.40	215 LABOR READY, I NC.	76290	TEMPS W/E 11/9 FAC	478.40	
5381	11/30/01	772.30	221 VEHICLE MAINTENANCE PROGRAM	76291	REV VEH PARTS 750	772.30	
5382	11/30/01	7,430.00	235 RBK CONSULTING SERVICE	75352	PROF SVCS 9/3-11	7,430.00	
5383	11/30/01	976.86	282 GRAINGER INC, W. W.	76292	SHOP CART DRAWER	32.55	
				76293	REPAIRS/MAINT	233.25	
				76294	REPAIRS/MAINT	710.98	
5384	11/30/01	320.00	283 RECALL SECURE DESTRUCTION	75295	SHREDDING O F BOXES	320.00	
5385	11/30/01	130.00	357 COMMUNITY TELEVISION OF	75295	MTG 10/19/01	130.00	
5386	11/30/01	24,123.92	378 STEWART & STEVENSON	76297	OUT REPAIR REV VEH	502.00	
				75298	OUT REPAIR REV VEH	7,380.24	
				76299	OUT REPAIR REV VEH	11,179.33	
				76300	REV VEH PARTS	79.60	
				76301	ENGINE TRAINING	650.00	
				76302	REV VEH PARTS/SUPPLY	4,331.75	
5387	11/30/01	913.05	395 APPLIED GRAPHICS, INC.	76303	PROMO ITEMS	913.05	
5388	11/30/01	280.37	399 SEARS	76304	DRILL KIT - FACILITY	280.37	
5389	11/30/01	2,609.60	432 EXPRESS PERSONNEL SERVICES	7630J	TEMPS W/E 10/28 HRD	1,780.80	
				76306	TEMPS W/E 10/14 HRD	828.80	
5390	11/30/01	2,062.00	433 AMPAC BUILDING MAINTENANCE	76307	OCT MAINT SVTC	2,062.00	
5391	11/30/01	45.00	440 RUNFOROFFICE.COM	76308	OCT-DEC LOBBY REPORT	45.00	
5392	11/30/01	500.00	451 MARKOWITZ, PAUL	76309	CONCRETE SLAB	500.00	
5393	11/30/01	23.05	460 SAFETY ENVIRONMENTAL CONTROL	76310	CLEANING SUPPLIES	23.05	
5394	11/30/01	43.31	461 VULTRON INC.	76364	REV VEH PARTS	43.31	
5395	11/30/01	1,051.10	480 DIESEL MARINE ELECTRIC	76311	REV VEH PARTS	1,051.10	
5396	11/30/01	160.00	481 FIED PIPER EXTERMINATORS, INC.	76312	NOV PEST CONTROL	160.00	
5397	11/30/01	29.97	494 FC MAGAZINE	75313	ONE YR SUBSCRIPTION	29.97	
5398	11/30/01	22,650.28	500 PAIGE'S SECURITY SERVICES, INC	76314	OCT SECURITY	22,650.28	
5399	11/30/01	269,106.00	508 COMPLETE COACH WORKS	76365	OUT REPAIR REV VEH	007,102.00	
5400	11/30/01	191.92	510 ASDCM HASLER LEASING	73315	POSTAGE METER	191.92	

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
 CHECK JOURNAL DETAIL BY CHECK NUMBER
 ALL CHECKS FOR COAST COMMERCIAL BANK

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

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TRANS. TYPE NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
5401	11/30/01	110.00	525	KION TV	76316	TAPE COPIES-PLANNING	110.00	
5402	11/30/01	371.34	527	RECARD NORTH AMERICA, INC.	76317	REV VEH PARTS 563	371.34	
5403	11/30/01	316.35	566	CALISTOGA SPRING WATER CO.	76318	OCT/NOV WATER ADMIN	178.16	
					76319	OCT/NOV WATER-PLANG	128.17	
5404	11/30/01	113.16	579	LAB SAFETY SUPPLY INC.	76320	PARTS/ SUPPLIES 93	113.16	
5405	11/30/01	183.28	582	TOYOTA OF SANTA CRUZ	76321	REV VEH PARTS	183.28	
5406	11/30/01	1,728.00	629	HUGHES & ASSOCIATES	76322	INVESTIGATIVE SVCS	439.95	
					76366	INVESTIGATIVE SVCS	1,288.05	
5407	11/30/01	239.92	630	SAFEWAY	76367	WINTER BID LUNCH	239.92	
5408	11/30/01	497.45	647	BFI GENFARE	76323	SMALL TOOLS	497.45	
5409	11/30/01	131.95	667	CITY OF SCOTTS VALLEY	76324	11/15 KINGS VLG	131.95	
5410	11/30/01	716.83	779	STAR MACHINE & TOOL CO.	76325	PARTS & SUPPLIES 702	716.83	
5411	11/30/01	229.66	785	COTTERMAN COMPANY	76326	PARTS/SUPPLIES	229.66	
5412	11/30/01	203.43	788	SCMTD PETTY CASH - FINANCE	76368	REIMB PETTY CASH	203.43	
5413	11/30/01	160.80	794	MCBRIDE & ASSOCIATES	76327	PROF SVCS-OCT	160.80	
5414	11/30/01	400.00	799	GREAT WEST	76328	DEFERRED COMP PLAN	200.00	
					76369	DEFERRED COMP PYMNT	200.00	
5415	11/30/01	37.66	980	MCMASTER-CARR SUPPLY CO	76329	REPAIRS/MAINT	37.66	
5416	11/30/01	100.00	B001	AINSWORTH, SHERYL	76330	NOV BOARD MEETINGS	100.00	
5417	11/30/01	100.00	B002	ALMQUIST, JEFF	76331	NOV BOARD MEETINGS	100.00	
5418	11/30/01	100.00	B003	BEAUTZ, JAN	76332	NOV BOARD MEETINGS	100.00	
5419	11/30/01	100.00	B004	FITZMAURICE, TIM	76333	NOV BOARD MEETINGS	100.00	
5420	11/30/01	50.00	B005	GABRIEL, BRUCE	76334	NOV BOARD MEETINGS	50.00	
5421	11/30/01	50.00	B006	HINKLE, MICHELLE	76335	NOV BOARD MEETINGS	50.00	
5422	11/30/01	100.00	B007	KEOGH, MICHAEL	76336	NOV BOARD MEETINGS	100.00	
5423	11/30/01	100.00	B008	KROHN, CHRISTOPHER	76337	NOV BOARD MEETINGS	100.00	
5424	11/30/01	100.00	B011	REILLY, EMILY	76338	NOV BOARD MEETINGS	100.00	
5425	11/30/01	104.08	E021	HILTNER, THOMAS	76339	REIMB TRAVEL EXPENSE	104.08	
5426	11/30/01	326.13	E239	SLALSA ROBYN	76370	REIMB TRAVEL EXPENSE	326.13	
5427	11/30/01	100.00	E404	WILSON, BONNIE	76371	WINTER BID LUNCH	100.00	
5428	11/30/01	15.07	E521	HERNANDEZ, JAIME	76340	OVERTIME MEAL	15.07	
5429	11/30/01	49.37	E522	CARR, DALE	76341	BOARD REFRESHMENTS	49.37	
TOTAL		1,672,930.63		COAST COMMERCIAL BANK		TOTAL CHECKS 345	1,672,930.63	

ACCESS IN AND OUT

NOVEMBER 2001

BUS OPERATOR LIFT TEST *PULL-OUT* (ACCESSIBLE FLEET ONLY)

VEHICLE CATEGORY	TOTAL BUSES	AVG # DEAD IN GARAGE	AVG # AVAIL. FOR SERVICE	AVG # IN SERVICE	AVG # SPARE BUSES	AVG # LIFTS OPERATING	% LIFTS WORKING ON PULL-OUT BUSES
FLYER	63	15	48	46	2	46	100%
GILLIG	48	12	36	26	10	26	100%
GMC	8	2	6	3	3	3	100%
CHAMPION	4	2	2	1	1	1	100%

BUS OPERATOR LIFT TEST *PULL-IN* (ACCESSIBLE FLEET ONLY)

VEHICLE CATEGORY	TOTAL BUSES	AVG # DEAD IN GARAGE	AVG # AVAIL. FOR SERVICE	AVG # IN SERVICE	AVG # SPARE BUSES	AVG # LIFTS OPERATING	% LIFTS WORKING ON PULL-OUT BUSES
FLYER	63	N/A	N/A	43	N/A	43	100%
GILLIG	48	N/A	N/A	13	N/A	13	100%
GMC	8	N/A	N/A	3	N/A	3	100%
CHAMPION	4	N/A	N/A	1	N/A	1	100%

NOVEMBER 2001

printed 12/03/2001

SERVICE INTERRUPTION SUMMARY REPORT
L I F T P R O B L E M S
11/01/2001 T O 11/30/2001

DATE	BLOCK	ROUTE	TIME	DIRBUS	REASON	N:BUS	A:BUS	HR:MN	MILE	LOST	DELAY
------	-------	-------	------	--------	--------	-------	-------	-------	------	------	-------

00:00 00.00

AM Peak 00:00 00.00

Midday 00:00 00.00

PM Peak 00:00 00.00

Other 00:00 00.00

Weekday 00:00 00.00

Sat urday 00:00 00.00

Sunday 00:00 00.00

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

PASSENGER LIFT PROBLEMS

MONTH OF NOVEMBER, 2001

DATE	DAY	BUS #	REASON
11/01/01	THURSDAY	89126	Lift and barrier got stuck
11/01/01	THURSDAY	80596	Front barrier will not go up, only when stowing
11/02/01	FRIDAY	8915LF	Outer barrier of lift does not work
11/02/01	FRIDAY	8911 LF	W/C lift platform got stuck, had to shut engine off and restart
11/02/01	FRIDAY	9836G	Kneel function works slowly when going down
11/02/01	FRIDAY	8061 G	Won't stow or go all the way up or down
11/02/01	FRIDAY	8061 G	Lift does not go up or down smoothly, sounds like it off the track
11/03/01	SATURDAY	8110C	Lift door does not lock
11/04/01	SUNDAY	9809LF	When kneel switch is activated bus kneels all the way, doesn't stop
11/05/01	MONDAY	8087F	Problem with lift
11/06/01	TUESDAY	9819LF	Wheelchair lift not working
11/06/01	TUESDAY	8911G	Platform not going down all the way
11/07/01	WEDNESDAY	8912G	Lift does not stow to steps mode
11/10/01	SATURDAY	8095F	Lift won't work with passenger on it
11/10/01	SATURDAY	8088F	P/L stuck out in route, intermittent
11/12/01	MONDAY	8087F	No power to lift
11/12/01	MONDAY	8088F	Lift won't stow
11/13/01	TUESDAY	8096F	Lift needs to be pushed in while stowing
11/13/01	TUESDAY	8095F	Ramp failed @ Portola/37th
11/13/01	TUESDAY	8087F	Lift inoperative
11/14/01	WEDNESDAY	8068G	W/C ramp won't carry any load
11/14/01	WEDNESDAY	8061 G	Lift has a hard time extending & stowing
11/15/01	THURSDAY	8915G	Kneel won't work with back door not open
11/15/01	THURSDAY	80676	Lift is leaking hydraulic fluid
11/15/01	THURSDAY	8087F	Lift does not work
11/17/01	SATURDAY	8099F	W/C lift made loud metallic clang while lowering platform to ground
11/20/01	TUESDAY	80556	Lift doesn't work
11/20/01	TUESDAY	8062G	Passenger lift not working
11/20/01	TUESDAY	89126	Had trouble getting lift back into steps, had to recycle several times
11/20/01	TUESDAY	9828LF	Trouble stowing ramp
11/21/01	WEDNESDAY	8055G	Lift light stays on after lift is shut off, have to close/open door to reset
11/21/01	WEDNESDAY	8088F	Lift doesn't work
11/23/01	FRIDAY	80656	Lift will not go up or down
11/23/01	FRIDAY	80556	Lift barrier will not go down
11/24/01	SATURDAY	8077F	Lift would not stow without being pushed
11/25/01	SUNDAY	98396	Kneel beeper is too loud
11/26/01	MONDAY	98366	Sometimes kneel doesn't work
11/27/01	TUESDAY	8061 G	Lift barrier does not go down
11/27/01	TUESDAY	9831 G	Kneel switch is broken
11/27/01	TUESDAY	98366	Passenger lift will not raise or lower
11/28/01	WEDNESDAY	89086	Lift will turn on but not cycle thru
11/28/01	WEDNESDAY	89126	Steps are difficult to stow
11/28/01	WEDNESDAY	80686	W/C lift inoperative
11/29/01	THURSDAY	8055G	Barrier on lift will not go down after deployed
11/29/01	THURSDAY	8061 G	Kneel doesn't completely go down (makes the air release sound)
11/29/01	THURSDAY	8082F	Need to use override when stowing lift
11/29/01	THURSDAY	8087F	Lift not working
11/29/01	THURSDAY	98336	Bus will not raise after kneeling
11/30/01	FRIDAY	8062G	No power with passenger on ramp

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

PASSENGER LIFT PROBLEMS

F	New Flyer
G	Gillig
GR	Grumman
C	Champion
LF	Low Floor Flyer
GM	GMC

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

GOVERNMENT TORT CLAIM



RECOMMENDED ACTION

TO: Board of Directors
FROM: District Counsel
RE: Claim of AmCom Insurance Service Received: 12/03/01 Claim #: 01-0033
Date of Incident: 07/27/01 Occurrence Report No. : SC 07-01-20

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

- 1. Deny the claim.
- 2. Deny the application to file a late claim.
- 3. Grant the application to file a late claim.
- 4. Reject the claim as untimely filed.
- 5. Reject the claim as insufficient.
- 6. Approve the claim in the amount of \$___ and reject it as to the balance, if any.

By Margaret Gallagher
Margaret Gallagher
DISTRICT COUNSEL

Date: December 10, 2001

I, Dale Carr, do hereby attest that the above Claim was duly presented to and the recommendations were approved by the Santa Cruz Metropolitan Transit District's Board of Directors at the meeting of December 21, 2001.

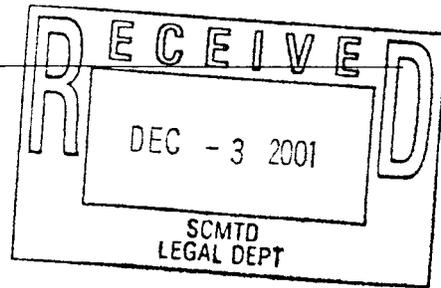
Dale Carr
Recording Secretary

Date

MG/hp

AmCom

INSURANCE SERVICES, INC.



November 29, 2001

Santa Cruz Metropolitan Transit District
370 Encinal St., Ste. #100
Santa Cruz, Ca. 95060
Attn: Herbert Palacios

Re: Our Insured : J.G. Trucking
Our Claim : CL0630
Our Carrier : Clarendon National

Your Driver : unknown
Your Claim : SC070120
Date of Loss : 7/27/01

Dear Herbert,

We are acting as General Managing agent for carrier named above.

Based upon our understanding of the facts, we believe that your driver was responsible for the above-mentioned accident. Your driver pulled out from the curb without looking, made a turn and hit our insureds vehicle. You have this recorded statement from the witness, Steve Roberson. Therefore we feel that we are entitled to look to you for reimbursement for the damages sustained to our insureds vehicle as a result of this loss.

Demand is hereby made for reimbursement in the amount of \$3,356.32, which includes our insureds deductible of \$1 ,000.00. Pertinent documents are attached.

Please make your check payable to **Clarendon National**, as subrogee, and forward to AmCom Insurance Services at the address below. All correspondence should be forwarded to this office and no settlement should be made without advising AmCom Insurance Services. If you have any questions, please, feel free to contact me at the number below.

Sincerely,

A handwritten signature in cursive script that reads "Kelly Seymon".

Kelly Seymon
Subrogation/Claims Representative
(925) 244-0110 ext. 20
Encl.

CLARENDON NATIONAL INSURANCE COMPANY

2308

SERVICED BY: ~~AMCOM INSURANCE SERVICES, INC.~~

CHECK AMOUNT: ***2,356.32**

~~J.G. TRUCKING~~

~~156 WEST 5TH ST.~~

~~WATSONVILLE~~

~~CA 95076~~

~~JG TRUCKING~~

POL#:SG10200101

~~CL0630/5755 J.G. TRUCKING COV: COLL~~

LEDGER

SUBLEDGER

DEPT

CHECK#: 2308

10/29/2001

0

0

2,356.32

5755

10/22/2001 at 02:16 AM
70571

File ID: 325898

SCA APPRAISAL COMPANY
Burbank Main Office
For Supplements: 818-985-9199 or 818-745-7621
PO Box 1455
Burbank, CA 91507
(818)845-7621 Fax: (818)688-3981
Written by: Michael Vadon # 10/22/2001 02:16 AM

For: American Commercial -
Adjuster: Penny Rondeau #

ESTIMATE OF RECORD

Insured: J. G. Trucking Claim # CL0630
Owner: J. G. Trucking Policy #
Address: 156 West 5th St Date of Loss: 07/27/2001
Watsonville, CA 95076 Type of Loss: Collision
Other: (831)724-6487 Point of Impact: 1. Right Front

Inspect 156 West 5th St Other: (831)724-6487
Location: Watsonville, CA 95076 HOME

Repair Days to Repair
Facility: License #

1993 OTHE Peterbilt Tractor Int:
VIN: 1XP5D89X5PD333107 Lic: Prod Date: Odometer:

NO.	OP.	DESCRIPTION	QTY	EXT.	PRICE	LABOR	PAINT
1#	Repl	Front bumper chrome	4		360.00	1.0	
2#	Repl	Hood Right Side Panel	1		284.88	8.5	3.3
3#	Repl	Right Fender	1		361.38	3.5	2.6
4#	Repl	Rt Step	1		93.08	0.5	
5#	Repl	Rt Shell	1		200.00	2.2	
6#	Repl	Signal Lamp	1		12.56	0.4	
7#	Repl	Fender Shield	1		52.00	0.3	
8#	Repl	Stripes/Logos	4		35.00	0.5	
9#	Repl	Headlight pod	1		223.00		
Subtotals ==>					1621.90	16.9	5.9

ESTIMATE OF RECORD

1993 OTHE Peterbilt Tractor Int:

Parts		1621.90
Body Labor	16.9 hrs @ \$ 65.00/hr	2098.50
Paint Labor	5.9 hrs @ \$ 65.00/hr	383.50
Paint Supplies	5.9 hrs @ \$ 22.00/hr	129.80

SUBTOTAL		\$ 3233.70
Sales Tax	\$ 1751.70 @ 7.0000%	122.62

TOTAL COST OF REPAIRS		\$ 3356.32
ADJUSTMENTS:		
Deductible		1000.00

TOTAL ADJUSTMENTS		\$ 1000.00
NET COST OF REPAIRS		\$ 2356.32

"ATTENTION VEHICLE OWNER AND REPAIR FACILITY"

"IT IS IMPORTANT AND ESSENTIAL TO READ THE FOLLOWING INFORMATION AND DISCLAIMER IN ITS ENTIRETY. THIS INFORMATION AND DISCLAIMER LIMITS S.C.A.'S, THE FIELD APPRAISER'S AND/OR THE INSURANCE CARRIER'S LIABILITY IN CERTAIN SITUATIONS."

"SUPPLEMENT PROCEDURE"

"(IT IS THE REPAIR FACILITY'S RESPONSIBILITY TO FOLLOW THIS SUPPLEMENT PROCEDURE. S.C.A. APPRAISAL COMPANY, THE INSURANCE CARRIER AND/OR THE FIELD APPRAISER WILL NOT BE HELD RESPONSIBLE FOR DELAYS CAUSED BY REPAIR FACILITIES THAT FAIL TO FOLLOW THIS PROCEDURE.)"

"1. REPAIR FACILITY IS TO PREPARE AND FAX A WRITTEN SUPPLEMENT, ALONG WITH ALL INVOICES, TO 818-688-3981."

"2. UPON RECEIPT OF THE WRITTEN SUPPLEMENT, THE FIELD APPRAISER WILL CONTACT THE REPAIR FACILITY AND REINSPECT THE VEHICLE."

ESTIMATE OF RECORD

1993 OTHE Peterbilt Tractor Int:

"3. THE FIELD APPRAISER WILL THEN APPROVE OR DENY ANY ADDITIONAL REPAIRS AND THEN FAX A WRITTEN SUPPLEMENT DIRECTLY TO THE REPAIR FACILITY. "

"4. THE REPAIR FACILITY SHOULD THEN FOLLOW UP WITH THE INSURANCE ADJUSTER, NOT THE FIELD APPRAISER, TO CONFIRM COVERAGE AND PAYMENT. "

"THE FIELD APPRAISER WILL NOT REINSPECT THE VEHICLE UNTIL HE IS IN RECEIPT OF THE WRITTEN SUPPLEMENT AND ALL NECESSARY DOCUMENTATION FROM THE REPAIR FACILITY. DOCUMENTATION IS TO INCLUDE ALL INVOICES AND RELATED PAPERWORK."

"IN ORDER TO SAVE TIME, THE REPAIR FACILITY SHOULD NOT CONTACT THE FIELD APPRAISER BY TELEPHONE; IF POSSIBLE. THE FIELD APPRAISER WILL CONTACT THE REPAIR FACILITY UPON RECEIPT OF THE WRITTEN SUPPLEMENT AND ALL APPLICABLE PAPERWORK. "

"A WRITTEN SUPPLEMENT SHOULD NOT BE CONSTRUED AS A GURANTEE OF PAYMENT AND IS SUBJECT TO BOTH S.C.A AND INSURANCE COMPANY ACCEPTANCE AND APPROVAL. IT IS ESSENTIAL TO CONTACT THE INSURANCE ADJUSTER OF THE APPLICABLE CARRIER TO VERIFY COVERAGE. "

"S.C.A. APPRAISAL COMPANY AND/OR THE FIELD APPRAISER IS NOT AN ENTITY OF THE INSURANCE CARRIER. SCA AND/OR THE FIELD APPRAISER ARE SEPERATE ENTITIES CONTRACTED BY THE INSURANCE CARRIER TO PERFORM AN APPRAISAL OF THE SPECIFIED VEHICLE. THE INSURANCE CARRIER HAS THE FINAL AND ULTIMATE AUTHORITY ON ALL MATTERS. S.C.A. APPRAISAL COMPANY AND/OR THE FIELD APPRAISER HAVE NO AUTHORITY ON THE PAYMENT OF THE SPECIFIED CLAIM AND CAN NOT CONFIRM OR DENY COVERAGE. "

* * * * *

"DO NOT REPAIR THIS VEHICLE UNTIL GUIDELINES ARE ACKNOWLEDGED AND ACCEPTED. "

"BY ACCEPTING THE REPAIR FROM THE OWNER OF THIS VEHICLE, THE SHOP MUST AGREE TO THE FOLLOWING GUIDELINES IF PAYMENT IS EXPECTED FROM THE INSURANCE COMPANY. THE SHOP HEARBY ACKNOWLEDGES THAT THE INSURANCE COMPANY AND/OR S.C.A. WILL NOT BE LIABLE FOR REPAIR COST EXCEEDING 70% OF THE VEHICLE'S ACTUAL CASH VALUE AND/OR UNAUTHORIZED SUPPLEMENTS. "

"UNDER CALIFORNIA BUREAU OF AUTOMOTIVE REPAIR LAWS, THE SHOP MUST PRESENT A

ESTIMATE OF RECORD

1993 OTHE Peterbilt Tractor Int:

WRITTEN ESTIMATE PRIOR TO STARTING REPAIRS OR ACCEPT THE INSURANCE APPRAISER'S ESTIMATE. THIS APPLYS TO SUPPLEMENTS AS WELL. THE SHOP MUST TEAR DOWN THE VEHICLE AND CALCULATE A SUPPLEMENT WHICH MUST BE AUTHORIZED IN WRITING BY THE APPRAISER BEFORE ANY WORK IS STARTED. "

"ESTIMATES AND/OR SUPPLEMENTS THAT EXCEED 70% OF THE VEHICLE'S ACTUAL CASH VALUE WILL DEEM THE VEHICLE A TOTAL LOSS WHICH IS THE LIMIT OF THE INSURANCE COMPANIES LIABILITY. S.C.A. WILL NOT BE HELD LIABLE FOR ANY REPAIR COST DUE TO THE FACT S.C.A. APPRAISAL IS NOT THE INSURER. THE REPAIR FACILITY MUST AGREE TO LIMIT AUTHORIZED REPAIR COST TO 70% OF THE VEHICLE'S ACTUAL CASH VALUE IF REPAIRED UNDER THIS CLAIM. "

* * * * *

"AVERAGE MARKET A.C.V. OF THIS VEHICLE - KELLEY HID BLUEBOOK"

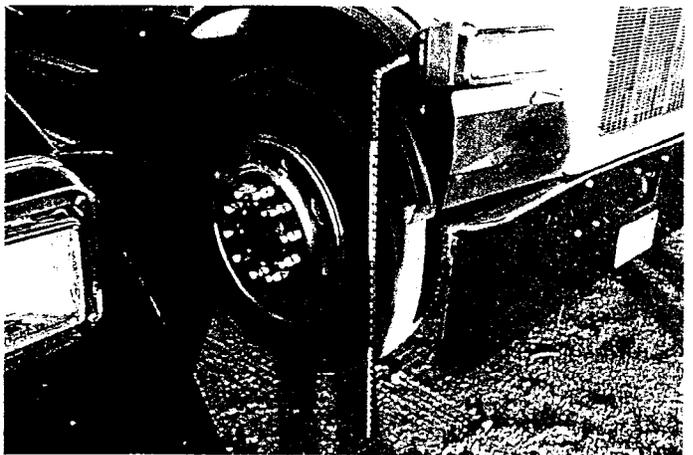
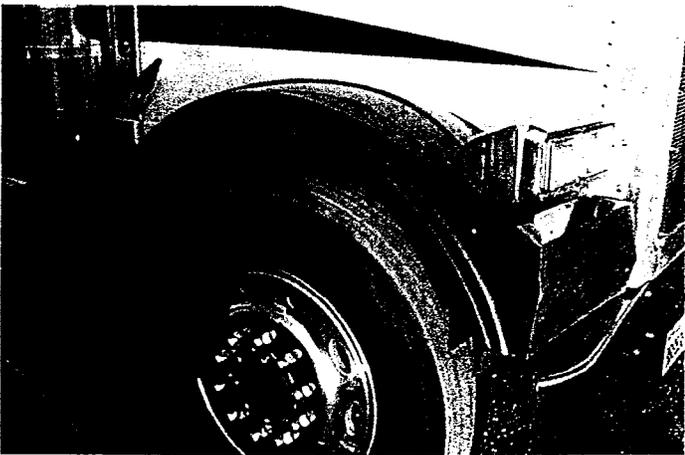
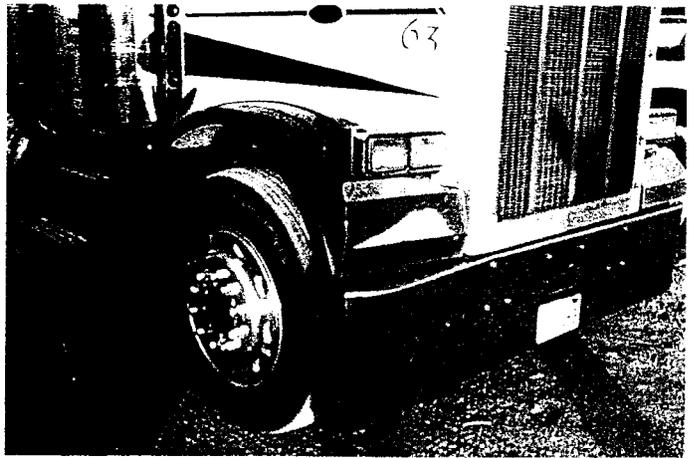
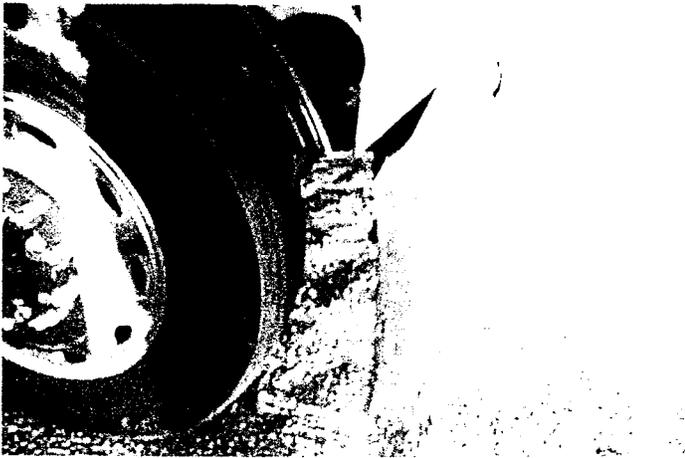
* * * * *

"THIS IS NOT AN AUTHORIZATION TO REPAIR OR A GUARANTEE OF PAYMENT. AUTHORIZATION FOR ANY REPAIR MUST CONE FROM THE VEHICLE OWNER. "

"ESTIMATE SUBJECT TO INSURANCE COMPANY AND/OR S.C.A. AUDIT AND APPROVAL. "

"NO SUPPLEMENTS WILL BE HONORED WITHOUT PRIOR"

Estimate based on MOTOR CRASH ESTIMATING GUIDE. Unless otherwise noted all items are derived from the Guide +CAR Database Pate / and the parts selected are OEM-parts manufactured by the vehicles Original EquipmentManufacturer. Asterisk (*) or DoubleAsterisk (**) indicates that the parts and/or labor information provided by MOTOR may have been modified or may have come from an alternate data source, #on-Original Equipment Manufacturer aftermarket parts are described as AH or QualRepl Parts. Used parts are described as LKQ, QualRecy Parts, RCY, or USED. Reconditioned parts are described as Recon. Recored parts are described as Recore. NAGS Part Numbers and Prices are provided from National Auto Glass Specifications, Inc. Pound sign (#) items indicate manual entries.



S.C.A. Appraisal Company

PO Box 1455
Burbank CA 91507

Phone 818-985-9199

Fax 818-985-9199

SCA NO CL0630

Adjuster Penny ROndeau

Owner J.G. Trucking

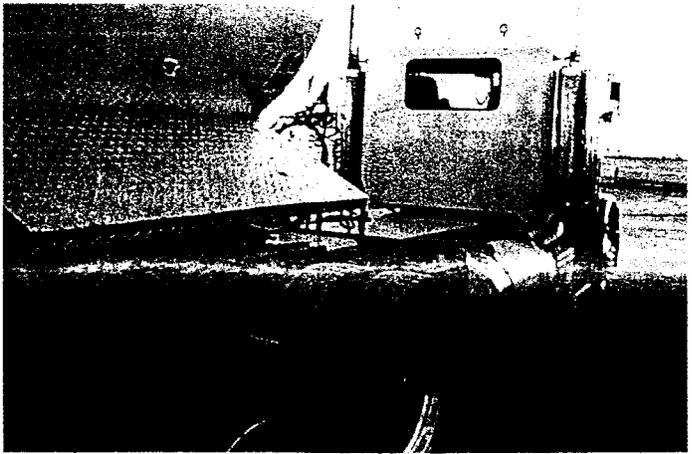
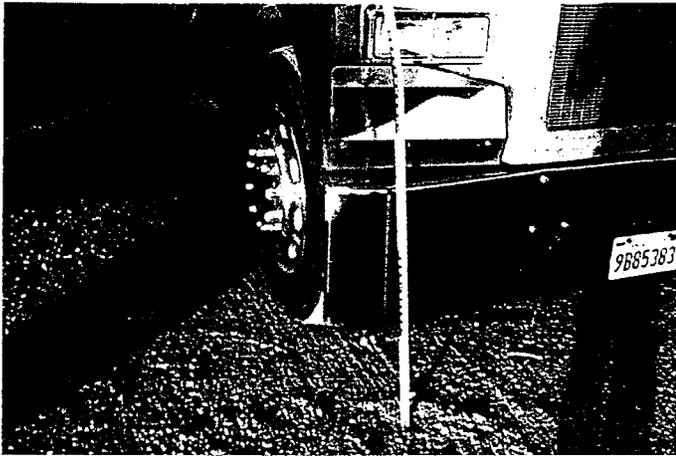
Appraiser Michael Vadon

D/Loss 7/27/0 1

SCA No 325898

Insured J.G Trucking

American Commercial



S.C.A. Appraisal Company

PO Box 1455
Burbank CA 91507

Phone 818-985-9199

Fax 818-985-9199

SCA NO CL0630

Adjuster Penny ROndeau

Owner J.G. Trucking

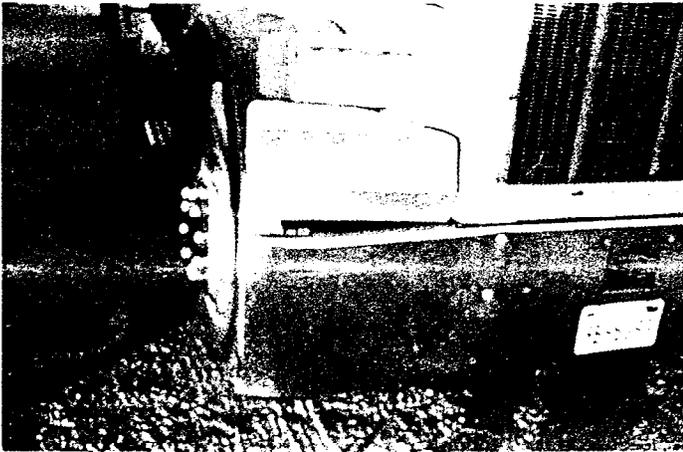
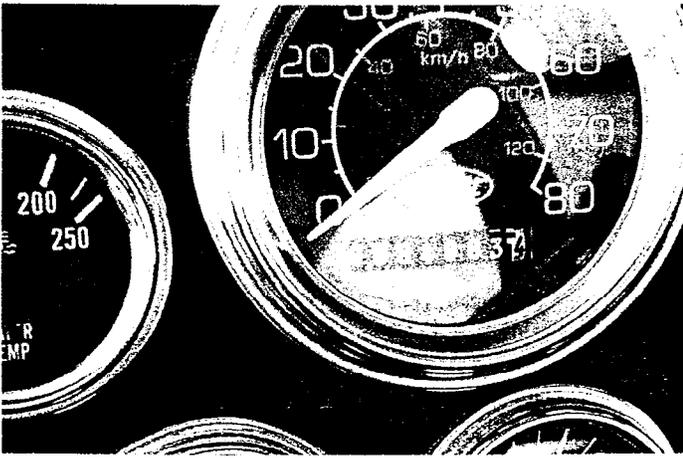
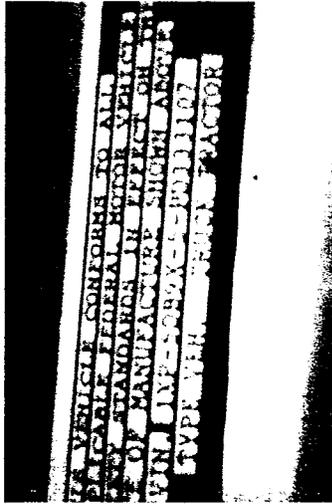
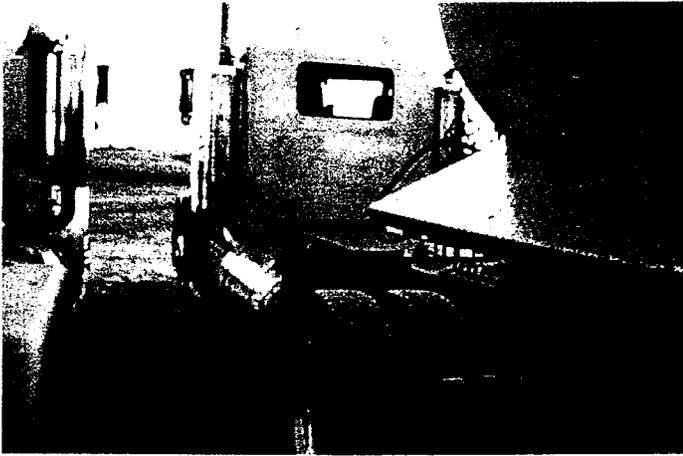
Appraiser Michael Vadon

D/Loss 7/27/0 1

SCA No 325898

Insured J.G Trucking

American Commercial



S.C.A. Appraisal Company

PO Box 1455
Burbank CA 91507

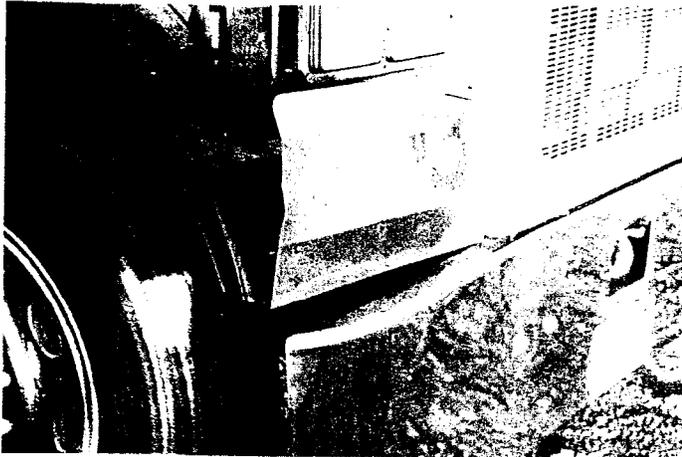
Phone 818-985-9199

Fax 818-985-9199

SCA NO CL0630
Owner J.G. Trucking
D/Loss 7/27/0 1
American Commercial

Adjuster Penny ROndeau
Appraiser Michael Vadon
SCA No 325898

insured J.G Trucking



S.C.A. Appraisal Company

PO Box 1455
Burbank CA 91507

Phone 818-985-9199

Fax 818-985-9199

SCA NO CL0630
Owner J.G. Trucking
D/Loss 7/27/01
American Commercial

Adjuster Penny RONdeau
Appraiser Michael Vadon
SCA No 325898

insured J.G Trucking

GOVERNMENT TORT CLAIM



RECOMMENDED ACTION

TO: Board of Directors

FROM: District Counsel

RE: Claim of: Nina Carlotta Received: 12/06/01 Claim #: 01-0034-
Date of Incident: 06/29/01 Occurrence Report No. : SC06-01-16

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

- 1. Deny the claim.
- 2. Deny the application to file a late claim.
- 3. Grant the application to file a late claim.
- 4. Reject the claim as untimely filed.
- 5. Reject the claim as insufficient.
- 6. Approve the claim in the amount of \$ and reject it as to the balance, if any.

By Margaret Gallagher
Margaret Gallagher
DISTRICT COUNSEL

Date: December 10, 2001

I, Dale Carr, do hereby attest that the above Claim was duly presented to and the recommendations were approved by the Santa Cruz Metropolitan Transit District's Board of Directors at the meeting of December 21, 2001.

Dale Carr
Recording Secretary

Date

MG/hp

CLAIM AGAINST THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
(Pursuant to Section 910 et Seq., Government Code)
Claim # 01-0034

TO: BOARD OF DIRECTORS, Santa Cruz Metropolitan Transit District

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

1. Claimant's Name: Nina Carlotta

Claimant's Address/Post Office Box: 1816 Via Pacifica, #2108
Aptos, CA 95003

Claimant's Phone Number: (831) 685-3101

2. Address to which notices are to be sent: Christopher A. Landis, Esq.
133 Mission St., Ste. 230, Santa Cruz, CA 95060

3. Occurrence: Malfunctioning doors on bus closed upon plaintiff
causing her to fall.

Date: 6-29-01 Time: unknown Place: Rio Del Mar

Circumstances of occurrence or transaction giving rise to claim: See Above

4. General description of indebtedness, obligation, injury, damage, or loss incurred so far as is known: Plaintiff sustained severe personal injuries including a full rupture of her right achilles tendon.

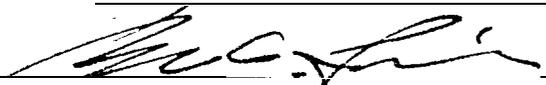
5. Name or names of public employees or employees causing injury, damage, or loss, if known:

6. Amount claimed now \$ 80,000.00

Estimated amount of future loss, if known \$ _____

TOTAL \$ 80,000.00

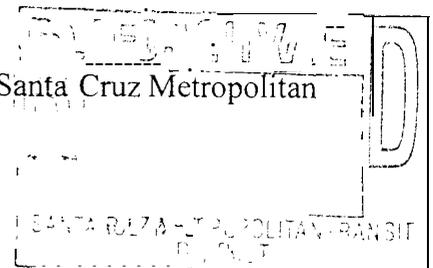
7. Basis of above computations: This is attorney's estimate of value of this claim at this time and is subject to change



/CLAIMANT'S SIGNATURE OR
COMPANY REPRESENTATIVE'S SIGNATURE OR
PARENT OF MINOR CLAIMANT'S SIGNATURE

December 3, 2001
DATE

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





GOVERNMENT TORT CLAIM

RECOMMENDED ACTION

TO: Board of Directors
FROM: District Counsel
RE: Claim of: Kathleen Smith Received: 11/01/01 Claim #: 01-0031
Date of Incident: 06/02/01 Occurrence Report No.: SC 06-01-01

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

- 1. Deny the claim.
- 2. Deny the application to file a late claim.
- 3. Grant the application to file a late claim.
- 4. Reject the claim as untimely filed.
- 5. Reject the claim as insufficient.
- 6. Approve the claim in the amount of \$ and reject it as to the balance, if any.

BY Margaret Gallagher Date: December 10, 2001
Margaret Gallagher
DISTRICT COUNSEL

I, Dale Carr, do hereby attest that the above Claim was duly presented to and the recommendations were approved by the Santa Cruz Metropolitan Transit District's Board of Directors at the meeting of December 21, 2001.

Dale Carr
Recording Secretary

Date

MG/hp

LAW OFFICES
FRIEDLAND, FARLING & HECHT

ATTORNEYS AND COUNSELORS AT LAW

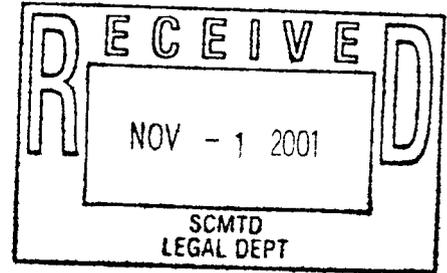
95 SOUTH MARKET STREET
SUITE 640
SAN JOSE, CALIFORNIA 95113

TELEPHONE (408) 297-5300
FAX (408) 297-0900

426 14TH STREET
SUITE 213
MODESTO, CA 95354
TELEPHONE (209) 575-3300

ALEX FRIEDLAND, INC.
A PROFESSIONAL CORPORATION
DAVID J. FARLING
ROGER D. HECHT

TODD KAMBER DAVIS
MANUEL RIVAS, JR.
SCOTT G LYON



October 26, 2001

Margaret Gallagher, Esq.
District Counsel
Santa Cruz Metropolitan Transit District
370 Encinal Street, Suite 100
Santa Cruz, CA 95060

Re: The Claim of Kathleen Smith
Date of Injury : June 2, 2001
Your File No. : SC06-01-01

Dear Ms. Gallagher:

As I advised you in our recent phone conversation, enclosed herewith please find a Government Tort Claim submitted on behalf of Kathleen Smith, by and through her mother and Guardian Ad Litem, Peggy Smith. As I advised you, I will not be representing the Smiths in connection with this claim, but have taken the liberty of assisting them and preparing the Government Tort Claim to preserve the applicable six month statute. All further notices and communication should be directed to the Smiths directly at the information provided in the claim.

Thank you for your anticipated courtesies and cooperation with respect to this matter

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Hecht".

ROGER D. HECHT
Attorney at Law

RDH/tnz
Enclosure

1 Kathleen Smith, a minor
2 by and through her Guardian,
3 Peggy Smith
4 784 Northridge Shopping Center, #215
5 Salinas, CA 93906
6
7

8 IN THE MATTER OF THE CLAIM)
9 OF Kathleen Smith, a minor,) CLAIM FOR DAMAGES
10 by and through her Guardian)
11 ad Litem, Peggy Smith) AGAINST PUBLIC ENTITY
12)
13 Claimant,)
14) (GOVERNMENT CODE SECTIONS
15) 905, 910, 910.2)
16)
17)
18)
19)
20)
21)
22)
23)
24)
25)
26)
27)
28)

15 TO: THE CITY OF SANTA CRUZ, THE COUNTY OF SANTA CRUZ and the
16 SANTA CRUZ METROPOLITAN TRANSIT DISTRICT:

17 Kathleen Smith, a minor, by and through her Guardian Ad Litem,
18 Peggy Smith, hereby makes a claim against the above referenced
19 public entities, and in support thereof, makes the following
20 statements:

21 i. Claimant's Post Office address is 784 Northridge Shopping
22 Center, #215, Salinas, CA 93906.

23 2. All notices concerning this claim should be sent to PEGGY
24 SMITH, on behalf of her daughter, Kathleen, the minor claimant
25 herein, at the above referenced address.

26 3. The dates and place of the occurrence giving rise to this
27 claim are as follows: June 2, 2001, at approximately 1:00 p.m.,
28 while the claimant was disembarking from bus number 9837 on route

1 69, at the Capitola Mall. The public entities referenced herein,
2 owned, operated, managed, controlled and supervised the bus in
3 question, as well as the district's overall transit operations.

4 4. The circumstances giving rise to this claim are as
5 follows:

6 At the above time and place, the minor claimant was
7 disembarking through the rear doors of bus number 9837 which had
8 stopped at the Capitola Mall. The rear doors on said coach were
9 defective in both their design and their operation, insofar as when
10 operated manually by disembarking passengers, they malfunctioned,
11 and suddenly, and unexpectedly, swung back upon the minor claimant,
12 trapping her ankle, causing her to fall forward off the bus and
13 land on the pavement below. As a result of the negligence of the
14 entities and the manner in which they designed, constructed,
15 maintained and operated the bus in question, the plaintiff
16 sustained serious personal injuries including a fractured ankle.
17 The bus in question and the condition of the doors described herein
18 posed a dangerous and defective condition, which created a hazard
19 that a reasonably prudent person exercising due care could not
20 anticipate under the circumstances surrounding claimant's fall.

21 The dangerous condition of the bus and its rear doors as
22 described herein existed, despite the fact that the aforementioned
23 public entities had actual and/or constructive notice of the
24 problems and dangers associated with the use and operations of the
25 rear doors on the coach in question. The public entities and the
26 district referenced herein neglected to warn citizens utilizing its
27 bus of the dangers and defects posed by the rear doors on the coach
28 in question. The aforementioned public entities were under a duty

1 to maintain, inspect, repair, and operate the coach in question to
2 ensure the safety of the passengers riding the bus, and as a direct
3 and proximate result of their failure to fulfill said duties, the
4 minor claimant was injured by the doors when she was disembarking,
5 thereby resulting in severe personal injuries, emotional distress,
6 and pain and suffering.

7 As a proximate result of the negligence of the aforementioned
8 public entities identified herein, the minor claimant was hurt and
9 injured in her health, strength and activity, sustaining severe and
10 serious injury to her body and shock and injury to her nervous
11 system and person, all of which have caused and continue to cause
12 the claimant great mental, physical, emotional and nervous pain and
13 suffering. As a result of such injuries, the claimant has suffered
14 general and special damages relating to medical care she underwent
15 and is currently undergoing.

16 The amount of this claim exceeds \$10,000.00 and would exceed
17 the minimum jurisdictional amount of the Superior Court of Santa
18 Cruz County.

19
20 DATED: *October 25, 2001*

21
22 BY: *Peggy Smith*, guardian for
KATHLEEN SMITH, by and
23 Through her Guardian Ad
Litem, Peggy Smith *Kathleen Smith*
24
25
26
27
28

METRO ACCESSIBLE SERVICES TRANSIT FORUM (MASTF)*

(* An official Advisory group to the Metro Board of Directors
and the ADA Paratransit Program)

MINUTES

The Metro Accessible Services Transit Forum met for its monthly meeting on November 15, 2001 in Room 223 of the University Town Center, 1101 Pacific Avenue, Santa Cruz CA.

MASTF MEMBERS PRESENT: April Axton, Sharon Barbour, Ted Chatterton, Michael Doern, Michael Edwards, Glen Eldred, Kasandra Fox, Michelle Hinkle, Ed Kramer, Deborah Lane, Thom Onan, Pop Papadopulo, Camilla Shaffer and Patricia Spence.

METRO STAFF PRESENT:

John Aspesi, Fleet Maintenance Department Supervisor
Bryant Baehr, Operations Department Manager
Kim Chin, Planning and Marketing Department Manager
A. John Daugherty, Accessible Services Coordinator
David Konno, Facilities Maintenance Department Manager

BOARD MEMBERS PRESENT:

Michelle Hinkle

***** MASTF MOTIONS RELATED TO THE METRO BOARD OF DIRECTORS**

None.

RELEVANT ATTACHMENTS: None.

***MASTF MOTIONS RELATED TO METRO MANAGEMENT**

None.

I. CALL TO ORDER AND INTRODUCTIONS

Chairperson Kasandra Fox called the meeting to order at 2:06 p.m.

II. APPROVAL OF THE OCTOBER 18, 2001 MASTF MINUTES

MASTF Motion: That the October 18, 2001 MASTF Minutes be approved as submitted.

M/S/PU: Lane, Papadopulo

III. AMENDMENTS TO THE AGENDA

Deborah Lane reported that the MASTF Executive Committee had deleted the "Prioritization of MASTF Projects" Agenda item from Ongoing Business. She noted that the item was tabled until next year.

IV. ORAL COMMUNICATION AND CORRESPONDENCE

Ms. Fox shared two announcements: First, she noted that she had designed a new border for MASTF Certificates of Appreciation. A sample copy was circulated. Second, she noted that today was her last day as Chairperson. She thanked people for their participation over the last year.

John Daugherty shared the following correspondence and items of interest:

- 1) MASTF had received a copy of a letter from bus rider Whitney Bowman to David Konno. The letter (Attachment A) requests a new bus stop in the Boardwalk area.
- 2) The MASTF Executive Committee sent a follow up letter to Ofelia Gomez after they discussed issues surrounding her concerns with Bryant Baehr last week. Mr. Daugherty read the letter (Attachment B) aloud to the group.
- 3) Mr. Daugherty shared that one page was missing from the *Good Times* articles included in the meeting packet for this month. He noted that he had copies of the missing page available upon request.
- 4) He noted that Ms. Fox and Ms. Lane had attended the public unveiling of the *Alive Again* mural last month. This mural was inspired by the stories of residents of Pleasant Care, who were honored with City of Santa Cruz proclamations. This public event was described in a news article (Attachment C) that was circulated to the group.
- 5) He shared that METRO had just received public notice about a neighborhood meeting to discuss a planned bike and pedestrian bridge over the San Lorenzo River. The meeting, sponsored by the City of Santa Cruz Public Works Department, is set for next Monday, October 19th.

Kim Chin shared several announcements:

- 1) On behalf of the staff of METRO, Mr. Chin thanked Ms. Fox for her leadership during the last year. He noted that she had helped METRO during completion of several projects, including the audit of paratransit service and plans for recertification. He noted that staff looked forward to working with Ms. Fox in the year ahead.
- 2) He relayed a message to the group from Karena Pushnik. Ms. Pushnik announced that State Assemblyman Fred Keeley would speak during the Elderly and Disabled Transportation Advisory Committee (E&D TAC) meeting on December 11, 2001. Ms. Pushnik offered to forward comments and questions to Mr. Keeley. Mr. Chin noted that Mr. Keeley would be present at meeting, which is open to the public, at 2:30 p.m.

Note: Ms. Pushnik can be reached at the Santa Cruz County Regional Transportation Commission (SCCRTC) offices at 460-3210. She forwarded a public invitation (Attachment D) to MASTF after the meeting.

- 3) Mr. Chin reported that a Request For Proposal (RFP) for the next primary contractor for METRO paratransit services has "hit the street." He noted that the METRO Board could have a recommendation to review during January.

- 4) He also reported that work to acquire software to assist with recertification of paratransit customers was progressing.
- 5) He invited MASTF to send one or two representatives as part of the two-day evaluation for candidates for the Paratransit Administrator position. The representatives would participate in a “meet the community” session during Friday November 30, 2001. He asked the group (or the Executive Committee) to notify him on the selection of representatives.

Thom Onan offered the following statement:

“Thank you. My name is Thom Onan and I’m the paratransit advocate (for) MASTF.

“And you may remember last month I made some oral communications regarding the previous month’s Motion that MASTF passed. The comments I made, I was informed I had bothered several members of MASTF. And I want to apologize for that. I have no intention of offending any people participating in MASTF.

“I feel, and CCCIL feels, the highest regard for MASTF. We feel MASTF is really (a) very effective advocate in the community. So I want to extend my apologies for any misunderstanding I may have caused by my comments about the Motion procedure.

“That being said, I do want to also reiterate the importance I feel we, as members of MASTF, should look at our voting procedures. Thank you.”

Michael Doern described and then drew on the whiteboard his suggestion for improving the weekend Route 61. He asked that consideration be given to change the routing slightly so that the bus passes by the posted bus stops at the Pleasant Care facility. He shared that he has a friend living at Pleasant Care who would enjoy the weekend bus service to Capitola Mall, the Flea Market and other destinations.

Pat Spence announced that Mark Hartunian has resigned as director of the Consolidated Transportation Services Agency (CTSA). She noted that he has accepted a position in the District Attorney’s office. She suggested that MASTF support Deana Davidson, acting CTSA director. Ms. Fox shared that she was working on a letter of appreciation for Mr. Hartunian.

V. ONGOING BUSINESS

5.1 Status of Ridership Survey and Prioritization of Changes for Watsonville Bus Service

Mr. Chin reported that the City of Watsonville is establishing a growth boundary around city limits. He noted that METRO is looking forward to working together with City government as a new planning process is developed.

5.2 Discussion of Possible Changes to Transit Center at Capitola Mall – Action Item

Mr. Chin reported that surveyors hired by METRO have completed their evaluation of the existing transit center at Capitola Mall. He noted that METRO forwarded the complete evaluation – including the consultant’s recommendation to develop a path of travel between the transit center and the nearest entrance to *Sears* – to the City of Capitola. The City of Capitola forwarded the evaluation to Mall

Management in a letter. The City awaits a response from Mall Management to the letter. Mr. Chin shared that METRO will keep MASTF apprised of developments. In response to questions from Mr. Doern, he said that the location of the transit center and bus access to the Mall would remain the same for now.

5.3 Progress on Call Stop Committee Recommendations (Bryant Baehr)

Bryant Baehr reported that the METRO Board would review proposals tomorrow at their meeting in Watsonville:

- 1) Specifications for the Talking Bus system. With Board approval of specifications, METRO could get prices for equipment to be bid upon.
- 2) Options on how to monitor Americans with Disabilities Act (ADA) compliance with Call Stops. Mr. Baehr described the three options:
 - Customer Service Reports
 - Passengers trained to monitor compliance
 - Use of a national or local private investigation firm

Mr. Baehr also reported that Call Stop refresher training would begin for bus operators on December 3rd. He estimated that the training would include 95% to 98% of METRO bus operators and that the training would wrap up on December 12th.

5.4 Announcement of Recipients of December 2001 MASTF Certificates of Appreciation (Kasandra Fox)

Ms. Fox announced that the following groups and individuals were selected by the Executive Committee to receive Certificates during the MASTF meeting and festivities on Thursday December 20, 2001:

- **Group Award (Several Certificates): Participants and Sponsors of the Living the Paratransit Experience**
- **Group Award (One Certificate): ADA Paratransit/ParaCruz drivers employed by Courtesy Cab Company**
- **Dennis Baldwin, METRO Bus Operator**
- **Kim Chin, METRO Manager of Planning and Marketing**
- **Andy Hill, METRO Bus Operator**

- **Ed Kramer, MASTF Member**
- **Liz Sparks, Central Coast Center for Independent Living (CCCIL)**
- **Patricia Spence, MASTF Member**

VI NEW BUSINESS

6.1 Nomination and Election of December 2001 – November 2002 MASTF Executive Committee Officers (John Daugherty)

Mr. Daugherty facilitated the election process for the December 2001 – November 2002 MASTF Executive Committee. He read the job descriptions for each position contained in the MASTF By Laws.

One nomination was made, seconded and accepted (M/S/A) for each position. By acclamation, the MASTF Executive Committee members for December 2001 through November 2002 are:

Chairperson: Deborah Lane

M/S/A: Fox, Kramer

Vice Chairperson: Sharon Barbour

M/S/A: Lane, Fox

Bus Stop Improvement Committee Chairperson: Ed Kramer

M/S/A: Lane, Fox

Bus Services Committee Chairperson: Kasandra Fox

M/S/A: Lane, Papadopulo

Training and Procedures Committee Chairperson: Pop Papadopulo

M/S/A: Edwards, Fox

Paratransit Services Committee Chairperson: Pat Spence

M/S/A: Kramer, Papadopulo

MASTF COMMITTEE REPORTS

6.2 Training and Procedures Committee Report (Pop Papadopulo)

Pop Papadopulo reported that Call Stop refresher training for bus operators would occur during December.

6.3 Bus Service Committee Report (Sharon Barbour)

Mr. Baehr reported that the Metro Users Group (MUG) approved Motions on two aspects of ADA Call Stop compliance yesterday: First, MUG recommended that the Call Stop refresher training for bus operators be emphasized and completed. Second, MUG recommended that METRO investigate the use of cameras and audio equipment inside buses to monitor ADA Call Stop compliance.

a) Bus Service Congestion at Cabrillo College

Mr. Baehr reported that METRO had received one customer write up about a situation METRO is aware of: the back up of bus service between Cabrillo College and Santa Cruz during weekday afternoons. He explained that the effect of the back up for passengers peaks between 1:50 p.m. and 3:30 p.m. on

weekdays. He noted that METRO is looking for available resources to meet passenger demand. He pointed out that the METRO Board had closed a \$1, 400, 000 “hole” in the budget last month. He shared that routes would be evaluated to see what resources are available.

6.4 Bus Stop Improvement Committee Report (Pop Papadopulo)

David Konno reported that the Bus Stop Advisory Committee (BSAC) is working to follow up on requests from the METRO Board made during August. Those requests, that concerned the status of bus shelters, included:

- Possible deployment of additional trash cans at bus shelters
- Possible partnership with other agencies (such as the Skills Center and County Probation Department) to assist with bus stop and shelter maintenance
- Possible new specifications for bus shelters that would include metal frame and one clear panel
- The need for a trailer mounted steam cleaner to assist shelter maintenance

Ms. Lane asked Mr. Konno if a new color scheme for bus shelters had been chosen. Mr. Konno responded that the best opportunity to reconsider the color scheme would occur when the contract for shelters is rebid. Ms. Spence asked what process is used to determine where shelters are located. She noted that bus access at new developments is important. Mr. Chin responded that METRO is open to input from MASTF and other groups and individuals. He noted that letters and petitions are helpful to METRO when bus stop and shelter locations are chosen.

6.5 Paratransit Services Committee Report (Pat Spence)

Ms. Spence reported:

- 1) That she, Mr. Daugherty and Mr. Chin had presented information on paratransit to an advanced class at the Cabrillo College Stroke Center on October 29th. She noted that the information appeared to be well received. She believed that more time for the session would have been beneficial.
- 2) She has started work on a project to identify where the funding comes from for various specialized transportation programs. She noted that April Axton might be able to assist her.
- 3) She offered thanks to METRO staff and MASTF members who helped the Living the Paratransit Experience project. She noted that the decisions on whether to repeat the program, and at which intervals to carry it out, was still being discussed.

OTHER REPORTS

6.6 Paratransit Update

a) ADA Paratransit Update

Ms. Axton reported that Lift Line has received two new vehicles for service. She added that Lift Line had just been notified that five additional vehicles had been approved for State grant funding. She also noted that she looks forward to working with Ms. Spence and Deana Davidson, the new CTSA director.

b) Transportation Advocacy (Thom Onan)

Mr. Onan reported that he has received no phone calls this month. Ms. Spence asked what the process is that Mr. Onan follows when he receives a phone call. Mr. Onan responded that he fills out a form after a call is received. An electronic copy of the form (attached to email) is sent to Lift Line. Lift Line staff investigate and then respond to the person who made the phone call. Mr. Onan is sent a copy of the response to the caller.

6.7 U.T.U. Report

6.8 S.E.I.U. Report

No reports on these two items.

6.9 Next Month's Agenda Items

Ms. Fox noted that "our most joyous meeting of the year" happens in December. She noted that the meeting Agenda is short. Ms. Lane asked that persons interested in joining the First Night parade on December 31st – possibly to celebrate public transit -- contact her after the meeting. Mr. Onan requested that the topics quorum and voting procedures be placed on the January 2002 MASTF Agenda.

VII ADJOURNMENT

Ms. Fox adjourned the meeting at 3:25 p.m.

Respectfully submitted by: A. John Daugherty, Accessible Services Coordinator

NOTE: NEXT MASTF MEETING IS: Thursday December 20, 2001 from 2:00-4:00 p.m., in Room 223 of the University Town Center, 1101 Pacific Avenue, Santa Cruz, CA.

NOTE: NEXT S.C.M.T.D. BOARD OF DIRECTORS MEETING IS: Friday December 14, 2001 at 9:00 a.m. at the S.C.M.T.D. Administrative Offices, 370 Encinal Street, Santa Cruz, CA.

NOTE: THE FOLLOWING S.C.M.T.D. BOARD OF DIRECTORS MEETING IS: Friday December 21, 2001 at 9:00 a.m. at the Santa Cruz City Council Chambers, 809 Center Street, Santa Cruz, CA.

Santa Cruz Metropolitan Transit District

Minutes-Metro Users Group

November 14, 2001

The Santa Cruz Metropolitan Transit District Metro Users Group met at 2:43 p.m., Wednesday, November 14, 2001, at the District's Encinal Conference Room, 370 Encinal Street, Suite 100, Santa Cruz.

MEMBERS PRESENT

Bruce Gabriel, Chair
G. Ted Chatterton, Transit User
Michelle Hinkle, Alternate Board Member
Carolyn O'Donnell, SC TMA
Barbara Schaller, Seniors Council

VISITORS PRESENT

SCMTD STAFF PRESENT

John Aspesi, Fleet Maint. Supervisor
Bryant Baehr, Operations Manager
Kim Chin, Planning & Marketing Mgr.
David Konno, Fac. Maint. Manager

MUG MOTIONS TO METRO BOARD OF DIRECTORS

1. MUG RECOMMENDS THAT THE BOARD PURSUE BUS OPERATOR CALL STOP TRAINING NOW AND INVESTIGATE CD-ROM MONITORING SYSTEMS FOR THE FUTURE.
 2. MUG URGES THE BOARD TO MOVE FORWARD WITH THE HWY 17 FARE INCREASES.
-

MUG MOTIONS TO METRO MANAGEMENT

None.

1. **CALL TO ORDER AND INTRODUCTION**
2. **ORAL AND WRITTEN COMMUNICATIONS AND ANNOUNCEMENTS**

3. ADDITIONS AND DELETIONS TO THE AGENDA

None.

4. CONSENT AGENDA

- a) Receive and Accept October Meeting Minutes
- b) Monthly Attendance Report
- c) Minutes of Board of Directors Meeting
- d) Monthly Ridership Report for October

ACTION: MOTION: Carolyn O'Donnell SECOND: Michelle Hinkle

APPROVE CONSENT AGENDA

Motion passed unanimously.

5. ON-GOING ITEMS

5a) Review of Current Board Agenda Items

- 1. The committee discussed the fact that bus operators do not call out stops consistently. Concern was expressed that operators may not be aware that this is a federal law and that they don't have a choice about whether or not to call the stops. Bryant Baehr reported that the Operations department would be receiving training on December 2-12, 2001 regarding ADA call stop announcements and the law. Different methods of monitoring calls stops were discussed including on board CD-Rom monitoring systems. These record both audio and visual and would be useful in the event of a claim against the District.

ACTION: MOTION: Barbie Schaller SECOND: Michelle Hinkle

MUG RECOMMENDS THAT THE BOARD PURSUE BUS OPERATOR CALL STOP TRAINING NOW AND INVESTIGATE CD-ROM MONITORING SYSTEMS FOR THE FUTURE.

Motion passed unanimously.

2. Bryant Baehr reported that the Board would decide this month whether or not to proceed with the process of increasing the Hwy 17 fare structure. Hwy 17 fares have not changed since 1993, while costs including fuel, wages, insurance and maintenance have gone up. Kim Chin listed several ways for the public to comment on this issue:

- ❖ Log onto Hwy17@scmtd.com
- ❖ Attend Public Hearings on November 28 (11:30-1:30 p.m. at SJSU; 7-8:00 p.m. at Santa Cruz City Council).
- ❖ Write to the District's General Manager
- ❖ Attend the Board Meeting on December 21, 2001.

Implementing the increased fares to coincide with the introduction of the new buses was discussed. To avoid confusion, the committee decided that if the fare increase is implemented, it should not be put off another 9-12 months when the new buses are expected to arrive.

ACTION: MOTION: Ted Chatterton SECOND: Barbie Schaller

MUG URGES THE BOARD TO MOVE FORWARD WITH THE HWY 17 FARE INCREASES

Motion passed unanimously

The following items were taken out of order as follows:

7. NEW BUSINESS

7d) Bus Operator Award

Chair Bruce Gabriel explained that MUG presents awards to people that the committee feels have gone above and beyond their duty. It was proposed that Bus Operator Lisa Vercauteren be presented a MUG award at next month's meeting for her extraordinary efforts displayed when she ran down the street to return a bracelet to a passenger who had dropped it on the bus.

ACTION: MOTION: Michelle Hinkle SECOND: Barbie Schaller

MUG WISHES TO ACKNOWLEDGE BUS OPERATOR LISA VERCAUTEREN WITH A MUG AWARD AT NEXT MONTH'S MUG MEETING.

Motion passed unanimously.

7b) Members in MUG

Nothing to report

7c) Capitola Mall

Kim Chin reported that the City of Capitola has written to Capitola Mall Management and is awaiting a response regarding the needed accessibility improvements at the Mall Transit Center.

7e) Bikes on Buses

This item was moved to next month's agenda.

6. UPDATES

6a) Paratransit Issues

Kim Chin reported that the deadline for the Paratransit operations RFP is Nov 30, 2001. Staff expects to be able to present the chosen contractor to MUG and MASTF for approval in January 2002, prior to the Board taking action.

Kim Chin announced that Mark Hartunian is no longer with Community Bridges and Dena Davidson is his replacement in the interim.

Mr. Chin reported that interviews for the District's Paratransit Administrator position will be conducted November 29-30, 2001 and that part of the evaluation includes the candidate meeting the community. MUG was invited to send one or more representatives to meet with the applicants and the committee decided that Barbie Schaller would do this. This will be conducted on the morning of Friday, November 30, 2001.

Mr. Chin also reported that the RFP for Paratransit certification software was released on November 12, 2001 and is expected to be completed December 12, 2001. Once the certification software RFP is closed, the eligibility determination RFP will be released.

6b) Bus Stop Signs

Nothing to report

6c) MetroBase

Nothing to report

9. **ADJOURNMENT**

Chair adjourned the meeting at 3:29 p.m.

Respectfully submitted,

Cindi Thomas
Administrative Secretary

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: December 21, 2001
TO: Board of Directors
FROM: Elisabeth Ross, Finance Manager
SUBJECT: MONTHLY BUDGET STATUS REPORT FOR OCTOBER 2001, AND APPROVAL OF BUDGET TRANSFERS

I. RECOMMENDED ACTION

Staff recommends that the Board of Directors approve the budget transfers for the period of November 1 - 30, 2001.

II. SUMMARY OF ISSUES

- Operating revenue for the year to date totals \$9,476,320 or \$11,435 under the amount of revenue expected to be received during the first four months of the fiscal year, based on the budget revised in October.
- Total operating expenses for the year to date, in the amount of \$8,971,022, are at 28.4% of the revised budget, with 33.3% of the year elapsed.
- A total of \$1,059,800 has been expended through October 31st for the FY 01-02 Capital Improvement Program.

III. DISCUSSION

An analysis of the District's budget status is prepared monthly in order to apprise the Board of Directors of the District's actual revenues and expenses in relation to the adopted operating and capital budgets for the fiscal year. The attached monthly revenue and expense report represents the status of the District's FY 01-02 budget as of October 31, 2001. The fiscal year is 33.3% elapsed.

A. Operating Revenues

Revenues are \$11,435 or 0.1% under the amount projected to be received for the period. Variances are explained in the notes following the report.

B. Operating Expenses

Day to day operating expenses for the year to date (excluding grant-funded programs, capital transfers and pass-through programs) total \$8,971,022 or 28.4% of the revised budget, with 33.3% of the year elapsed. Variances are explained in the notes following the report.

C. Capital Improvement Program

For the year to date, a total of \$1,059,800 has been expended on the Capital Improvement Program. The largest expenditure to date is for the Engine Repower Project in the amount of \$766,915.

IV. FINANCIAL CONSIDERATIONS

Approval of the budget transfers will increase some line item expenses and decrease others. Overall, the changes are expense-neutral.

V. ATTACHMENTS

Attachment A: Revenue and Expense Report for October 2001, and Budget Transfers

MONTHLY REVENUE AND EXPENSE REPORT
OPERATING REVENUE - OCTOBER 2001

Operating Revenue	FY 01-02 Budgeted for Month	FY 01-02 Actual for Month	FY 01-02 Budgeted YTD	FY 00-01 Actual YTD	FY 01-02 Actual YTD	YTD Variance from Budgeted
Passenger Fares	\$ 286,192	\$ 293,121	\$ 1,139,176	\$ 1,106,664	\$ 1,113,143	\$ (26,033)
Paratransit Fares	\$ 19,515	\$ 17,268	\$ 59,290	\$ 52,628	\$ 54,060	\$ (5,230)
Special Transit Fares	\$ 231,552	\$ 229,344	\$ 1,178,220	\$ 454,917	\$ 477,003	\$ (1,217)
Highway 17 Revenue	\$ 80,446	\$ 81,554	\$ 294,255	\$ 285,895	\$ 296,162	\$ 1,907
Subtotal Passenger Rev	\$ 617,705	\$ 621,287	\$ 1,970,941	\$ 1,900,104	\$ 1,940,368	\$ (30,573) See Note 1
Advertising Income	\$ 14,000	\$ 14,000	\$ 56,000	\$ 48,000	\$ 56,000	\$ -
Other Aux Transp Rev	\$ 1,000	\$ 1,148	\$ 4,000	\$ 4,323	\$ 4,060	\$ 60
Rent Income	\$ 10,666	\$ 9,233	\$ 44,585	\$ 41,197	\$ 44,984	\$ 399
Interest - General Fund	\$ 76,778	\$ 76,336	\$ 343,859	\$ 420,532	\$ 343,416	\$ (443) See Note 2
Non-Transportation Rev	\$ 150	\$ 38,283	\$ 600	\$ 1,246	\$ 50,294	\$ 49,694 See Note 3
Sales Tax Income	\$ 1,117,400	\$ 1,117,400	\$ 5,089,627	\$ 5,040,909	\$ 5,089,627	\$ -
TDA Funds	\$ -	\$ -	\$ 1,441,957	\$ 1,249,303	\$ 1,441,957	\$ -
MBUAPCD Funding						
Other Local Funding	\$ -		\$ -			\$ -
State Guideway Funding	\$ -		\$ -			\$ -
Other State Funding						
FTA Op Asst - Sec 5303	\$ -		\$ -			\$ -
FTA Op Asst - Sec 5307	\$ -	\$ -	\$ 505,614		\$ 505,614	\$ -
FTA 00 Asst - Sec 5311	\$ -		\$ -			\$ -
Other Federal Grants						
Other Revenue						
Total Operating Revenue	\$ 1,837,699	\$ 1,877,687	\$ 9,457,182	\$ 8,705,614	\$ 9,476,320	\$ (11,435)

MONTHLY REVENUE AND EXPENSE REPORT
OPERATING EXPENSE SUMMARY - OCTOBER 2001

	FY 01-02 Final Budget	FY 01-02 Revised Budget	FY 00-01 Expended YTD	FY 01-02 Expended YTD	Percent Expended of Budget
PERSONNEL ACCOUNTS					
Administration	\$ 590,330	\$ 579,830	\$ 160,742	\$ 170,220	29.4%
Finance	\$ 544,423	\$ 526,355	\$ 144,000	\$ 155,757	29.6%
Planning & Marketing	\$ 928,464	\$ 913,943	\$ 222,393	\$ 260,083	28.5%
Human Resources	\$ 472,659	\$ 406,363	\$ 149,920	\$ 104,692	25.8%
Information Technoloav	\$ 355,728	\$ 347,835	\$ 98,778	\$ 110,556	31.8%
District Counsel	\$ 317,568	\$ 310,813	\$ 57,988	\$ 87,392	28.1%
Facilities Maintenance	\$ 1,033,696	\$ 1,023,346	\$ 273,089	\$ 305,575	29.9%
Paratransit Program	\$ 147,345	\$ 99,009	\$ -	\$ -	0.0% See Note 4
Operations	\$ 1,883,433	\$ 1,875,694	\$ 521,769	\$ 576,958	30.8%
Bus Operators	\$ 11,273,632	\$ 11,475,732	\$ 3,235,493	\$ 3,603,130	31.4%
Fleet Maintenance	\$ 3,883,760	\$ 3,869,434	\$ 944,579	\$ 1,106,486	28.6%
Retired Employees Benefits	\$ 433,892	\$ 433,892	\$ 105,823	\$ 127,434	29.4%
Total Personnel	\$ 21,864,930	\$ 21,862,246	\$ 5,914,574	\$ 6,608,282	30.2%
NON-PERSONNEL ACCOUNTS					
Administration	\$ 604,207	\$ 600,177	\$ 162,110	\$ 189,230	31.5%
Finance	\$ 524,400	\$ 512,665	\$ 187,912	\$ 228,695	44.6% See Note 5
Planning & Marketing	\$ 219,901	\$ 235,103	\$ 33,896	\$ 90,821	38.6% See Note 6
Human Resources	\$ 105,117	\$ 147,617	\$ 25,709	\$ 45,765	31.0%
Information Technology	\$ 122,125	\$ 190,225	\$ 40,842	\$ 63,738	48.9% See Note 7
District Counsel	\$ 159,405	\$ 184,405	\$ 32,553	\$ 52,789	28.6%
Facilities Maintenance	\$ 489,234	\$ 531,426	\$ 150,373	\$ 154,697	29.1%
Paratransit Program	\$ 3,445,805	\$ 3,445,805	\$ 701,220	\$ 718,839	20.9% See Note 8
Operations	\$ 435,240	\$ 485,445	\$ 60,324	\$ 117,732	24.3%
Bus Operators	\$ 6,040	\$ 6,040	\$ 958	\$ -	0.0%
Fleet Maintenance	\$ 3,633,153	\$ 3,396,153	\$ 1,139,924	\$ 803,694	23.7%
up Prog/SCCIC	\$ 2,445	\$ 2,695	\$ 2,561	\$ 300	11.1%
Prepaid Expense	\$ -	\$ -	\$ (83,824)	\$ (103,558)	0.0% See Note 9
Total Non-Personnel	\$ 9,747,070	\$ 9,677,754	\$ 2,454,558	\$ 2,362,740	24.4%
Subtotal Operating Expense	\$ 31,612,000	\$ 31,540,000	\$ 8,369,132	\$ 8,971,022	28.4%
Grant Funded Studies/Programs	\$ 70,000	\$ 70,000	\$ 9,995	\$ -	0.0%
Transfer to/from Cap Program	\$ -	\$ -	\$ -	\$ -	0.0%
Pass Through Programs	\$ -	\$ -	\$ -	\$ -	0.0%
Total Operating Expense	\$ 31,682,000	\$ 31,610,000	\$ 8,379,127	\$ 8,971,022	28.4%
YTD Operating Revenue Over YTD Expense				\$ 505,298	

CONSOLIDATED OPERATING EXPENSE
OCTOBER 2001

	FY 01-02 Final Budget	FY 01-02 Revised Budget	FY 00-01 Expended YTD	FY 01-02 Expended YTD	% Exp YTD of Budget	
LABOR						
Operators Wages	\$ 5,838,840	\$ 6,038,840	\$ 1,734,883	\$ 2,000,797	33.1%	
Operators Overtime	\$ 1,001,812	\$ 1,001,812	\$ 262,337	\$ 316,574	31.6%	
Other Salaries & Wages	\$ 6,297,182	\$ 6,080,407	\$ 1,562,945	\$ 1,791,867	29.5%	
Other Overtime	\$ 254,900	\$ 284,900	\$ 79,528	\$ 111,496	39.1%	See Note 10
	\$ 13,392,734	\$ 13,405,959	\$ 3,639,693	\$ 4,220,734	31.5%	
FRINGE BENEFITS						
Medicare/Soc Sec	\$ 124,935	\$ 131,935	\$ -	\$ 42,283	32.0%	
PERS Retirement	\$ 2,954,700 056360	\$ 2,047,209	\$ 252,946 33,438	\$ 286,212	30.3%	
Medical Insurance			\$ 577,823	\$ 625,550	30.6%	
Dental Plan	\$ 507,311	\$ 503,703	\$ 147,067	\$ 156,512	31.1%	
Vision Insurance	\$ 114,499	\$ 113,615	\$ 35,044	\$ 37,472	33.0%	
Life Insurance	\$ 60,639	\$ 60,639	\$ 16,927	\$ 17,444	28.8%	
State Disability Ins	\$ 137,494	\$ 137,494	\$ 26,528	\$ 37,788	27.5%	
Long Term Disability Ins	\$ 499,190	\$ 499,192	\$ 124,688	\$ 139,880	28.0%	
Unemployment Insurance	\$ 27,692	\$ 27,692	\$ 1,254	\$ 1,701	6.1%	
Workers Comp	\$ 1,438,541	\$ 1,438,541	\$ 313,993	\$ 269,779	18.8%	
Absence w/Pay	\$ 2,522,426	\$ 2,522,426	\$ 736,893	\$ 767,706	30.4%	
Other Fringe Benefits	\$ 28,408	\$ 28,408	\$ 8,279	\$ 5,220	18.4%	
	\$ 8,472,195	\$ 8,456,286	\$ 2,274,880	\$ 2,387,548	28.2%	
SERVICES						
Acctng/Admin/Bank Fees	\$ 325,220	\$ 278,940	\$ 104,417	\$ 79,440	28.5%	
Prof/Legis/Legal Services	\$ 376,400	\$ 397,270	\$ 48,414	\$ 74,935	18.9%	
Temporary Help	\$ 19,340	\$ 96,142	\$ 53,954	\$ 67,135	69.8%	See Note 11
Uniforms & Laundry	\$ 34,496	\$ 34,496	\$ 13,303	\$ 10,736	31.1%	
Security Services	\$ 277,438	\$ 327,438	\$ 71,466	\$ 66,709	20.4%	
Outside Repair - Bldgs/Eqmt	\$ 195,261	\$ 195,261	\$ 44,171	\$ 69,337	35.5%	See Note 12
Outside Repair - Vehicles	\$ 272,600	\$ 268,100	\$ 65,052	\$ 83,288	31.1%	
Waste Disp/Ads/Other	\$ 168,947	\$ 201,847	\$ 38,511	\$ 60,334	29.9%	
	\$ 1,669,702	\$ 1,799,494	\$ 439,290	\$ 511,914	28.4%	
CONTRACT TRANSPORTATION						
Contract Transportation	\$ 300	\$ 300	\$ -	\$ -	0.0%	
Paratransit Service	\$ 3,297,605	\$ 3,297,605	\$ 643,599	\$ 670,214	20.3%	See Note 8
	\$ 3,297,905	\$ 3,297,905	\$ 643,599	\$ 670,214	20.3%	
MOBILE MATERIALS						
Fuels & Lubricants	\$ 1,881,130	\$ 1,631,130	\$ 418,147	\$ 334,838	20.5%	
Tires & Tubes	\$ 160,000	\$ 160,000	\$ 33,029	\$ 47,184	29.5%	
Other Mobile Supplies	\$ 8,500	\$ 8,500	\$ 545	\$ 3,044	35.8%	See Note 13
Revenue Vehicle Parts	\$ 745,000	\$ 745,000	\$ 236,418	\$ 167,949	22.5%	
Inventory Adjustment			\$ 198,600			
	\$ 2,794,630	\$ 2,544,630	\$ 886,739	\$ 553,015	21.7%	

CONSOLIDATED OPERATING EXPENSE
OCTOBER 2001

	FY 01-02 Final Budget	FY 01-02 Revised Budget	FY 00-01 Expended YTD	FY 01-02 Expended YTD	% Exp YTD of Budget	
OTHER MATERIALS						
Postage & Mailing/Freight	\$ 19,522	\$ 19,822	\$ 3,532	\$ 8,098	40.9%	See Note 14
Printing	\$ 113,031	\$ 117,731	\$ 17,608	\$ 27,673	23.5%	
Office/Computer Supplies	\$ 76,495	\$ 76,495	\$ 22,526	\$ 19,321	25.3%	
Safety Supplies	\$ 31,713	\$ 31,713	\$ 3,125	\$ 7,438	23.5%	
Cleaning Supplies	\$ 86,556	\$ 86,556	\$ 12,981	\$ 14,195	16.4%	
Repair/Maint Supplies	\$ 77,404	\$ 77,404	\$ 23,574	\$ 20,995	27.1%	
Parts, Non-Inventory	\$ 58,000	\$ 58,000	\$ 18,636	\$ 17,573	30.3%	
Tools/Tool Allowance	\$ 23,467	\$ 27,467	\$ 2,327	\$ 7,272	26.5%	
Promo/Photo Supplies	\$ 19,355	\$ 19,355	\$ 5,456	\$ 7,138	36.9%	See Note 15
	\$ 505,543	\$ 514,543	\$ 109,767	\$ 129,703	25.2%	
UTILITIES						
	\$ 335,310	\$ 348,402	\$ 82,430	\$ 116,561	33.5%	See Note 16
CASUALTY & LIABILITY						
Insurance - Prop/PL & PD	\$ 215,200	\$ 215,200	\$ 46,425	\$ 59,016	27.4%	
Settlement Costs	\$ 100,000	\$ 100,000	\$ 11,934	\$ 11,857	11.9%	
Repairs to Prop	\$ 11,750	\$ 11,750	\$ (1,415)	\$ (463)	0.0%	See Note 17
Prof/Other Services	\$ 30,000	\$ 55,000	\$ 7,205	\$ 36,121	65.7%	See Note 18
	\$ 356,950	\$ 381,950	\$ 64,149	\$ 106,530	27.9%	
TAXES						
	\$ 45,280	\$ 45,280	\$ 8,429	\$ 21,830	48.2%	See Note 19
MISC EXPENSES						
Dues & Subscriptions	\$ 46,093	\$ 58,593	\$ 11,531	\$ 24,141	41.2%	See Note 20
Media Advertising	\$ 50,000	\$ 37,500	\$ 1,154	\$ 17,041	45.4%	See Note 21
Employee Incentive Program	\$ 15,892	\$ 15,892	\$ 1,709	\$ 1,765	11.1%	
Training	\$ 45,615	\$ 51,615	\$ 12,872	\$ 7,896	15.3%	
Travel & Local Meetings	\$ 74,354	\$ 68,354	\$ 13,744	\$ 11,000	16.1%	
Other Misc Expenses	\$ 13,500	\$ 13,500	\$ 7,544	\$ 3,219	23.8%	
	\$ 245,454	\$ 245,454	\$ 48,555	\$ 65,061	26.5%	
OTHER EXPENSES						
Leases & Rentals	\$ 566,298	\$ 570,098	\$ 181,596	\$ 187,911	33.0%	
Transfer to Capital	\$ -	\$ -	\$ -	\$ -	0.0%	
Pass Through Programs	\$ -	\$ -	\$ -	\$ -	0.0%	
	\$ 566,298	\$ 570,098	\$ 181,596	\$ 187,911	33.0%	
Total Operating Expense	\$ 31,682,000	\$ 31,610,000	\$ 8,379,127	\$ 8,971,022	28.4%	

MONTHLY REVENUE AND EXPENSE REPORT
FY 00-01 CAPITAL IMPROVEMENT PROGRAM

CAPITAL PROJECTS	Program Budget	Expended in October	YTD Expended
Grant Funded Projects			
Consolidated Operating Facility	\$ 7,948,083	\$ 2,357	\$ 28,028
Urban Bus Replacement	\$ 8,246,472		\$ 23,020
Engine Repower Project	\$ 3,037,000	\$ 403,659	\$ 766,915
ADA Paratransit Vehicles	\$ 149,000		
Computer System	\$ 115,000		
CNG Facilities for SCM, Ops	\$ 632,000		
Farebox Replacement (CO)	\$ 60,000		\$ 10,428
	\$ 20,187,555		
District Funded Projects			
Bus Stop Improvements	\$ 375,622	\$ 7,008	\$ 7,451
ADA Recertification Program	\$ 65,000		
Ridecheck Upgrade Project	\$ -		
Facilities Repair & Improvements	\$ 229,950	\$ 2,450	\$ 116,291
Machinery/Equipment Repair/Impr	\$ 66,500	\$ 24,370	\$ 24,378
Non-Revenue Vehicle Replacement	\$ 147,000	\$ 22,230	\$ 54,644
Off ice Equipment	\$ 5,000		
IT Projects	\$ 90,000	\$ 360	\$ 28,645
Automated Telephone Info System	\$ 35,000		
Foothill Bus Improvements	\$ 85,143		
SVTC Tenant Improvements	\$		
Metro Center Improvements	\$ 25,000		
Reserve for CNG Conversion	\$		
Contingency for District Funded Projects	\$ 1,070		
Transfer to Operating Budget	\$ 735,280		
	\$ 1,860,565		
TOTAL CAPITAL PROJECTS	\$ 22,048,119	\$ 462,449	\$ 1,059,800
CAPITAL FUNDING SOURCES			
	Budget	Received in October	YTD Received
Federal Capital Grants	\$ 14,561,939		
State Capital Grants	\$ -		
STA Funding	\$ 1,540,466		
Local Capital Grants	\$ 719,631		
District Reserves	\$ 4,977,583	\$ 462,449	\$ 1,059,800
Transfer from Bus Stop Improvement Reserve	\$ 248,500		
TOTAL CAPITAL FUNDING	\$ 22,048,119	\$ 462,449	\$ 1,059,800

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
NOTES TO REVENUE AND EXPENSE REPORT**

1. Passenger fares (farebox and pass sales) are \$26,033 or 2% under the revised budget amount for the year to date. Paratransit fares are \$5,230 or 9% under budget for the period due to fewer rides for the year to date than projected. Special transit fares (contracts) are \$1,217 under the budgeted amount. Highway 17 Express revenue is \$1,907 or 0.6% over the year to date budgeted amount. Together, all four passenger revenue accounts are under the budgeted amount for the first four months of the fiscal year by a net \$30,573 or 1.6%.
2. Interest income is \$443 under the revised budget amount due to lower interest rates. The funds earned interest at a rate of 3.9% in October, while a rate of 4.0% was projected.
3. Non-transportation revenue is \$49,694 over budget largely due to a refund from Community Bridges for last fiscal year in the amount of \$36,268.
4. Paratransit program personnel expense is at zero for the year-to-date since program staff has not yet been hired.
5. Finance non-personnel expense is at 44.6% of the budget due to the annual payment of insurance premiums.
6. Planning & Marketing non-personnel expenses are at 38.6% of the budget due to payments for temporary help to cover long-term employee absences and the APTA PT2 program fees.
7. Information Technology non-personnel expense is at 48.9% of the budget due to purchase of computer supplies and computer maintenance services.
8. Paratransit program expense is only at 20.9% of the budget because the October billing information was not available by the report deadline and no paratransit personnel costs have been incurred to date.
9. Pre-paid expense adjustment provides for allocating large annual payments, such as casualty and liability insurance, over the entire year so that the total expenses District-wide for the month and year to date are not skewed.
10. Other overtime is at 39.1% of the budget due to high overtime costs in Facilities Maintenance (to cover employee absences), Operations (due to staff absences), and Fleet Maintenance (to cover employee absences, to complete campaigns, to bring the Foothill buses on line and to cover parts staffing on weekends).
11. Temporary help is at 69.8% of the budget due to hire of temporary workers during recruitment of new employees in the departments of Human Resources and Facilities Maintenance and during employee absences in the Planning & Marketing Department. Savings in wage and benefit accounts will off-set this expense.

12. Outside repair for buildings and equipment is at 35.5% of the budget due to payment of annual computer maintenance fees.
13. Other mobile supplies expense is at 35.8% of the budget due to a volume purchase of driver seat material.
14. Postage and mailing and freight are at 40.9% of the budget due to purchase of postage for the postage meter.
15. Promotional items and photo supplies are at 36.9% of the budget due to purchase of items for the UCSC bi-directional service publicity campaign.
16. Utilities are at 33.5% of the budget due to high gas and electric bills.
17. Repairs to property is a casualty and liability account to which repairs to District vehicles and property are charged when another party is liable for the damage. All collections made from other parties for property repair are applied to this account to offset the District's repair costs. Collections have been applied for the year to date, but some repairs have yet to be charged to the account.
18. Professional/other services for casualty and liability expense is at 65.7% of the budget due to unanticipated costs related to new lawsuits.
19. Taxes are at 48.2% of the budget due to annual payment of special tax assessments on the Scotts Valley Transit Center.
20. Dues and subscriptions are at 41.2% of the budget due to the annual payment for the APTA PT2 program.
21. Media advertising is at 45.4% of the budget due to television advertising and the UCSC bi-directional service publicity campaign.

**FY 00-01 BUDGET TRANSFERS
11/1/01-11/30/01**

	ACCOUNT #	ACCOUNT TITLE	AMOUNT
TRANSFER # 02-017			
TRANSFER FROM:	50431 I-I 200	Office Supplies	\$ (205)
TRANSFER TO:	50431 I-3200	Office Supplies	\$ 205
REASON:	To cover cost of payroll envelopes purchased by Operations.		
TRANSFER # 02-018			
TRANSFER FROM:	50301 I-1200	Accounting & Audit Fees	\$ (250)
TRANSFER TO:	5030 11-700	Accounting & Audit Fees	\$ 250
REASON:	To reflect contract amount for accounting and audit fees for the Santa Cruz Civic Improvement Corporation.		
TRANSFER # 02-019			
TRANSFER FROM:	503354-4100	Other Vehicle Repair - Out	\$ (500)
TRANSFER TO:	503031-4100	Professional/Technical Fees	\$ 500
REASON:	To cover account overruns for respirator training for the Fleet Maintenance Department.		
TRANSFER # 02-020			
TRANSFER FROM:	501021-1300	Other Salaries	\$ (10,000)
TRANSFER TO:	503041-I 300	Temporary Help	\$ 10,000
REASON:	To cover costs for Temporary Help in the Human Resources Department due to staff shortage.		
TRANSFER # 02-021			
TRANSFER FROM:	50301 I-31 00	Accounting & Audit Fees	\$ (50,000)
TRANSFER TO:	503031-3100	Professional/Technical Fees	\$ 50,000
REASON:	To move funds to correct account for the Paratransit Program.		
TRANSFER # 02-022			
TRANSFER FROM:	501021-I 400	Other Salaries	\$ (6,000)
TRANSFER TO:	503041-I 400	Temporary Help	\$ 6,000
REASON:	To cover costs for Temporary Help in the Human Resources Department due to staff shortage.		
TRANSFER # 02-023			
TRANSFER FROM:	503031-3200	Professional/Technical Fees	\$ (3,800)
TRANSFER TO:	512061-3200	Equipment Rental	\$ 3,800
REASON:	To cover cost of copier rental for Operations Department.		
TRANSFER # 02-024			
TRANSFER FROM:	503354-4100	Other Vehicle Repair - Out	\$ (2,000)
TRANSFER TO:	50451 I-41 00	Small Tools	\$ 2,000
REASON:	To cover account overruns and expected expenditures for the Fleet Maintenance Department.		

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: December 21, 2001
TO: Board of Directors
FROM: Bryant J. Baehr, Manager of Operations
SUBJECT: UNIVERSITY OF CALIFORNIA - SANTA CRUZ SERVICE UPDATE

I. RECOMMENDED ACTION

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

II. SUMMARY OF ISSUES

- Student billable trips for October 2001 increased by 18.3% versus October 2000. Year to date student billable trips have increased by 12.3%.
- Faculty / staff billable trips for October 2001 increased by 11.9% versus October 2000. Year to date faculty / staff billable trips have increased by 27.2%.

III. DISCUSSION

Full school-term transit service to the University of California – Santa Cruz started on September 19, 2001. Attached are charts detailing student and faculty / staff billable trips. A summary of the results is:

- Student billable trips for the month of October 2001 were 213,701 vs. 180,567 for October 2000 an increase of 18.3%.
- Faculty / staff billable trips for the month of October 2001 were 11,866 vs. 10,608 for October 2000 an increase of 11.9%.
- Year to date Student billable trips increased by 12.3% and faculty / staff billable trips increased by 27.2%.

Reports have been received that on Tuesday / Thursday between 700pm and 830pm buses are filled to capacity and leaving UCSC customers to wait for the next bus. Waiting times can range from 15 minutes to 45 minutes. Staff conducted a survey and analyzed farebox data determining that between 700pm and 830pm buses are filled to capacity on many trips. Two (2) additional trips were added to the night UCSC schedule at 735pm and 830pm. No complaints have been received concerning overcrowding on Tuesday and Thursday nights since the new trips began.

IV. FINANCIAL CONSIDERATIONS

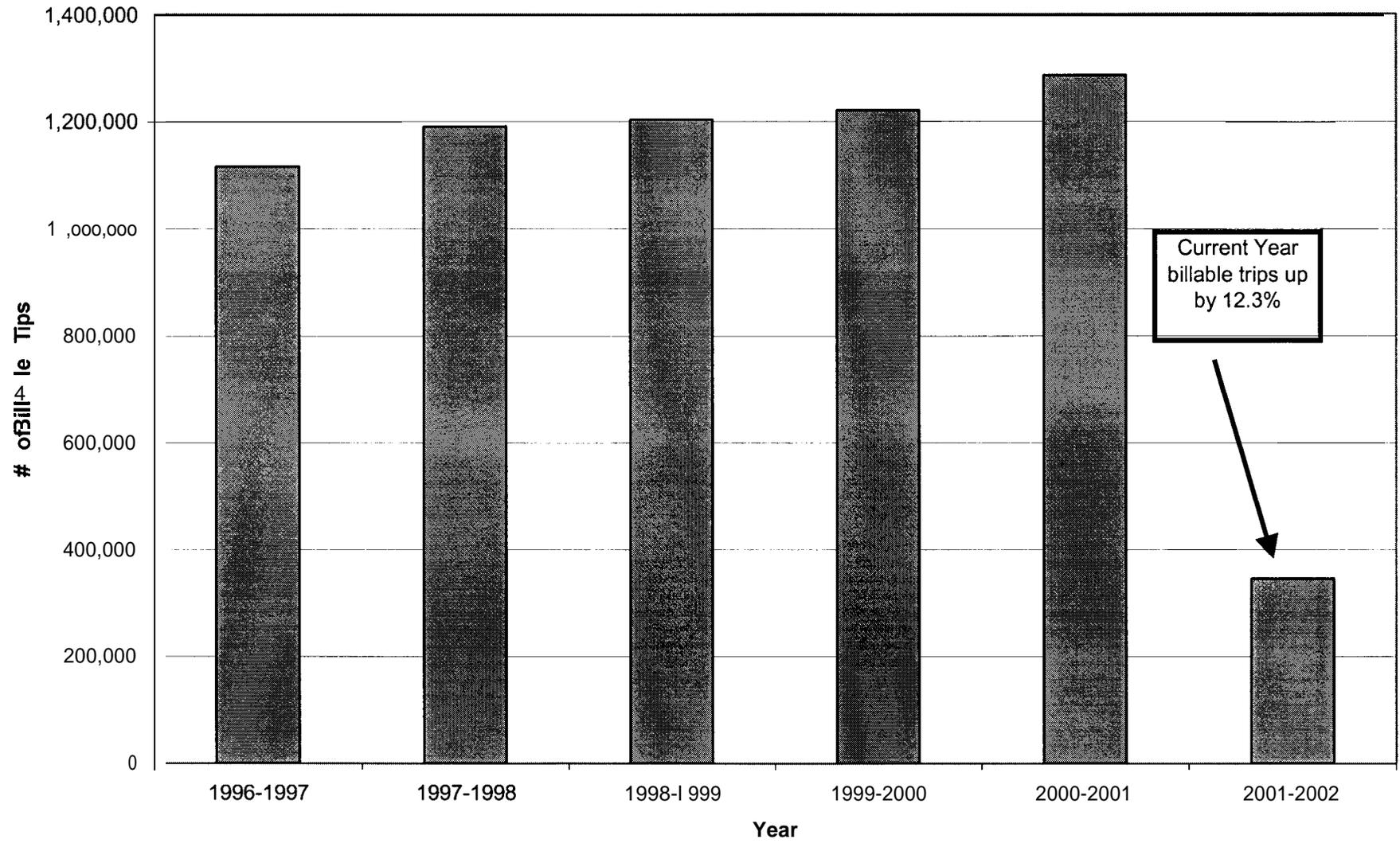
NONE

V. ATTACHMENTS

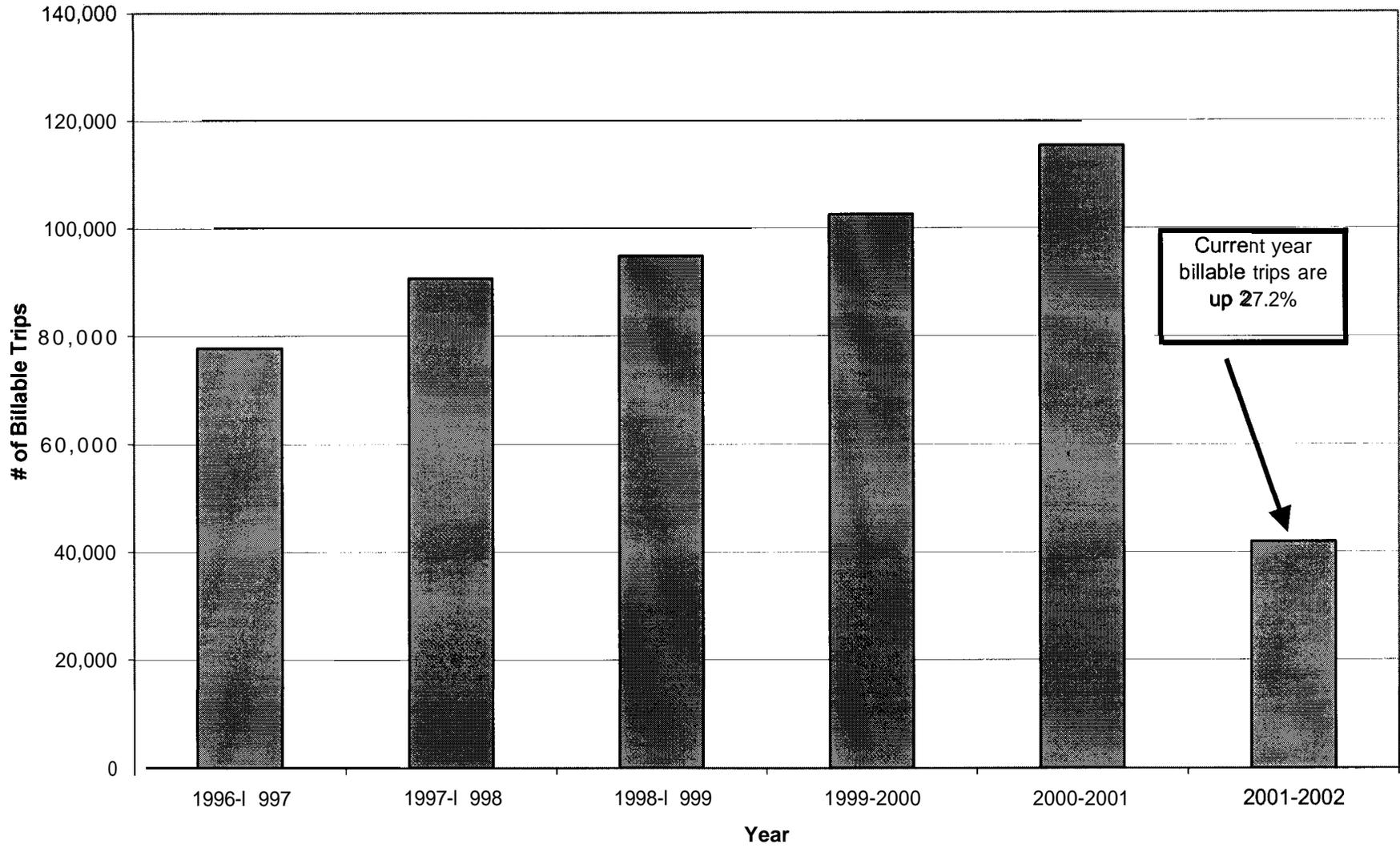
Attachment A: UCSC Student Billable Trips

Attachment B: UCSC Faculty / Staff Billable Trips

UCSC Student Billable Trips



UCSC Faculty / Staff Billable Trips



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: December 21, 2001

TO: Board of Directors

FROM: Bryant J. Baehr, Manager of Operations

SUBJECT: ACCEPT AND FILE STATUS ON CALL STOP ISSUE PROGRESS

I. RECOMMENDED ACTION

This report is for information purposes only. No Action is required.

II. SUMMARY OF ISSUES

- On August 17, 2001 the Board of Directors adopted a series of action items relating to call stops.
- Listed below is an update on each of the action items.

III. DISCUSSION

On August 17, 2001 the Board of Director adopted a series of action items relating to call stops. This report will detail the status of those items.

Action items:

Recommend that the Board of Directors move to obtain funding for and arrange for the purchase of the "Talking Buses" technology as soon as possible and provide a timeline for when the technology might be in place.

- The General Manager and Assistant General Manager are working on obtaining the funding. Several potential sources have been identified. Staff will report to the Board of Directors on a monthly basis and MASTF Executive Committee on a bi-monthly basis concerning funding progress and implementation schedule. Specifications for the "Taking Bus" have been developed and the Purchasing Department reports that the bid will be distributed by December 14, 2001.

Recommend that the expanded list of call stops be implemented as soon as possible, and that an assessment be arranged through FTA, or some other source, to ensure that the list meets the ADA requirements.

- The call stop list adopted by the Board of Directors on August 17, 2001 has been distributed to the bus operators with instructions on ADA compliance. District Counsel was advised by

Easter Seals to send the call stop list to the Office of Civil Rights for a compliance review. A letter was sent and District Counsel is waiting for a response.

Recommend that the public be informed of the changes to call stops and that the changes be advertised as soon as possible through Headways and other sources of advertising.

- The Marketing Department has completed the internal posters, notification of the press and information for the public. The call stop list will be published in the “Headways” in mid-December 2001.

Recommend that the bus stop signage be delegated to the Bus Stop Advisory Committee with the request for participation from John Wood (Doran Center for the Blind) for input.

- Completed. The Bus Stop Advisory Committee has been advised to address this issue.

Recommend that a bus operator training program be implemented as soon as possible in order to create awareness of the need for ADA compliance.

- A meeting was held on September 5, 2001 with several members of the call stop committee to discuss training techniques. An internal training meeting was held on October 25, 2001 and a format developed. Call Stop training started on December 03, 2001. It is anticipated that the training will be completed by December 13, 2001.

IV. FINANCIAL CONSIDERATIONS

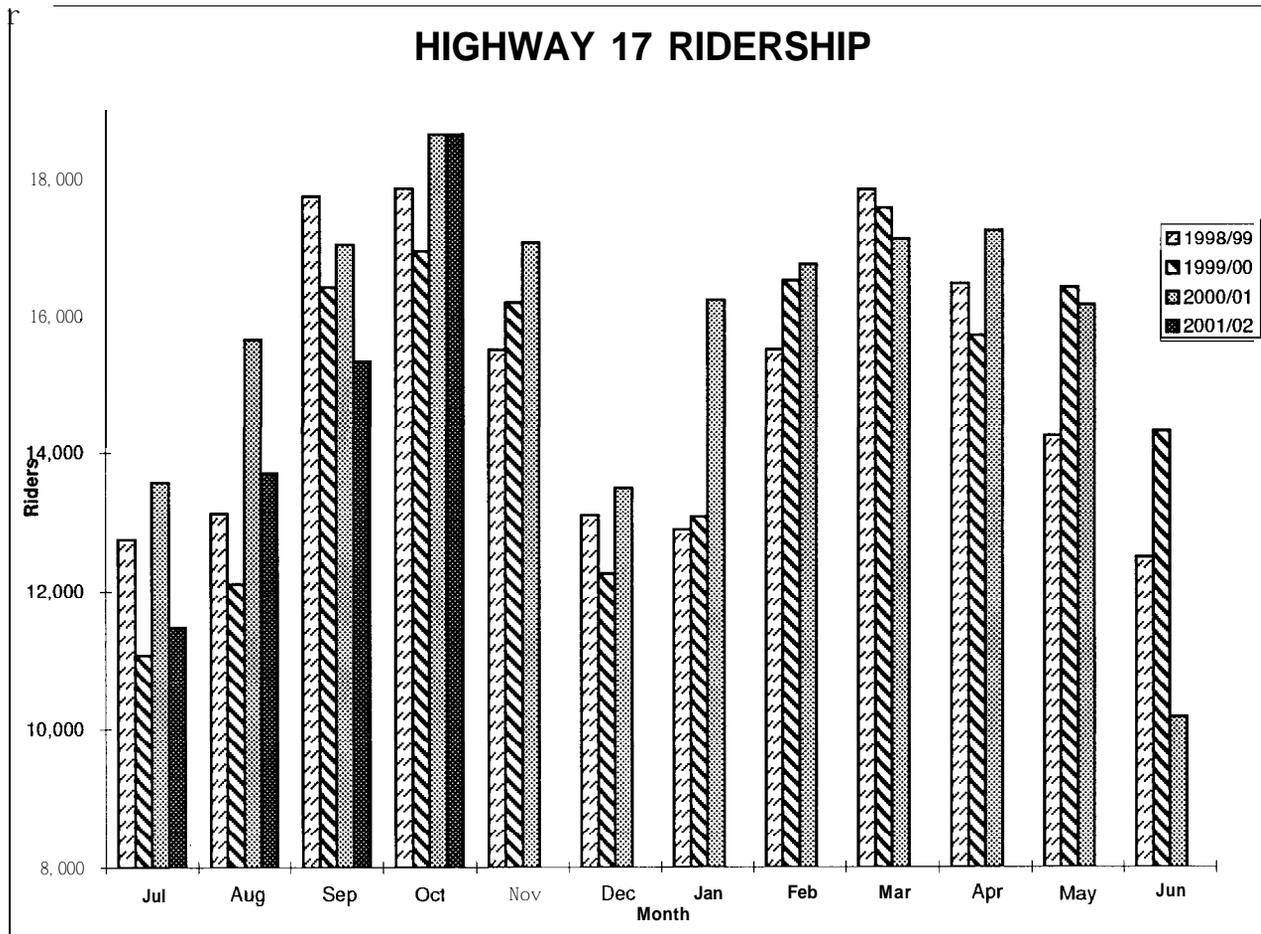
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V. ATTACHMENTS

NONE

HIGHWAY 17 -OCTOBER 2001

	October			YTD		
	2000/01	1999/00	%	2000/01	1999/00	%
FINANCIAL						
Cost	\$ 121,803	\$ 109,690	11.0%	\$ 455,436	\$ 423,801	7.5%
Farebox	\$ 37,419	\$ 41,848	(10.6%)	\$ 129,293	\$ 140,923	(8.3%)
Operating Deficit	\$ 80,497	\$ 65,012	23.8%	\$ 318,498	\$ 276,480	15.2%
Santa Clara Subsidy	\$ 40,249	\$ 32,506	23.8%	\$ 159,249	\$ 138,240	15.2%
METRO Subsidy	\$ 40,249	\$ 32,506	23.8%	\$ 159,249	\$ 138,240	15.2%
San Jose State Subsidy	\$ 3,887	\$ 2,830	37.4%	\$ 7,645	\$ 6,398	19.5%
STATISTICS						
Passengers	18,633	18,626	0.0%	59,115	64,852	(8.8%)
Revenue Miles	34,414	32,918	4.5%	130,174	127,181	2.4%
Revenue Hours	1,338	1,280	4.5%	5,063	4,946	2.4%
PRODUCTIVITY						
Cost/Passenger	\$ 6.54	\$ 5.89	11.0%	\$ 7.70	\$ 26.43	(70.9%)
Revenue/Passenger	\$ 2.01	\$ 2.25	(10.6%)	\$ 2.19	\$ 8.65	(74.7%)
Subsidy/Passenger	\$ 4.53	\$ 3.64	24.3%	\$ 5.52	\$ 17.78	(69.0%)
Passengers/Mile	0.54	0.57	(4.3%)	0.45	2.04	(77.8%)
Passengers/Hour	13.92	14.55	(4.3%)	11.68	52.52	(77.8%)
Recovery Ratio	30.7%	38.2%	(19.5%)	28.4%	33.3%	(14.6%)



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: December 21, 2001
TO: Board of Directors
FROM: Tom Stickel, Fleet Maintenance Manager
**SUBJECT: ACCEPT AND FILE STATUS REPORT ON THE INVESTIGATION OF
BIO-DIESEL AS AN INTERIM FUEL**

I. RECOMMENDED ACTION

This is a status report only, no action required at this time.

II. SUMMARY OF ISSUES

- In January 2001, the Board of Directors selected the alternate fuel path in compliance with regulations issued by the California Air Resources Board (CARB).
- On May 23, 2001, the Board of Directors instructed staff to investigate the feasibility of using biodiesel as an interim fuel to meet CARB requirements.
- In June 2001, District staff reported to the Board of Directors their initial findings regarding using biodiesel as an interim fuel.
- Cummins engine company recently issued a Field Announcement, stating the company's position on the use of biodiesel.

III. DISCUSSION

Staff is continuing to research the bio-diesel issue. There are no new developments to report at this time.

IV. FINANCIAL CONSIDERATIONS

Nothing to report at this time.

V. ATTACHMENTS

Attachment A: None

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: December 21, 2001
TO: Board of Directors
FROM: Mark Dorfman, Assistant General Manager
SUBJECT: FINAL REPORT ON THE "IBUS" TDA-DEMONSTRATION PROJECT.

I. RECOMMENDED ACTION

This is an information item on the final report from a TDA Demonstration Project to study the feasibility of a lightweight, composite, hybrid-power transit bus. No action is recommended.

II. SUMMARY OF ISSUES

- In January, 2000 the Board authorized METRO staff to submit an application for TDA Demonstration funds as the eligible claimant for Arcada Systems to conduct a feasibility study of an advanced, hybrid-powered transit bus (IBUS).
- In April, 2000, the Santa Cruz County Regional Transportation Commission (SCCRTC) awarded \$20,000 to Arcada Systems to conduct the feasibility study.
- Arcada Systems submitted the attached report as the project's final task.
- METRO will invoice SCCRTC and make the final 10% payment to Arcada Systems to complete this TDA Demonstration Project.

III. DISCUSSION

As the eligible recipient, the District sponsored Arcada System's application to the SCCRTC for TDA Demonstration Program funds to conduct a feasibility study for manufacturing a lightweight, hybrid-powered transit bus. The SCCRTC awarded a \$20,000 TDA Demo grant to Arcada Systems in April, 2000.

Arcata Systems contracted Computer Aided Design and engineering analysis to evaluate the proposed design, to estimate the cost of manufacturing a working prototype and to mass-produce the vehicle. The attached *Feasibility Study* describes the results. METRO will request a final payment from SCCRTC to complete the project.

IV. FINANCIAL CONSIDERATIONS

None.

V. ATTACHMENTS

Attachment A: *Lightweight, Composite, Hybrid-Power Transit Bus Feasibility Study*

Final Report

TDA Demonstration Project

Lightweight, Composite, Hybrid-Power Transit Bus Feasibility Study

Submitted to

Santa Cruz Metropolitan Transit District.

BY

ITS Bus, Incorporated

November 16, 2001

This is a report on the completion of work according to the proposed effort to “Establish feasibility of the IBus concept by assessing issues of technical, cost, and schedule” for the Lightweight, Composite, Hybrid-Power Transit Bus (the “IBus”). The summary of the proposed effort was as follows:

The project will provide data contributory to the design and manufacturing of the lightweight, composite, hybrid-power bus. The immediate activities to which the TDA Grant funding will be applied include: initial CAD models for styling and engineering, preliminary stress analysis, weight estimate, performance estimates, prototype development cost estimate, manufacturing plans and ROM volume manufacturing cost estimate.

Specifically, the efforts were to include:

The Design Team led by Loftus Design, Inc. in Laguna Beach will:

- . Construct initial 3D CAD models for the exterior and interior styling.
- . Provide these CAD models to the Engineering Team.

The Engineering Team (Phoenix Analysis and Design Technologies, Inc.) will:

- . Create initial mechanical design CAE files from Design Team’s input.
- . Conduct initial stress analysis and validation of weight goals.
- . Produce a 3-ft model of the IBus

Subsequent to award of the grant, informal requests were made for ITS Bus, Inc. to make efforts to secure funding to continue beyond the effort under the TDA Grant towards realization of the goal of manufacturing IBuses in the quantities needed by the transit community. These and a summary of the ultimate matching funding of the participants are discussed in this report.

CAD Model

The industrial design team is lead by Loftus Design, Inc. The team comprises graduates and instructors at the Pasadena Art Center College of Design-the world’s leading institute for training automotive designers, The team created CAD files that are the first step toward a buildable body and interior. The CAD model includes attention to ergonomic factors as well as styling. Ergonomic studies included passenger and driver areas, with seating design studies and consideration of the driver’s workload and movements. The industrial design CAD model was produced in the software *Solid Edge*, which is compatible with software used by Engineering Team Figures 1, 2, and 3, show views from the CAD models of the exterior, interior, and driver station, respectively.

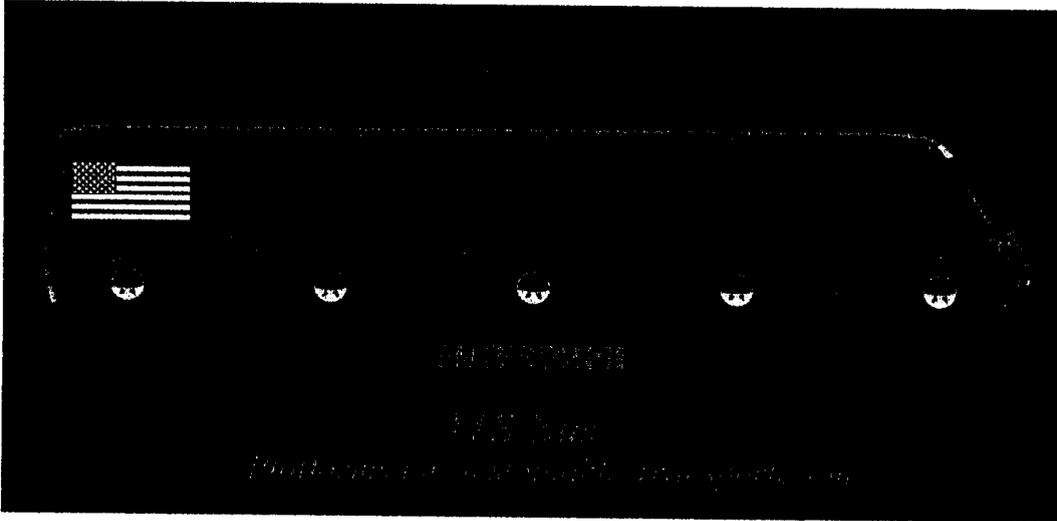


Figure 1. Exterior view of IBus from CAD model

The industrial design team developed a concept for the appearance of the IBus that is intended to capture the familiar and universally popular look of personal vehicles.

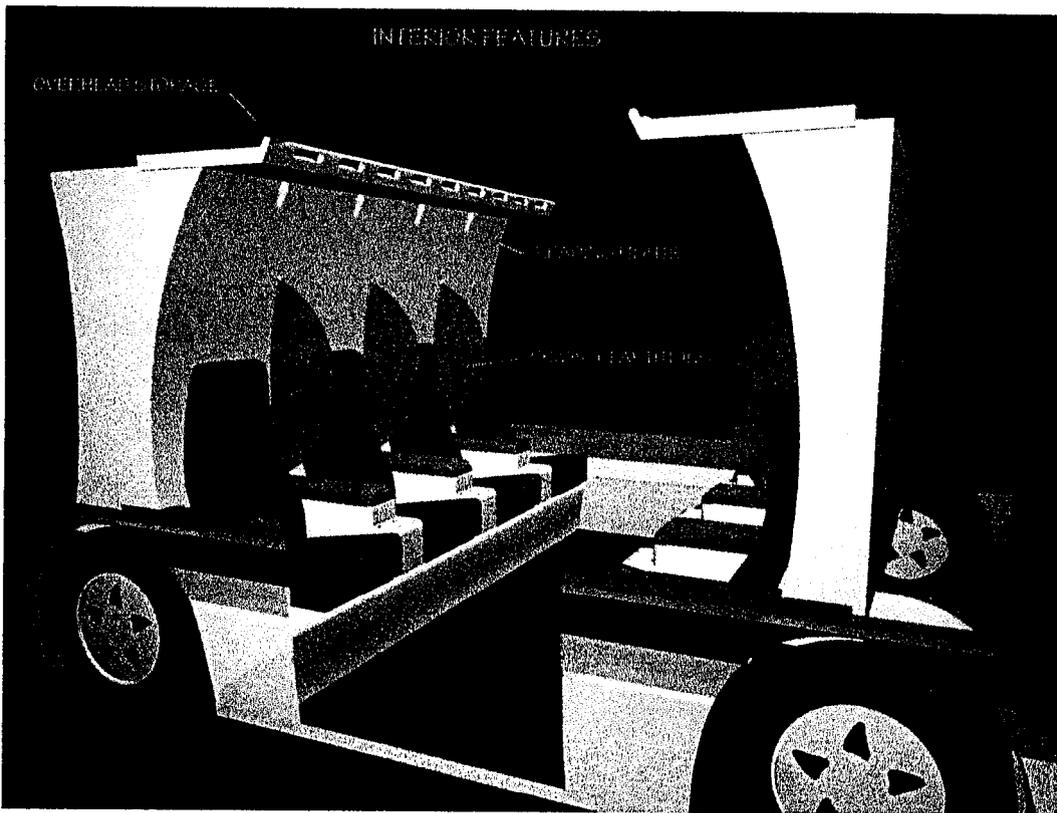


Figure 2. Interior view of IBus from CAD model

A ramp in each of the four doors will exceed ADA requirements, and facilitates access to multiple wheelchair tie-downs. Multiple doors also speed boarding for all passengers. Seating arrangements are flexible and easily modified.

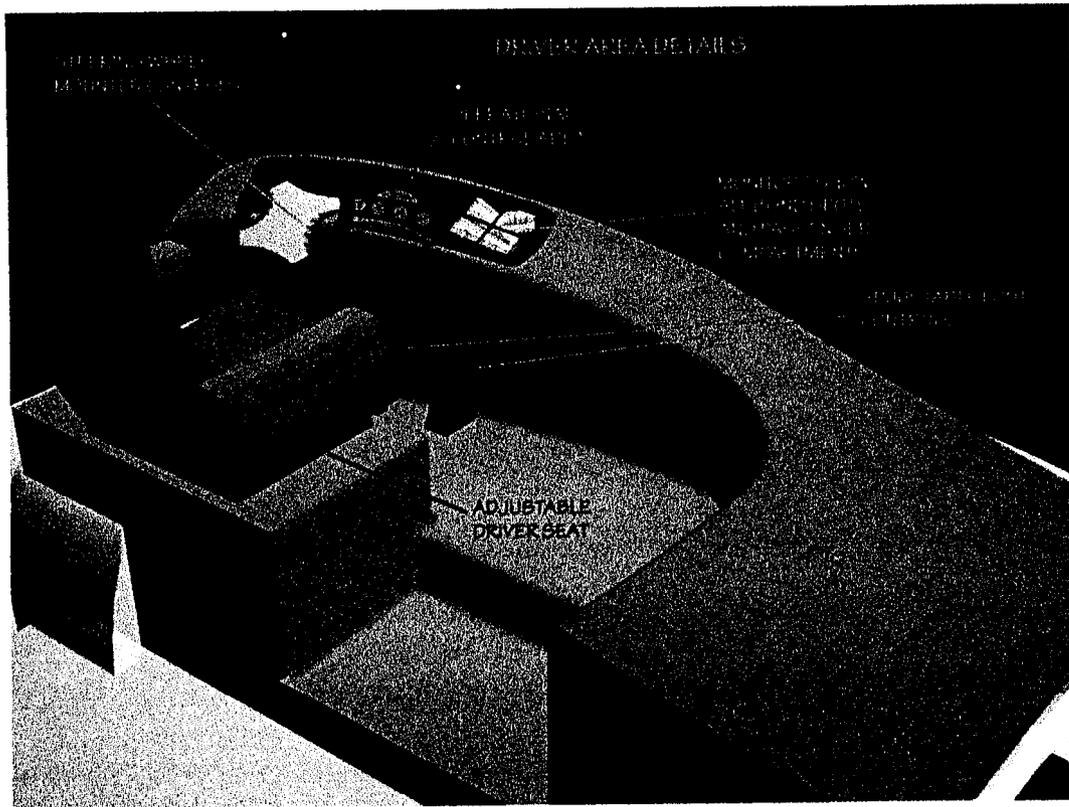


Figure 3. View of IBus driver's station from CAD model

The driver's station is ergonomically designed for the ease of the driver to operate and move about the IBus. Computer control of the power train, steering, and suspension is integrated into a conventional driver interface, minimizing necessity for special training.

Initial Stress Analysis

Stress calculations were performed with a preliminary model of the structure. The case illustrated in Figure 4 is for the full gross weight of the IBus being borne on the first and last axles alone.

Initial Calculations of Vehicle Weight

Preliminary calculations indicate that the empty IBus will achieve the goal of a weight one-half that of a typical, diesel-powered transit bus. The percentage reduction is greater when compared to CNG or hybrid electric powered buses. The weight estimate used conservative values for the hybrid electric drive train and included a generous allowance for HVAC. Advanced materials are selectively employed, but are only one of the factors contributing to the low weight. Distribution over 5 axles reduces the wheel (and axle) forces by an additional factor, resulting in low road noise and road wear, Low weight is a major contributor to achieving high fuel efficiency, adding to the emissions reduction of alternative fuels alone.

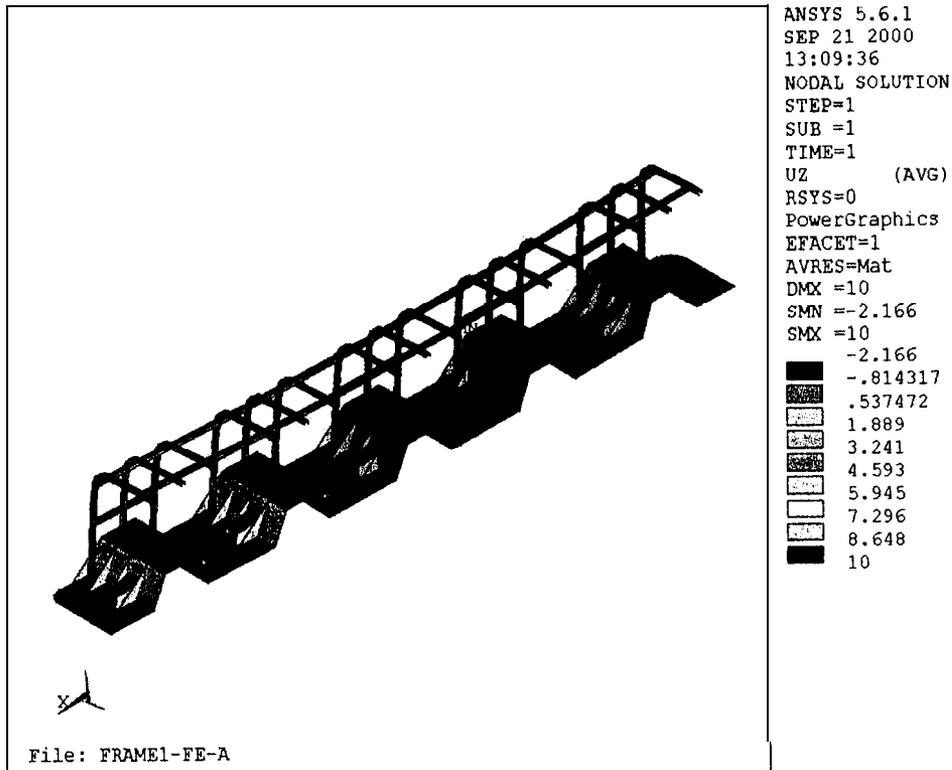


Figure 4. Stress model and example calculation results

	Wt (Lb)	Qty	Total Wt
Axles	859	5	4296
Floor	1491	1	1491
Frame & Shell	2100	1	2100
Doors & Window	600	lot	600
Seats	24	32	754
Battery Packs	131	9	1177
Power Plant	1225	1	1225
AC System	751	1	751
Total (Lbs):			12394

Table 1. Estimated IBus subsystem weights

Development of the design subsequent to the estimate shown in Figure 5 indicates a reduction of weight of the axle assemblies, and allocation of this weight to seating and other areas.

Initial Calculations of Performance

Initial calculations of drive train parameters were performed by EnergyCS of Monrovia, CA. The acceleration profile was set equal to that of the Ford Excursion, allowing the performance to be readily visualized. This performance enables IBus to blend in with other vehicles on the road— to minimize congestion as well as to facilitate rapid transit. The results are summarized in Table 1:

Vehicle Curb Weight (CW)	12000 lbs (5430kg)
Vehicle Gross Weight with 40 passengers	18000 lbs (8145kg)
Number of Axles, independent wheel motors	5 axles x 2 motors ea
Frontal Area ~(7' x 8')	~5.3m ²
Aerodynamic Drag Coefficient	~0.5
Rolling Resistance	~0.01
Acceleration from 0-40km/h	6 sec
Acceleration from 40-100km/h	14 sec
Top speed	100km/h
ZEV Range	10 km

Assuming 100% efficiency of energy conversion from batteries and genset to pavement:

Maximum accelerating force (0-40km/h)*	~15000 N
Peak accelerating power (0-40km/h)*	~178kW
Steady State Aerodynamic Power at 100km/h	-35kW
Steady State Rolling Power at 100km/h	-18kW
Total Power required to sustain 100km/h	-53kW
Battery Usable Energy Storage for 10km ZEV Range	~5kWhr

*rotating inertia not considered

Table 2. Principal Drive Train Parameters and Performance Estimate

Low air pollution is accomplished by the lowered power requirements of the lightweight IBus, and the use of alternate fuels. Hydrogen fuel cells are not a baseline design, but can be easily incorporated when the cost, weight, and hydrogen supply issues outstanding for these generators have been solved. Besides lower weight, increases in efficiency are obtained from constant RPM operation of the prime power source in the electricity generation system and regenerative braking. The prime power motor/generator set is palletized for rapid removal and replacement, facilitating rapid return of an IBus to service and out-of-vehicle maintenance of the genset.

Scale Model

PADT, Inc. designed and built a 42-inch long scale model. The purpose of the model is to demonstrate the principal features of the IBus design. These features include the multi-axle concept, crab and normal steering modes, multiple doors with ramps, and optional compartmented layout. Demonstrations of these features, with forward motion, is facilitated by the model's remote-control. Photographs of the model at a late stage of

fabrication are shown in Figure 6. The model is now completed, and will soon be available to show.

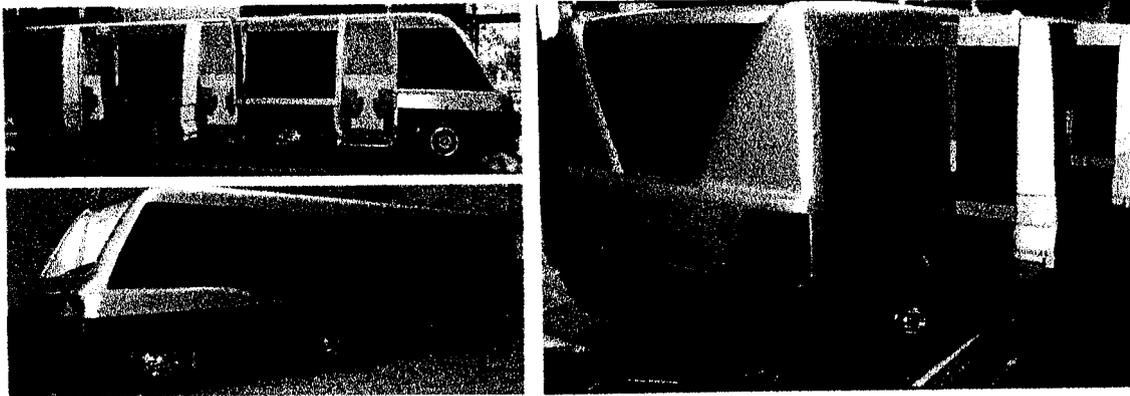


Figure 5. 42'' Remote Control Model

Cost of Prototypes

ITS Bus, Inc. chose MetalCrafters, the foremost “concept-car” manufacturer, to build the prototypes. This carries several advantages, including a rapid schedule and a show-quality vehicle. MetalCrafters prepared a preliminary quote (attached) of \$3.4M for their portion of the project, and this will be supplemented by:

- Industrial design completion by the team led by Loftus Design, Inc.
- Engineering and development including computerized crash simulations by PADT, Inc.
- Engineering, development, and production of special components and subsystems including suspensions, hybrid power systems, and computer controls by industry leaders.
- Management by ITS Bus, Inc.

The total cost of engineering and fabricating the first prototype is estimated at \$6M. Subsequently, prototypes of various-length IBuses will be completed by MetalCrafters. The price of prototypes after the first will decrease substantially from their price for the first, reflecting much less additional engineering and set-up for follow-on work.

Cost of Volume-Manufactured Vehicles

ITS Bus, Inc. continues to evaluate different approaches to volume manufacturing. All approaches are based on exploiting existing high volume manufacturing materials, processes, and parts supply streams to capitalize on the compatibility of the IBus systems with high-volume light trucks and SUVs rather than the traditional heavy truck systems utilized in manufacturing existing transit bus designs. Based on this plan, prices for 40-foot IBuses are project&d as shown in Table. 2.

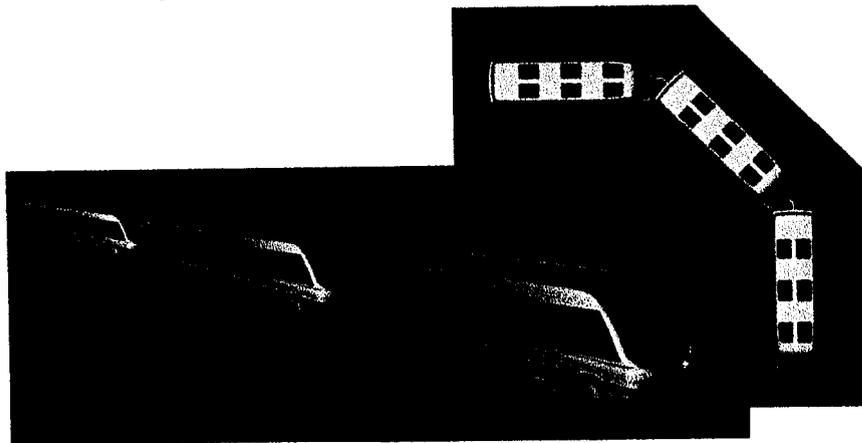
Comparison or basis	Unit cost	Estimated annual production required
Current electric hybrid	\$450,000	100
Conventional power, alternate fuel	\$350,000	Several hundred
Current diesel power	\$275,000	1000
Low cost potential (High volume)	Less than \$250,000	2-1 0,000

Figure 6. Projected prices for 40-foot IBus

Another advantage of this manufacturing approach is the lower cost and ready availability of maintenance parts and services.

Advantages for Bus Rapid Transit

As is the case for any application, the IBus features will be highly valuable for use with BRT. The advantages of features like high accessibility with multiple doors and ramps, high fuel efficiency, smooth ride, low noise and low road wear, etc. are apparent. In addition, the control system allows IBuses to link and delink in seconds, providing great flexibility in routing and optimum use of the fleet. This feature and the maneuverability are illustrated in Figure



IBus Train

- Capacity of light-rail, higher performance, single operator, nil new infrastructure**
- Units follow in track of one ahead**
- In-service, rapid connect/disconnect**
- Connections only for control signals, and fail-safe tow**

Figure 7. The IBus-Train

Discussion

The TDA Grant has been instrumental in the progress made on the IBus. The initial endorsement provided by the Grant aided the IBus to gain recognition by other bodies, government officials, and industry leaders. Partners were encouraged by the recognition provided by the grant to contribute matching funds, which grew from a 100% match in the proposal to nearly 800% by completion of the project, as shown in Table 3.

Source of Funding/Match	Proposed Funding/Match	Actual Funding/Match
TDA Grant	\$25,000	\$20,000
ITS Bus, Inc.	\$5,000	\$50,000
Loftus Design, Inc.	\$10,000	\$12,000
PADT, Inc.		
Personnel	\$10,000	\$90,000
Other operating	\$5,000	\$10,000
Totals:	\$50,000	\$182,000

Table 3. TDA Grant Matching Funds

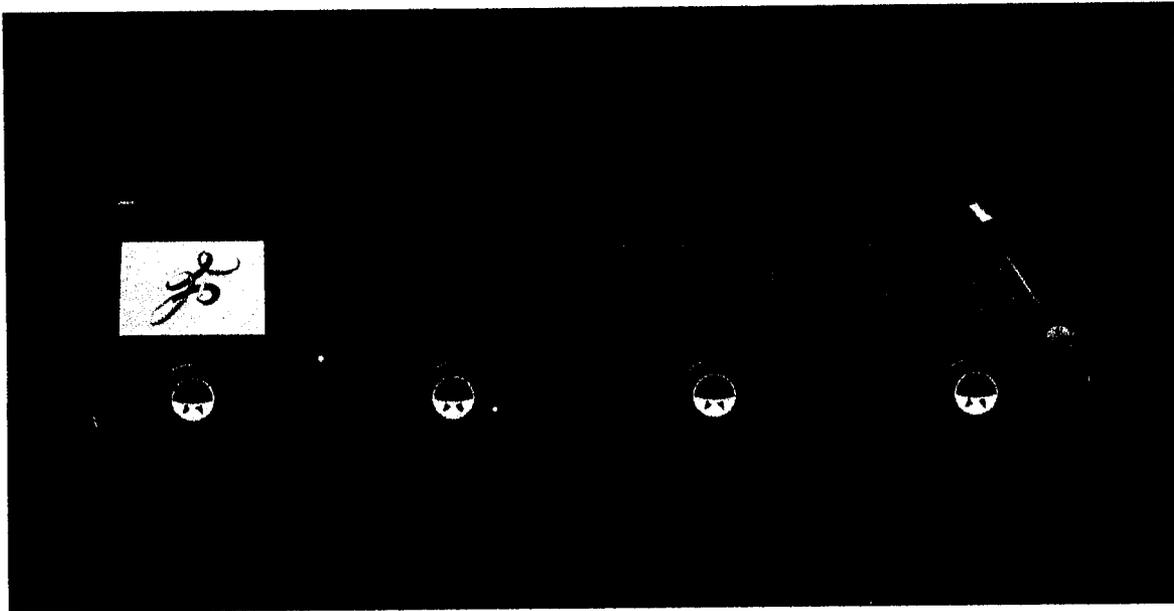
Discussions with the FTA and APTA confirmed ITS Bus management's expectation that the IBus project must proceed through its first development steps without significant support from the traditional funding sources in the government and conventional suppliers. This accords with the major departures in design and operational philosophy that mark the IBus. Efforts continue nevertheless to establish links to governmental funding, and important supporters have been obtained as a start from national and state legislators from the Santa Cruz area, connection with the ranking member of the US House Transportation Committee, and contacts at the FTA and APTA.

Support with the aid of CalStart also was pursued, with results similar to those above. ITS Bus presented the project to CalStart's Technical Review Committee in September 2000. Although several good points were discussed in the review (with seeming understanding by the committee), the cursory report of this review (attached) emphasized misunderstandings apparent at the review.¹ ITS Bus regards the summary in the report to be poorly reasoned and to represent a shortsighted view of bus technology and the potential of bus transit to be greatly expanded. ITS Bus rejects these findings.

In contrast with the comments from CalStart's committee, on August 29 of this year the IBus Project was presented to Mr. Lee Iacocca, Chairman of EV Global Motors and former Chairman of Chrysler, with diametrically different results. Mr. Iacocca's view is summarized by his statement that we should "Take the prototype to Washington and tell them this is what the country should be building." Mr. Iacocca offered to assist in making connections with suppliers and sources of funding, and discussions are continuing regarding the roles for himself and his growing company, EV Global Motors.

Other essential progress made in parallel with the grant includes the development of the management and engineering teams, including incorporation of a new company, ITS Bus, Inc. in May 2000, the selection of MetalCrafters to produce the prototypes, initial steps toward a manufacturing facility in the Peoples' Republic of China (proposal summary attached), and exploration of collaboration with EV Global Motors.

¹ One example (prominent in the report) is the assertion that IBus's multi-axle concept will lead to "excessive tire wear." This can only be attributed to a failure to understand all-wheel steering. In contrast, ITS Bus discussed tire wear with SCMTD's main tire supplier, who estimated that all-wheel steering would reduce tire wear by 25% for service in Santa Cruz County. The supplier further estimated that the shorter life of IBus's smaller tires would result in a "wash" with the cost of the longer-lived but more expensive tires on existing transit buses.



Beijing Olympic Bus, LLC

Goal

Have over 2,000 Beijing Olympic Buses in service before the end of 2005 in Beijing and surrounding area. This milestone will assure the readiness of Beijing's transportation system for the 2008 Olympics.

By the Opening Ceremonies of the Beijing 2008 Olympics, we will have 12,000 Beijing Olympic Buses on the streets of Beijing for the whole world to see. Residents and visitors will move all over Beijing quickly and comfortably, and most of the pollution now due to buses and automobiles will be eliminated.

Benefits of the Beijing Olympic Bus

1. Hybrid-Electric Power Train

Internal Combustion Engine, Generator, Batteries and Electric Drive Motors; Customer Choice of Fuel; Steady RPM: Maximum Efficiency, Low Noise; Long Range and Long Battery Life; Zero Emissions for Several Miles.

2. Cost Savings

Advanced Technology for Same Price as Old Technology; Fuel Costs Reduced 50%; Electric Drive Eliminates Transmission; High Volume Parts Less Costly; Regenerative Braking Reduces Brake Maintenance; Out-of-Vehicle Servicing with Modular Sub-Assemblies.

3. Environment-Friendly

Clean Air Engine Technology; Two-fold More Emissions Reduction by Doubled Miles Per Gallon; No Roar with Constant RPM Engine; All-Electric Range for Several Miles; Zero Emission/Silent Operation on Batteries Alone; Road Impact like Light Truck or SUV; Eliminate Loud Road Vibration; and Reduce Road Maintenance Costs.

4. Modular Sections Allows for Different Bus Lengths

Beijing Olympic Buses are constructed from “cells” with modular subassemblies for body/structure, suspension/steering/brake/drive-motor, and interior. The first and last cells are differentiated for the requirements of the driver, electricity generation, and ancillaries. Buses ideal for all routes are easily built in different lengths by using from zero to three middle cells.

5. Advantages Across-the-Board

Low Emissions; Light Weight; Heavy Load Capacity; Fast Boarding/De-Boarding; Curb-Height, Flat Floor; Ultra-Smooth, Ultra-Stable Ride; Highly Maneuverable; Go Anywhere; Zero Emissions Mode; Low Road Noise; Low Road Wear; Quiet; Low Cost to Build; Low Cost to Operate/Maintain; High Fuel Economy; Customer Choice of Fuel; Quick-to-Maintain Modular Subassemblies; Models for All Market Segments; Compartment for Freight, Bicycles, Other.

Patented Beijing Olympic Bus Systems

The Beijing Olympic Bus is based on patented design concepts, including the following:

- Suspension-structure design that distributes support over multiple axles.
- Distributed, multiple-axle, independent-wheel suspension for smooth and stable ride.
- Energy-efficient active suspension for ultimate ride quality.
- All-wheel steering with normal, crab, and pivot modes for high maneuverability.
- All-wheel-steering control interface with mode-selection and easy driver training.
- Modular engine/electricity generator systems for rapid out-of-vehicle servicing and customer selection of engine and fuel type.
- Modular suspension/steering/brake/drive-motor systems, identical for all left/right wheels, for reduced parts cost and reduced assembly/maintenance time.
- Cellular construction for easy production of buses having different lengths.

Needs to Accomplish Goal:

1. Final Prototype Design Work (\$2,000,000 US)
2. Functional Prototype for design verification testing (\$1,000,000 US)
3. Working Prototypes for certification Testing (\$7,000,000 US)
4. Beijing Olympic Bus Ready for the Production Line (\$10,000,000 US)
5. Site for Bus Facilities
6. Partner with Light Vehicle Manufacturer or Bus Manufacturer in China

IBUS Exhibit 1

PHASE	DESCRIPTION	TOTAL LABOR DOLLARS	PARTS	MATERIALS	GRAND TOTAL
1.1.1	PROJECT PLANNING	2,700	-	-	2,700
1.1.2	PROJECT MANAGEMENT	33,600	-	-	33,600
1.1.3	INFORMATION PROCESSING	5,400	-	-	5,400
1.1.4	CONSUMABLE SUPPLIES	-	-	2,500	2,500
	PHASE 1.1 TOTAL	41,700	-	2,500	44,200
2.2.1	1/4 SCALE EXTERIOR MODEL				
2.2.1.1	FABRICATE EXTERIOR MODEL ARMATURE	5,950	86	625	6,661
2.2.1.2	MACHINE MODEL	8,400	121	-	8,521
2.2.1.3	SURFACE REFINEMENT	2,800	40	-	2,840
2.2.1.4	WHITE LIGHT SCAN MODEL	3,100	-	-	3,100
2.2.2	1/4 SCALE INTERIOR MODEL				
2.2.2.1	FABRICATE INTERIOR MODEL ARMATURE	3,180	45	490	3,685
2.2.2.2	MACHINE MODEL	7,770	112	-	7,882
2.2.2.3	SURFACE REFINEMENT	3,290	47	-	3,337
2.2.2.4	WHITE LIGHT SCAN MODEL	2,370	-	-	2,370
2.2.3	EXTERIOR MODEL				
2.2.3.1	EXTERIOR MODEL TOOLING	320,600	4,614	103,900	428,214
2.2.3.2	EXTERIOR SURFACE MODEL	63,500	655	67,000	121,155
2.2.3.3	CABIN STRUCTURE	58,800	846	14,700	74,346
2.2.3.4	WING STRUCTURE	74,550	1,073	18,638	94,260
2.2.3.5	DOOR STRUCTURE	63,300	997	17,325	81,622
2.2.3.6	EXTERIOR MODEL SURFACING	109,900	1,682	27,476	138,957
2.2.3.7	EXTERIOR MODEL PAINT	63,000	907	16,760	79,967
2.2.4	CHASSIS				
2.2.4.1	FEASIBILITY/STRUCTURAL ANALYSIS	133,140	1,916	-	135,056
2.2.4.2	DESIGN	300,230	4,321	-	304,551
2.2.4.3	COMPLETE DRAWING AND DATA SETS	202,300	2,912	-	205,212
2.2.4.4	FABRICATION	180,120	2,736	47,530	240,386
2.2.4.5	TESTING	84,770	1,220	-	85,990
2.2.5	INTERIOR MODEL				
2.2.5.1	INTERIOR ACCESSORIES	124,950	1,788	31,238	157,968
2.2.5.2	SECONDARY STRUCTURE	60,780	875	15,180	76,825
2.2.5.3	INSTRUMENT PANEL	58,100	836	14,825	73,461
2.2.5.4	INTERIOR TRIM PANELS	178,900	2,589	44,975	227,464
2.2.5.5	SEATS AND COVERINGS	151,250	1,496	26,913	178,549
2.2.6	LAMPS AND LIGHTING				
2.2.6.1	HEAD LAMPS / TAIL LAMPS	92,500	1,310	4,550	98,360
2.2.6.2	INTERIOR LIGHTING	28,600	403	1,400	30,403
2.2.7	MECHANICAL SYSTEMS DESIGN & DEVELOPMENT				
2.2.7.1	DOOR MECHANICALS	79,030	1,137	10,758	90,925
2.2.7.2	COMPONENT STRUCTURE/ATTACHMENTS	33,600	484	9,400	42,484
2.2.8	GLASS				
2.2.8.1	WINDOW TOOLING	148,400	2,136	37,100	187,636
2.2.8.2	WINDOW FABRICATION	103,300	1,441	25,025	129,766
2.2.9	FINAL ASSEMBLY				
2.2.9.1	FINAL ASSEMBLY	81,900	1,179	20,475	103,554
2.2.9.2	DURABILITY TESTING	5,600	81	1,400	7,081
2.2.9.3	DELIVERY PREPARATION	5,040	73	-	5,113
	PHASE 2.2 TOTAL	2,849,970	40,056	562,380	3,359,794
	PHASE 1.1, 2.2, GRAND TOTAL	\$2,891,670	\$40,056	\$564,880	\$3,403,994



November 9, 2001

Mr. Robert Burke
President
I T S Bus, Inc.
114 Limestone Lane
Santa Cruz, CA 95060

Dear Mr. Burke,

Please accept **the** following letter with attachment as a preliminary quotation for tasks performed by the Gaffoglio Family **Metalcrafters**, Inc., as requested by your office. We appreciate the opportunity to submit a bid proposal to J T S Bus, Inc. and are looking forward to working with you and your team.

With twenty-one years of experience building the finest automobile concept and prototype vehicles, a 150,000 sq. ft. self contained state-of-the-art facility, and a commitment to quality and on time performance provide us with the framework necessary to successfully complete this project. As further evidence of our commitment to quality, we received **QS9000/ISO9001** Certification in **December** 2000.

As a leading minority owned company in Orange County, we take pride in the strength and success of our diverse workforce, achieving the **DaimlerChrysler** Gold Award in 2000. We are one of twenty suppliers to receive this award and the **only** minority owned supplier. This is a testament to the **level** of commitment, quality and cost effective products supplied by this organization.

Attached is a preliminary quotation with directional numbers for a completed running prototype, including exterior and interior model development and chassis engineering and development. As we move closer to manufacturing, a finalized quotation will be submitted for your review with specific roles and responsibilities for all participating organizations.

Thank you for giving us the opportunity to work with you and your company. Please do not hesitate to contact me should you have any questions.

Best regards,

Tim Temple
Project Manager
Gaffoglio Family **Metalcrafters**, Inc.

Operating Companies:

Metalcrafters, Inc. . Camera Ready Cars . Automotive Enhancements
11161 Slater Avenue . Fountain Valley, California 92708 • Telephone: 714.444.2000 • Fax: 714.444.2444 . www.metalcrafters.com



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: December 21, 2001

TO: Board of Directors

FROM: Elisabeth Ross, Manager of Finance

SUBJECT: ACCEPTANCE OF FINANCIAL STATEMENTS AND REPORTS OF INDEPENDENT AUDITOR FOR YEAR ENDING JUNE 30, 2001

I. RECOMMENDED ACTION

Staff recommends 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 ending June 30, 2001.

II. SUMMARY OF ISSUES

- The financial statements and reports of the independent certified public accountants (Attachment A) present the District's financial position at June 30, 2001, with a comparison to the position at June 30, 2000. The auditors have found that the District's financial statements present fairly the financial position of the District.
- The auditors found the District to be in compliance with the financial reporting requirements for grants and other financial assistance.
- In the schedule of findings and questioned costs, the auditors had no new findings.
- Note 4 in the financial statements shows the District's total available net assets and the amounts designated for various funds.
- Four recommendations are identified in Attachment C which are intended to improve the District's internal control structure.

III. DISCUSSION

The firm of Brown Armstrong has provided an "unqualified" opinion on the District's financial statements based on its audit (page 1 of the document in Attachment A). This type of opinion is the highest level of opinion, and indicates that the financial statements are consistent with generally accepted accounting principles for governments in all material respects.

While the financial statements describe the District's financial position in detail, key pages provide indicators of the District's financial situation at June 30, 2001.

The District's retained earnings (accumulation of earnings and losses over the years) is \$21,748,991 at June 30, 2001 (page 5), up \$2,129,793 from the prior year. The statements of revenues and expenses (page 5) indicate net income in the amount of \$628,388 for the year ending June 30, 2001. The net income is used to assist in funding the District's capital improvement program, including the District's share of capital projects that were not completed in FY 00-01 and will be carried over into FY 01-02.

The statements of operating expenses (page 19) indicate that the District's total operating expenses increased by \$3,773,980 or 14% from the prior year. The largest changes in operating expense are a \$952,136 increase in labor (9%) due to staffing increases and operation of the Highway 17 Express in-house for all of the year, a \$1,976,549 increase in estimated workers compensation liability (189%) due to a new actuarial study estimating future liability under the self-insured program, a \$254,432 increase in fuels and lubricants (28%) due to price increases and expanded service, and a \$126,929 increase in purchased transportation for paratransit services (6%). The District realized a decrease of \$412,827 in purchased transportation services for the Highway 17 Express.

The balance sheets (pages 3-4) provide an overall summary of the District's position. To determine the amount of available net assets for cash flow and funding capital projects in the adopted Transportation Improvement Program (TIP), staff has worked with the auditors to develop the schedule in Note 4 (Page 13). At June 30, 2001, this schedule shows total available net assets of \$19,785,589, comprised of a cash flow reserve of \$2,600,000, a workers compensation reserve of \$1,170,000, an insurance reserve of \$600,000, an alternative fuel conversion fund of \$462,000, a bus stop improvement reserve of \$400,000 and \$13,997,795 for the District's share of approved capital projects. This leaves a balance of \$555,794 in available net assets which will be added to the capital reserve fund.

In the schedule of findings and questioned costs (pages 28-29), the auditors had no new findings. The prior year finding regarding the physical count of fixed assets required by federal regulations is summarized with the current year status that the recommendation has been implemented.

Attachment B is a standard letter that the auditors are required to prepare addressing certain topics. The letter defines their responsibilities, significant accounting policies, and significant audit adjustments. In the letter they also reported that they had no disagreements with management or difficulties performing the audit. The journal entries mentioned are available from staff.

Attachment C is a letter from Brown Armstrong, containing four agreed-upon findings to improve the internal control structure. Each recommendation is followed by management's response.

Benjamin Reyes of Brown Armstrong will review the audit results at the Board meeting on Friday, December 21, 2001.

I would like to recognize Marilyn Fenn, Assistant Finance Manager, for her efforts in coordinating this year's audit with the team from Brown Armstrong. Because the firm was new to the District, additional work was required to acquaint the auditors with the District's policies, procedures and records. Many employees at the District also assisted with this year's audit process, in particular Patricia Korba, Accounting Specialist, and Senior Accounting Technicians Liz Bytheway and Melanie Richards.

IV. FINANCIAL CONSIDERATIONS

There is no fiscal impact from 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, the final audit must be submitted to the Commission.

V. ATTACHMENTS

Attachment A: Financial Statements and Reports of Independent Certified Public Accountants for the years ending June 30, 2001 and 2000

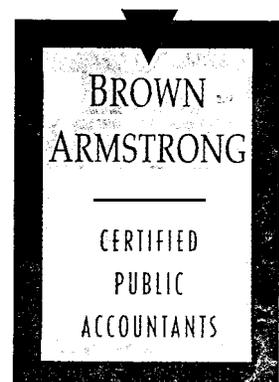
Attachment B: Letter from Brown Armstrong

Attachment C: Agreed Upon Conditions Designed to Increase Efficiency, Internal Controls and/or Financial Reporting

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT

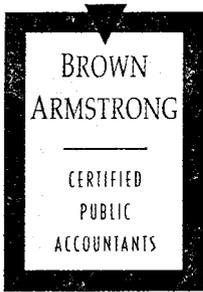
JUNE 30, 2001 AND 2000



**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
JUNE 30, 2001 AND 2000**

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BROWN ARMSTRONG
RANDALL REYES PAULDEN & McCOWN
CERTIFIED PUBLIC ACCOUNTANTS

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Benjamin P Reves, CPA
Andrew J Paulden, CPA
Haney J McCown, CPA
Andrea Rutherford-Hill, CPA
Steven R Starbuck, CPA
Aileen K Keeter, CP.4

INDEPENDENT AUDITOR'S REPORT

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

Lynn R Krausse, CPA, MST
Chris M. Thornburgh, CP.4
Joan hl. Anderson, CPA
Bradley M Hankins, CPA
B Marie Ebersbacher, CPA, CFE
Eric Xin, CPA
Melinda A McDaniels, CPA
Thomas M. Young, CPA
Vonie L Chroman, CPA
Michelle L Gonzales, CPA
Amanda E. Wilson, CPA

We have audited the financial statements of the Santa Cruz Metropolitan Transit District (the District), as of June 30, 2001, as listed in the table of contents. These financial statements are the responsibility of the Santa Cruz Metropolitan Transit District's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. The financial statements for the year ended June 30, 2000 were audited by other auditor's whose report dated September 8, 2000 was unqualified.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Santa Cruz Metropolitan Transit District, as of June 30, 2001, and the results of its operations and the cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated September 20, 2001 on our consideration of the Santa Cruz Metropolitan Transit District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the financial statements of Santa Cruz Metropolitan Transit District, taken as a whole. The accompanying 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 not a required part of the financial statements. The accompanying statements of operating expenses by function are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

BROWN ARMSTRONG RANDALL
REYES PAULDEN & McCOWN
ACCOUNTANCY CORPORATION

A handwritten signature in black ink, appearing to read "R. Paulden", is written over the printed name of the firm.

Bakersfield, California
September 20, 2001

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
BALANCE SHEETS
JUNE 30, 2001 AND 2000

	2001	2000
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 23,292,520	\$ 18,757,493
Grants and other receivables	3,954,517	\$398,558
Inventory	734,398	840,948
Prepays	<u>18,452</u>	<u>126,249</u>
Total Current Assets	<u>277999,887</u>	<u>23,123,248</u>
RESTRICTED ASSETS		
Cash and cash equivalents	<u>6,411,409</u>	<u>6,022,487</u>
PROPERTY AND EQUIPMENT		
Buildings and improvements	10,081,614	10,050,818
Transportation vehicles	19,288,954	18,958,986
Operations equipment	1,252,569	1,175,929
Other equipment	1,195,528	1,091,094
Other vehicles	747,229	699,446
Office equipment	<u>1,164,113</u>	<u>1,252,368</u>
	33,730,007	33,228,641
Less: accumulated depreciation	<u>(18,206,492)</u>	<u>(17,398,014)</u>
	15,523,515	15,830,627
Construction in progress	1,018,441	111,073
Land	<u>3,763,501</u>	<u>3,763,501</u>
Property and Equipment, net	<u>207305,457</u>	<u>19,705,201</u>
TOTAL ASSETS	<u>\$ 54,716,753</u>	<u>\$ 48,850,936</u>

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

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
BALANCE SHEETS (Continued)
JUNE 30, 2001 AND 2000

	2001	2000
<u>LIABILITIES AND FUND EQUITY</u>		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 1,289,185	\$ 1,053,763
Accrued payroll and employee benefits	2,283,981	2,090,702
FEMA/OES settlement liabilities		354,725
Other accrued liabilities	3,346,179	2,382,664
Security deposit	14,764	10,364
Deferred revenue	527,339	61,039
Total Current Liabilities	7,461,448	5,953,257
LIABILITIES PAYABLE FROM RESTRICTED ASSETS		
Deferred revenue	6,411,409	6,022,487
LONG-TERM LIABILITIES		
Workers' compensation liabilities	2,869,840	1,543,000
Total Liabilities	16,742,697	13,518,744
FUND EQUITY		
Contributed capital		
Federal grants	8,856,579	8511,272
State grants	6,417,677	6,270,126
Local grants	936,625	910,064
Other grants	14,184	21,532
Total Contributed Capital	16,225,065	15,712,994
Retained Earnings	21,748,991	19,619,198
Total Fund Equity	37,974,056	35332,192
TOTAL LIABILITIES AND FUND EQUITY	\$ 54,716,753	\$ 48,850,936

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

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
STATEMENTS OF REVENUES AND EXPENSES
FOR THE YEARS ENDED JUNE 30, 2001 AND 2000

	<u>2001</u>	<u>2000</u>
OPERATING REVENUE		
Passenger fare	\$ 3,836,904	\$ 3,753,062
Special transit fare	1,630,576	1,559,392
Purchased transportation revenue	<u>443,492</u>	<u>341,585</u>
Total Operating Revenue	<u>5,910,972</u>	<u>5,654,039</u>
OPERATING EXPENSES		
Wages, salaries and employee benefits	20,345,599	16,577,939
Purchased transportation services	2,388,654	2,674,552
Material and supplies	2,498,448	2,121,313
Other expenses	3,167,313	3,174,515
Depreciation	<u>1,791,889</u>	<u>1,869,604</u>
Total Operating Expenses	<u>30,191,903</u>	<u>26,417,923</u>
Net Operating Loss	<u>(24,280,931)</u>	<u>(20,763,884)</u>
NONOPERATING REVENUES (EXPENSES)		
Sales and use tax	16,356,095	14,807,812
Transportation Development Act assistance	6,430,011	4,824,062
Section 8/5303 planning funds		34,963
Section 9/5307 operating assistance	505,614	505,614
Section 1815307 operating assistance	39,697	36,918
Federal operating assistance grants	175,302	438,046
Other state operating assistance		63,993
Local transportation funds	35,295	28,152
Interest income	1,249,907	958,795
Rental income	146,350	113,282
Other revenue	184,539	243,406
Loss on disposal of inventory	(213,491)	
Reversal of FEMA/OES contingencies		<u>3,076,147</u>
Total Nonoperating Revenues	<u>24,909,319</u>	<u>25,131,190</u>
NET INCOME	<u>\$ 628,388</u>	<u>\$ 4,367,306</u>

The accompanying notes are an integral part of these financial statements

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
 STATEMENTS OF CHANGES IN FUND EQUITY
 FOR THE YEARS ENDED JUNE 30, 2001 AND 2000

	Contributed Capital				Retained Earnings	Total
	Federal	State	Local	Other		
Balance at June 30, 1999	\$ 8,788,166	\$ 5,513,965	\$ 860,148	\$ 46,200	\$ 13,759,962	\$ 28,968,441
Net income					4,367,306	4,367,306
Depreciation charged to contributed capital	(1,108,245)	(362,045)	(14,292)	(7,348)	1,491,930	
Capital grant funds earned	<u>831,351</u>	<u>1,118,206</u>	<u>64,208</u>	(17,320)		<u>1,996,445</u>
Balance at June 30, 2000	8,511,272	6,270,126	910,064	21,532	19,619,198	35,332,192
Net income					628,388	628,388
Depreciation charged to contributed capital	(1,058,179)	(407,278)	(28,600)	(7,348)	1,501,405	
Capital grant funds earned	1,464,179	555,381	55,161			2,074,721
Capital grant assets disposed (net)	<u>(60,693)</u>	<u>(552)</u>				<u>(61,245)</u>
Balance at June 30, 2001	<u>\$ 8,856,579</u>	<u>\$ 6,417,677</u>	<u>\$ 936,625</u>	<u>\$ 14,184</u>	<u>\$ 21,748,991</u>	<u>\$ 37,974,056</u>

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

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2001 AND 2000**

	2001	2000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating loss	\$ (24,280,931)	\$ (20,763,884)
Adjustments to reconcile net operating loss to net cash used in operating activities:		
Advertising revenue	156,000	
Depreciation	1,791,889	1,869,604
Loss on disposition of equipment		155,498
Changes in assets and liabilities:		
Receivables	(555,960)	248,751
Inventory	106,549	(19,297)
Prepaid expenses	107,797	(123,429)
Accounts payable	235,423	239,283
Other liabilities	<u>2,988,530</u>	<u>(383,269)</u>
Net Cash Used in Operating Activities	<u>(19,450,703)</u>	<u>(18,776,743)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Operating grants received, including sales and use tax	23,274,055	23,960,365
Other nonoperating	<u>760</u>	<u>(3,430,872)</u>
Net Cash Provided by Noncapital Financing Activities	<u>23,274,815</u>	<u>20,529,493</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from sale of property and equipment	21,004	50,657
Construction in progress	(907,368)	
Capital grants received	2,074,721	2,880,810
Capital assets acquired	<u>(1,484,778)</u>	<u>(1,933,245)</u>
Net Cash (Used in) Provided by Capital and Related Financing Activities	<u>(296,421)</u>	<u>998,222</u>
CASH FLOWS PROVIDED BY INVESTING ACTIVITIES		
Investment and rental income received	<u>1,396,257</u>	<u>1,067,974</u>
Net Increase in Cash and Cash Equivalents	4,923,948	3,818,946
Cash and Cash Equivalents at Beginning of Year	<u>24,779,981</u>	<u>20,961,035</u>
Cash and Cash Equivalents at End of Year	<u>\$ 29,703,929</u>	<u>\$ 24,779,981</u>

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

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30.2001 AND 2000**

NOTE 1 - OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Organization

The Santa Cruz Metropolitan Transit District (the District) 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, Capitola and the unincorporated areas of Santa Cruz County. The District is governed by a Board of eleven directors, and one Ex-Officio director representing the University of California, Santa Cruz. At June 30, 2001, the directors were as follows:

Chairperson:	Jan Beautz		
Vice Chair:	Emily Reilly		
Members:	Sheryl Ainsworth	Bruce Gabriel	Christopher Krohn
	Jeff Almquist	Michelle Hinkle	Rafael Lopez
	Tim Fizmaurice	Mike Keogh	Dennis Norton
Ex-Officio:	Mike Rotkin		

B. Reporting Entity

The District and the Santa Cruz Civic Improvement Corporation (the Corporation) have a financial and operational relationship, which meets the reporting entity definition criteria of GASB Statement No. 14, *The Financial Reporting Entity*, for inclusion of the Corporation as a component unit of the District. Accordingly, the financial activities of the Corporation have been included in the financial statements of the District. For the years ending June 30, 2001 and 2000, this activity was 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 the District for the construction and acquisition of major capital facilities.

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

B. Reportins Entity (Continued)

The following are those aspects of the relationship between the District and the Corporation, which satisfy GASB Statement No. 14 criteria.

Accountability:

1. The Corporation's Board of Directors were appointed by the District's Board of Directors.
2. The District 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 the District.
 - The District exercises significant influence over operations of the Corporation as it is anticipated that the District will be the sole lessee of all facilities owned by the Corporation. Likewise, it is anticipated that the District'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 the District based upon the following:
 - The District has assumed a "moral obligation", and potentially a legal obligation, for any debt incurred by the Corporation.

C. Basis of Accounting

The District maintains its records on the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when the related liability is incurred. The District follows all Governmental Accounting Standards Board (GASB) accounting standards and all applicable Financial Accounting Standards Board (FASB) accounting standards.

D. Cash and Cash Equivalents

The District considers all highly liquid investments with a maturity date within three months of the date acquired to be cash equivalents. The District deposits funds into an external investment pool maintained by the County of Santa Cruz. These deposits are considered cash equivalents. The County of Santa Cruz 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, banker's acceptances, repurchase agreements, and the State Treasurer's investment pool. Cash and cash equivalents are stated at fair value. For purposes of the statement of cash flows, the District considers all highly liquid investments (including restricted assets) to be cash equivalents.

E. Inventory

Inventory is carried at cost. Inventory held by the District consists of spare bus parts that are consumed by the District and are not for resale purposes.

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

F. Restricted Assets

The cash resulting from a settlement agreement as described in Note 8, represents proceeds restricted by the Federal Transit Administration. Restricted assets at June 30, are as follows:

	<u>2001</u>	<u>2000</u>
Cash and cash equivalents		
Settlement agreement with contractor	<u>\$ 6,411,409</u>	<u>\$ 6,022,487</u>

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 structures	20-30 years
Revenue vehicles	12 years
Other vehicles and equipment	3-10 years

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

H. Sales and Use Tax

The District receives a .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. Additionally, the District is allocated, through the Santa Cruz County Regional Transportation Commission, a portion of the .25% sales and use tax levied by the Transportation Development Act.

I. Capital Grants

Capital grants for the acquisition of property, buildings, and equipment are accrued as contributed capital as the related eligible expenditures are incurred. Depreciation on assets acquired with contributed capital is charged to contributed capital.

J. Operating Assistance Grants

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

K. Self-Insurance

The District is self-insured for the first \$100,000 of general and vehicular liability. For settlements in excess of \$100,000, the District has total coverage up to \$20,000,000 per occurrence. Additionally, the District is self insured up to \$350,000 for workers' compensation claims. The District has recorded a liability for estimated claims to be paid including incurred but not reported claims.

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

L. Employee Benefits

Vacation 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 District service.

M. Payroll

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

N. Pension Costs

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

O. Use of Estimates

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

P. Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements. These reclassifications did not have any affect on fund equity.

NOTE 2 - CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of the following at June 30,:

	<u>2001</u>	<u>2000</u>
Cash on hand	\$ 27,612	\$ 21,485
Demand deposits	276,140	308,713
Deposits in Santa Cruz County Pooled Investment Fund	<u>29,400,177</u>	<u>24,449,783</u>
	<u>\$ 29,703,929</u>	<u>\$ 24,779,981</u>

Cash on Hand and Cash in Banks

Cash is maintained in a financial institution, which provides deposit protection on the bank balance from the Federal Deposit Insurance Corporation. Additionally, the California Government Code requires all financial institutions to maintain an investment pool equal to 110% of all government deposits held by the institution as collateral for such deposits.

Cash is categorized below to give an indication of the level of risk assumed by the District. Category 1 includes cash balances that are insured in the District's name. Category 2 includes cash balances for which the collateral securities are held by the financial institution in the District's name. Category 3 includes uninsured cash balance for which the collateral securities are held by the financial institution but not in the District's name.

NOTE 2 - CASH AND CASH EQUIVALENTS (Continued)

Cash on Hand and Cash in Banks

Cash at June 30, 2001 consists of the following:

	Balance per SCMTD	Balance per Bank	Categories		
			1	2	3
Cash in banks	\$ 276,140	\$ <u>642,794</u>	\$ 100,000	\$ 542,794	\$
Cash on hand	<u>27,612</u>				
	\$ <u>303,752</u>				

Cash at June 30, 2000 consists of the following:

	Balance per SCMTD	Balance per Bank	Categories		
			1	2	3
Cash in banks	\$ 308,713	\$ <u>123,510</u>	\$ 100,000	\$ 23,510	\$
Cash on hand	<u>21,485</u>				
	\$ <u>330,198</u>				

Investments

At June 30, 2001 and 2000, the District had \$29,400,177 and \$24,449,783, respectively, invested in the Santa Cruz County Pooled Investment Fund. Pooled cash held in the County Investment Fund is considered uncategorized. In accordance with GASB guidelines, the District has marked all investments to their market value.

NOTE 3 - RECEIVABLES

Receivables at June 30, are as follows:

	<u>2001</u>	<u>2000</u>
Federal grants	\$ 642,968	\$ 346,734
State grants	413,419	479,128
Local grants	25,297	20,619
Sales tax revenue	2,643,900	2,306,700
Other	<u>228,933</u>	<u>245,377</u>
	<u>\$ 3,954,517</u>	<u>\$ 3,398,1558</u>

NOTE 4 -AVAILABLE NET ASSETS

An analysis of the District's available (undesignated) net assets at June 30, are as follows:

	<u>2001</u>	<u>2000</u>
Current assets	\$ 27,999,887	\$ 22,963,249
Current liabilities	<u>(7,461,448)</u>	<u>(5,793,257)</u>
Working capital	20,538,439	17,169,992
Less:		
Inventory	(734,398)	(840,948)
Prepaid expenses	<u>(18,452)</u>	<u>(126,249)</u>
Total available net assets	<u>19,785,589</u>	<u>16,202,795</u>
Net assets designated for the following:		
Cash flow	(2,600,000)	(2,600,000)
Workers' compensation reserve	(1,170,000)	(730,000)
insurance reserve	(600,000)	(375,000)
Alternative fuel conversion fund	(462,000)	
Bus stop improvements	(400,000)	(300,000)
Net assets required to fund transportation improvement program for fiscal years 2001-2006	<u>(13,997,795)</u>	<u>(10,000,000)</u>
Total designated net assets	<u>(19,229,795)</u>	<u>(14,005,000)</u>
Excess of available net assets over (under) designated net assets	<u>\$ 555,794</u>	<u>\$ 2,197,795</u>

NOTE 5 - CAPITAL GRANTS

The District receives grants from the Federal Transit Administration (FTA), which provides financing primarily for the acquisition of rolling stock. The District also receives grants under the State Transportation Development Act and State Toll Bridge revenue programs primarily for the acquisition of rolling stock and support equipment, and purchase of furniture and fixtures.

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

	<u>2001</u>	<u>2000</u>
Federal grants	\$ 1,464,179	\$ 831,351
State grants	555,381	1,118,206
Transportation Development Act (local transportation grants)	<u>55,161</u>	<u>46,888</u>
Total Capital Assistance	<u>\$ 2,074,721</u>	<u>\$ 1,996,445</u>

NOTE 6 -COMMITMENTS

The District leases a number of its facilities under operation leases extending through 2006. For the years ended June 30, 2001 and 2000, rental expense relating to the leases was \$515,681 and \$484,245, respectively. The District also leases to others retail space in their transit facilities under noncancelable agreements. Minimum lease payments and receipts for existing operating leases are as follows:

<u>Year Ending June 30</u>	<u>Lease Commitments</u>	<u>Rent income</u>	<u>Net</u>
2002	\$ 537,228	\$ 106,319	\$ 430,909
2003	518,837	100,435	418,402
2004	360,980	102,728	258,252
2005	346,030	73,077	272,953
2006	179,732	10,244	169,488
Thereafter	<u>1,942,807</u>	<u>392,803</u>	<u>1,550,004</u>

NOTE 7 - JOINT VENTURES (Joint Powers Authority)

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

CalTIP arranges for and provides property and liability insurance for its 25 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 year ended April 30, 2001 is as follows:

Total assets	\$ 11,859,727
Total liabilities	<u>9,145,867</u>
Fund Balance	<u>\$ 2,713,860</u>
Total revenues	\$ 3,880,492
Total expenditures and cumulative effect of accounting change	<u>3,426,587</u>
Net Increase in Fund Balance	<u>\$ 453,905</u>

The District's share of year-end assets, liabilities, or fund balance has not been calculated by CalTIP.

NOTE 8 -WATSONVILLE FLEET MAINTENANCE FACILITY

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

In addition, due to design and construction deficiencies by the design and building contractors involved in the original project, the District 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 the District during fiscal year 1996, representing damages less attorney fees. The use of these proceeds, and the interest earned thereon, is restricted by the various governmental agencies that originally contributed the monies to build the fleet maintenance facility. Accordingly, the net restricted amount of \$6,411,409 and \$6,022,487 is reflected on the balance sheets as deferred revenue at June 30, 2001 and 2000, respectively. The District is currently working towards building a new facility in Santa Cruz.

NOTE 9 -CONTINGENCIES

The District 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 terms of the grants, the District believes that any required reimbursement will not be material.

Additionally, the District 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 financial statements.

NOTE 10 -DEFINED BENEFIT PENSION PLAN

Plan Description

The District'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. The District selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through Board 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 317 active plan members in the Fund as of June 30, 2001 which are required to contribute a percent of their annual covered salary. In lieu of salary increases and for employees who agreed to salary reductions in certain prior years, the District agreed to pay a portion of the employee contribution, based on negotiated formulas. The District 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, 2001 was 0%. 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.

NOTE 10 - DEFINED BENEFIT PENSION PLAN (Continued)

Annual Pension Cost

For fiscal year ended June 30, 2001, the District's annual pension cost of \$763,788 was equal to the District's required and actual contributions. This includes the District's contribution to the employee contribution requirement. The required contribution for fiscal year ended June 30, 2001 was determined as part of the June 30, 1998 actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included (a) 8.25% investment rate of return (net of administration expenses); (b) projected salary increases that vary by duration of service ranging from 3.75% to 14.21% for miscellaneous members, and (c) 3.75% cost-of-living adjustment. Both (a) and (b) include an inflation component of 3.50%. 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 excess assets are being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2001 was 66 years.

Three-Year Trend Information for the Fund

Three-year trend information, with respect to the Districts participation in CalPERS is as follows:

<u>Fiscal Year Ending</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/99	\$ 945,978	100%	\$ -
6/30/00	\$ 693,649	100%	\$ -
6/30/01	\$ 763,788	100%	\$ -

Required Supplementary Information

Supplementary information is intended to show the progress made towards funding benefit obligations. Required three year supplemental information, available to date, for the District is as follows:

<u>Valuation Date</u>	<u>Entry Age Normal Accrued Liabilitv</u>	<u>Actuarial Value of Assets</u>	<u>Unfunded/ (Overfunded) Liabilitv</u>	<u>Funded Ratio</u>	<u>Annual Covered Pavroll</u>	<u>UAAL as a % of Pavroll</u>
6/30/98	\$ 29,651,308	\$ 33,583,405	\$ (6,456,278)	123.8%	\$ 9,201,439	(70.166)%
6/30/99	32,467,163	41,065,136	(11,413,828)	138.5%	9,751,513	(117.047)%
		47,476,596	(15,009,433)	146.2%	10,560,478	(142.128)%

NOTE 11 - POST-RETIREMENT BENEFITS

The District provides post-retirement benefits to its employees who have completed at least ten years of full-time service with the District, have reached the age of 50 and have retired under the provisions of CalPERS while an employee of the District. The District pays a portion of the premiums for medical insurance for retirees and eligible dependents. The District also provides dental, vision and life insurance plan coverage of retirees and eligible dependents until the retiree attains the age of 65. Bus operators who retired and reached the age of 65 prior to June 30, 1994, will continue to receive dental and vision coverage beyond age 65. Life insurance is not provided to management retirees. The costs of providing these benefits are recognized when paid. The District has recognized approximately \$365,747 and \$258,000 of expense for these benefits for the years ending June 30, 2001 and 2000, respectively.

NOTE 12 - DEFERRED COMPENSATION PLAN

The District 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 district 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. The District employees participate in two such plans, the Great-West Life and Annuity Insurance (Great-West) plan and the other through CalPERS.

At June 30, 2001, all amounts held under the Great-West plan and the CalPERS plan are held in trust and are not reflected on the accompanying balance sheet as required under Statement No. 27 of the Governmental Accounting Standards Board, *Accounting Standards for Pensions by State and Local Governmental Employers*.

NOTE 13 - RISK MANAGEMENT

The District 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 the District carries commercial insurance. The District has established limited risk management programs for workers' compensation, and general and vehicular liability, as described in Note 1, as well.

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 August 1, 2001. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. The IBNR amount based on the actuarial study was determined to be \$5,476,041 at June 30, 2001.

NOTE 14 -TRANSPORTATION DEVELOPMENT ACT/CALIFORNIA ADMINISTRATIVE CODE

The District is subject to compliance with the Transportation Development Act provisions, Sections 6634 and 6637 of the California Administrative Code and Sections 99267, 99268.1 and 99314.6 of the Public Utilities Code.

Section 6634

Pursuant to Section 6634, a Transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant's capital and operating costs, less the required fares, and local support. The District did not receive Transportation Development Act or State Transit Assistance 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. The District did maintain its accounts and records in accordance with the Uniform System of Accounts and Records for Transit Operators.

Sections 99267 and 99268.1

Pursuant to the Transportation Development Act, the District is defined as an older operator and is not required to meet the fare box ratio requirement of the Act. The District has met the 50% expenditure limitation requirement.

NOTE 15 - NEW ACCOUNTING PRONOUNCEMENT

In June 1999, the Governmental Accounting Standards Board issued Statement No. 34, *Basic Financial Statements-and Management's Discussion and Analysis for-state and Local Governments*. The requirements of the Statement become effective for the District for the year ending June 30, 2003. The new statement will require the basic financial statements to include Management's Discussion and Analysis (MD&A), government-wide financial statements, fund financial statements, notes to the financial statements and required supplementary information. Management has not yet determined the effect of adopting this statement on the District's financial statements.

SUPPLEMENTARY INFORMATION

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
STATEMENTS OF OPERATING EXPENSES
JUNE 30, 2001 AND 2000

	2001	2000
Labor		
Operators' salaries and wages	\$ 5,284,468	\$ 4,859,665
Other salaries and wages	4,695,584	4,296,143
Overtime	1,198,745	1,070,853
 Fringe Benefits		
Absence with pay	2,371,087	2,115,000
Pension plans	763,788	693,649
Vision, medical, and dental plans	2,445,495	2,068,450
Workers' compensation insurance	3,020,777	1,044,228
Disability insurance	464,841	329,170
Other fringe benefits	100,814	100,782
 Services		
Accounting	196,961	61,415
Administrative and banking	170,483	172,210
Professional and technical services	642,822	935,306
Security	350,919	322,408
Outside repairs	391,863	318,002
Other services	168,591	166,092
 Materials and Supplies Consumed		
Fuels and lubricants	1,169,459	915,027
Tires and tubes	148,666	152,440
Vehicle parts	655,379	576,473
Other materials and supplies	524,943	477,373
 Utilities	263,937	265,263
 Casualty and Liability Costs	213,149	207,096
 Taxes and Licenses	37,044	33,934
 Purchased Transportation Services		
Highway 17		412,827
Paratransit	2,388,654	2,261,725
 Miscellaneous Expenses	194,153	191,974
 Equipment and Facility Lease	537,392	500,814
 Depreciation		
Property acquired with operator funds	290,484	377,674
Property acquired by federal, state or TDA funds	1,501,405	1,491,930
 Total Operating Expenses	\$ 30,191,903	\$ 36,417,923

OTHER SCHEDULES AND REPORTS

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2001

<u>Federal Grantor/Program Title</u>	<u>Federal CFDA No.</u>	<u>Pass-Through Grantor's Number</u>	<u>Total Federal Expenditures</u>
U.S. DEPARTMENT OF TRANSPORTATION			
Direct Programs:			
Federal Transit Administration (FTA)			
Cluster Defined by the Department of Transportation			
Section 3/5309 Consolidation			
Preliminary Engineeiing	20.500'	CA-03-04 13	\$ 168,695
Fare Boxes	20.500*	CA-03-0365	<u>51,025</u>
			<u>219,720</u>
Section 9/5307			
Fare Boxes	20.507*	CA-90-X625	16,660
Talking Bus - Capital	20.507'	CA-90-X625	3,983
MIS Hardware - Capital	20.507'	CA-90-X752	21,167
CMAQ Fare Boxes	20.507*	CA-90-X752	20,373
Fare Boxes	20.507*	CA-90-X691	3,857
Fare Boxes	20.507*	CA-90-X902	610,746
ADA Paratransit Vehicles	20.507'	CA-90-X902	226,408
Repower Buses	20.507*	CA-90-Y024	516,565
Operating Assistance	20.507*	CA-90-Y024	<u>505,614</u>
			<u>1,925,373</u>
Section 18/5311			
Operating Assistance	20.509	649068	<u>39,697</u>
Total Expenditures of Federal Awards			<u>\$ 3,184,790</u>

* Major federal financial assistance program.

See accompanying notes to schedule of federal financial assistance.

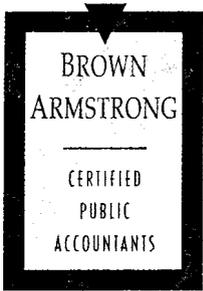
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2001

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 (the District). 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.



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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS AND THE RULES AND
REGULATIONS OF THE TRANSPORTATION DEVELOPMENT ACT

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

We have audited the financial statements of Santa Cruz Metropolitan Transit District as of and for the year ended June 30, 2001, and have issued our report thereon dated September 20, 2001. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Santa Cruz Metropolitan Transit District'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. 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 that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

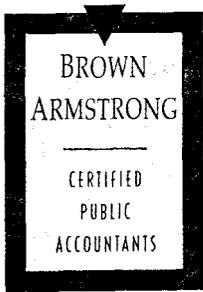
In planning and performing our audit, we considered Santa Cruz Metropolitan Transit Districts internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of management, the Board of Directors, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

BROWN ARMSTRONG RANDALL
REYES PAULDEN & McCOWN
ACCOUNTANCY CORPORATION

A handwritten signature in black ink, appearing to read "B. Reyes Paulden". The signature is fluid and cursive, with a large initial "B" and a long, sweeping tail.

Bakersfield, California
September 20, 2001



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Steven R. Starbuck, CF.4
Aileen K Keeter, CPA

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

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B. Marie Ebersbacher, CM, CFE
Eric Xin, CPA
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Amanda E. Wilson, CPA

Compliance

We have audited the compliance of Santa Cruz Metropolitan Transit District with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended June 30, 2001. Santa Cruz Metropolitan Transit District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of Santa Cruz Metropolitan Transit District's management. Our responsibility is to express an opinion on Santa Cruz Metropolitan Transit District's compliance based on our audit.

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 Metropolitan Transit District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Santa Cruz Metropolitan Transit District's compliance with those requirements.

In our opinion, the Santa Cruz Metropolitan Transit District complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2001.

Internal Control Over Compliance

The management of Santa Cruz Metropolitan Transit District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Santa Cruz Metropolitan Transit District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-1 33.

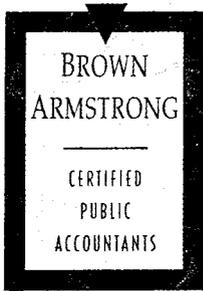
Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of management, the Board of Directors, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

BROWN ARMSTRONG RANDALL
REYES PAULDEN & McCOWN
ACCOUNTANCY CORPORATION



Bakersfield, California
September 20, 2001



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REPORT ON COMPLIANCE WITH THE
TRANSPORTATION DEVELOPMENT ACT

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 (the District), as of and for the year ended June 30, 2001, and have issued our report there on dated September 20, 2001.

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

Compliance with laws, regulations, contracts and grants applicable to the District is the responsibility of the management of the District. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the District's compliance with certain provisions of the Transportation Development Act, including Public Utilities Code Section 99245 as enacted and amended by statute through June 30, 2001, and the allocation instructions and resolutions of the Santa Cruz County Regional Transportation Commission as required by Section 6667 of the California Code of Regulations. However, our objective was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests indicated that, with respect to the items tested, the District 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 the District had not complied, in all material respects, with those provisions.

This report is intended for the information of management, the Board of Directors, the State Controller's Office, the U.S. Department of Transportation, and officials of applicable grantor agencies. However, this report is a matter of public record and its distribution is not limited.

BROWN ARMSTRONG RANDALL
REYES PAULDEN & McCOWN
ACCOUNTANCY CORPORATION

Bakersfield, California
September 20, 2001

FINDINGS AND QUESTIONED COSTS SECTION

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2001**

I. Summary of Auditor's Results

Financial Statements

Type of auditors' report issued: Unqualified

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 auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .51 O(a)? Yes No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Clusters
20.500	Federal Transit Administration-Section 3
20.507	Federal Transit Administration-Section 9

Dollar threshold used to distinguish Type A & B programs: \$300,000

Auditee qualified as low risk auditee? Yes No

II. Findings Relating to Financial Statements Required Under GAGAS

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, 2000) Findings and Current Year Status Follows

Finding 2000-I

Equipment and Real Property Management

The District is required to perform a physical count of their fixed assets every two years as required by federal regulations. The District did not perform a physical count in prior year (fiscal year ending June 30, 1999) and did not fully complete (note: they have started but have not completed the count as of June 30, 2000 and as of the end of field work) the physical count in the current year.

Recommendation

As required by federal regulations, we recommend that the District complete a fixed asset count every two years.

Current Year Status

Implemented.

Recommendation

SCMTD should establish policies and procedures to ensure that all employees working in the count room wear a District uniform that reduces the risk of misappropriation.

Management Response

In lieu of requiring pocketless uniforms for District and contract employees, the District has closed circuit observation cameras in the count room which are located in highly visible locations. Policy requires that a minimum of two people be present in the count room. Management will request that no caps be worn in the future.

Finding 3

SCMTD is not performing an inventory count or reconciliation of the tickets or bus passes kept at the Metro Center. The tickets and passes are kept in a locked cabinet but without a daily or weekly count and reconciliation the possibility of misappropriation is present.

Recommendation

We recommend that SCMTD establish procedures that requires employees of the Metro Center to keep track of the amount of tickets and passes sold during the week and to reconcile these amounts to the beginning and ending inventory.

Management Response

Management has begun implementing procedures to independently account for the number of tickets sold. In the future, Finance will oversee the printing of tickets and passes as well as a semi-annual reconciliation of tickets sold to ticket revenue.

Finding 4

We noted that the employee in charge of making the deposit to the County's Treasury account is also responsible for the account's reconciliation and posting to the general ledger. In addition, the safe in the finance department is accessible and all the members of the finance department know the combination.

Recommendation

We recommend that SCMTD implement procedures to separate the duties of depositing, reconciling, and posting of the County's Treasury account from one person to three. We also recommend that the combination of the safe is changed and the access is limited to only supervisors or managers.

Management Response

Management will transfer responsibility for preparing and delivering deposits to the department secretary who does not post to the general ledger. Management will also consider bonding staff who open mail and prepare deposits.

This information is intended solely for the use of the Board of Directors and management of SCMTD and should not be used for any other purpose. However, this report is a matter of public record, and its distribution is not limited.

BROWN ARMSTRONG RANDALL
REYES PAULDEN & McCOWN
ACCOUNTANCY CORPORATION



By: Benjamin R Reyes



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

We have audited the financial statements of the Santa Cruz Metropolitan Transit District for the year ended June 30, 2001, and have issued our report thereon dated September 20, 2001. Under auditing standards generally accepted in the United States of America, we are providing you with the following information related to the conduct of our audit.

Our Responsibility under Generally Accepted Auditing Standards

Our responsibility under auditing standards generally accepted in the United States of America is to express an opinion on the financial statements of the Santa Cruz Metropolitan Transit District, Santa Cruz, California, (the District) based on our audit. In carrying out this responsibility, we assessed the risk that the financial statements may contain a material misstatement, either intentional or unintentional, and designed and conducted our audit to provide reasonable, not absolute, assurance of detecting misstatements that are material to the financial statements. In addition, we considered the internal control structure of the District to gain a basic understanding of the internal control policies and procedures in order to design an effective and efficient audit approach, not for the purpose of providing assurance on the internal control structure.

Significant Accounting Policies

Management has the responsibility for selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the District are described in Note 1 to the financial statements. We noted no transactions entered into by the District during the year that were both significant and unusual, and of which, under auditing standards generally accepted in the United States of America, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus. The application of existing policies was consistent with 2000.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. 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 management's current judgments.

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Significant Audit Adjustments

For purposes of this letter, auditing standards generally accepted in the United States of America define a significant audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures. These adjustments may include those proposed by us but not recorded by the District that could potentially cause future financial statements to be materially misstated, even though we have concluded that such adjustments are not material to the current financial statements. All proposed audit adjustments that could, in our judgment, either individually or in the aggregate, have a significant effect on the District's financial reporting process have been approved and reviewed by management.

Disagreements with Management

For purposes of this letter, auditing standards generally accepted in the United States of America define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter 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.

Consultations with Other Independent Accountants

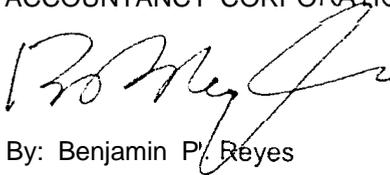
To the best of our knowledge, management has not consulted with or obtained opinions from other independent accountants during the past year that are subject to the requirements of Statement on Auditing Standards No. 50, "Reports on the Application of Accounting Principles."

Difficulties Encountered in Performing the Audit

We are pleased to announce we encountered no difficulties in dealing with management in performing our audit.

This information is intended solely for the use of the management of the District and should not be used for any other purpose.

BROWN ARMSTRONG RANDALL
REYES PAULDEN & McCOWN
ACCOUNTANCY CORPORATION



By: Benjamin P. Reyes

Bakersfield, California
September 20, 2001



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**AGREED UPON CONDITIONS DESIGNED TO INCREASE
EFFICIENCY, INTERNAL CONTROLS AND/OR
FINANCIAL REPORTING**

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

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Amanda E. Wilson, CPA

We have audited the financial statements of Santa Cruz Metropolitan Transit District (SCMTD) for the year ended June 30, 2001 and have issued our report thereon dated September 20, 2001. In planning and performing our audit of the financial statements of SCMTD, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

As a result of our audit, we noted certain agreed-upon findings. These findings and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve the internal control structure or result in other efficiencies and are summarized as follows:

Current Year Findings and Recommendations

Finding 1

During our testing of the Federal Transit Administrative (FTA) grants we noted that SCMTD failed to implement, monitor, or file the required special quarterly reports for the Disadvantaged Business Enterprise (DBE) award and commitment program since January 1, 1999.

Recommendation

SCMTD should implement policies and procedures to ensure that the DBE award and commitment program is being implemented and being monitored. In addition, all required reports should be filed with the FTA.

Management Response

Management has implemented policies and procedures to ensure timely monitoring and filing of required reports for the DBE program.

Finding 2

While testing cash receipts, we noted that SCMTD does not have a policy on the type of clothing employees are allowed to wear in the count room. Employees were allowed to wear shirts and pants with pockets, baseball caps, and low cut shoes. The wearing of inappropriate clothing in the count room could lead to the possible misappropriation of the District's assets.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: December 21, 2001

TO: Board of Directors

FROM: Mark J. Dorfman, Assistant General Manager

SUBJECT: ADOPTION OF REVISED FARE ORDINANCE FOR HIGHWAY 17 EXPRESS SERVICE

I. RECOMMENDED ACTION

Staff recommends that the Board adopt the revised fare ordinance that will increase fares on the Highway 17 Express effective on January 1, 2002.

II. SUMMARY OF ISSUES

- In October the Board approved changes to the budget to bring it into balance.
- One of the actions was to raise the fares on the Highway 17 Express.
- Fares were last raised in 1993.
- First Reading of the Ordinance was at the November Board Meeting in Watsonville.
- Two Public Hearings were held regarding the fare increase.

III. DISCUSSION

At the October Board Meeting the Board approved a series of actions to bring the Operating Budget into balance. As part of that action, Staff was directed to increase the fares on the Highway 17 Express. The last time fares were raised on the Highway 17 Express was in 1993.

The proposed changes are as follows and attached as Attachment A:

	Existing	Proposed
Regular Express Bus Fare (One Way)	\$ 2.25	\$ 3.00
Discount Bus Fare*	\$ 1.00	\$ 1.50
Regular Day Pass	\$ 4.50	\$ 6.00
Regular Day Pass with SCMTD/VTA Day Pass	\$ 3.50	\$ 3.50
Regular Day Pass with CalTrain Ticket	\$ 2.50	\$ 3.50
Monthly Pass	\$65.00	\$80.00

*Senior Passenger/Individual with Disability

Staff has coordinated this increase with the staff of the Valley Transportation Authority as per the terms of the Joint Powers Agreement. After input from VTA, it was decided to hold two Public Hearings. The first Public Hearing was held at San Jose State University, November 28, 2001 from 11:30 a.m. to 1:30 p.m., in the Umunhum Room, Student Union, located at One Washington Square, San Jose, CA 95192. A transcript is attached as Attachment B. The second Public Hearing was an evening Public Hearing on Wednesday, November 28, 2001 at 7:00 p.m., at the Santa Cruz City Council Chambers, 809 Center Street, Santa Cruz, California 95060. A transcript of this hearing is attached as Attachment C.

Advertisements for the Public Hearings were placed in all the buses to alert passengers of the pending fare increase. A special e-mail address – hwyl7@scmtd.com was established to receive electronic comments from the public. Copies of the e-mail received as well as other written correspondence are attached as Attachment D.

As can be seen from the attachments, the riders of the Highway 17 Express do not support the increase in fares. The last increase was in 1993. Since that time, the Consumer Price Index has increased by the following amounts for All Urban Consumers for the San Francisco-Oakland-San Jose region.

Year ending:

December 1993	1.9%
December 1994	1.6%
December 1995	1.8%
December 1996	2.6%
December 1997	4.2%
December 1998	3.0%
December 1999	4.2%
December 2000	5.5%
October 2001	<u>4.5%</u>

TOTAL 29.3%

As can be seen, the increase proposed is 33% for single rides. This is in line with the CPI for the time period. The cost increase for the Monthly Pass is 23%, below the CPI for the time period. The intent of the increase is to move more riders to the Monthly Pass since the value is much better. A rider who uses the Monthly Pass for 14 commute days can save over the individual ride costs. Typical Weekdays in a month range from 20 to 23 days, which will provide for even greater savings.

If no ridership is lost as a result of the fare increases, staff projects additional revenue in FY 01-02 in the amount of \$28,890.

IV. FINANCIAL CONSIDERATIONS

Staff projects an increase of \$28,890 for the remainder of the year based upon a January 1, 2002 implementation.

V. ATTACHMENTS

- Attachment A:** Fare Ordinance
- Attachment B:** Transcript of November 28, 2001 Public Hearing – San Jose State
- Attachment C:** Transcript of November 28, 2001 Public Hearing – Santa Cruz
- Attachment D:** Correspondence

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. Fixed Route Service

Regular Bus Fare	1.00
Discount Bus Fare - Senior Passenger/Individual with Disability *	.40
Regular Day Pass	3.00
Discount Day Pass - Senior Passenger/Individual with Disability *	1.10
Regular Five Day Pass	15.00
Discount Five Day Pass - Senior Passenger/Individual with Disability *	5.00
Student Five Day Pass	15.00
Regular Monthly Pass	40.00
Discount Monthly Pass - Senior Passenger/Individual with Disability *	14.00
Student Monthly Pass	30.00
School Student Field Trip Rate	17.00

* To obtain Discount Fare passenger must produce District Photo I.D. Card or other approved identification.

B. Highway 17 Express Bus Service Options

Regular Express Bus Fare (One Way)	3.00
Discount Bus Fare-Senior Passenger/Individual with Disability	1.50
Regular Day Pass	6.00
Regular Day Pass with surrender of SCMTD Day Pass	3.50
Regular Day Pass with surrender of VTA Day Pass	3.50
Regular Day Pass with Cal Train Monthly Ticket & Peninsula Pass	3.50
Monthly Pass	80.00

C. Paratransit Service

Regular Paratransit Fare (One Way)	2.00
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D. Group Pass Contract Rate

Fares for individuals of the group are determined through negotiations between the group and the District and are set forth in the contract.

E. Service Charge on Return Checks

The service charge on returned checks is \$15.00.

Ordinance No. 84-2-1 of the Santa Cruz Metropolitan Transit District is hereby amended and shall become effective on February 16, 2001.

Passed and adopted by the Board of Directors on this 16th day of February 2001, by the following vote:

AYES: Directors -

NOES: Directors -

ABSENT: Directors -

ABSTAIN: Directors -

ATTEST: _____
LESLIE R. WHITE
Secretary/General Manager

APPROVED: _____
SHERYL AINSWORTH
Chairperson

APPROVED AS TO FORM:

MARGARET GALLAGHER
District Counsel

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT PUBLIC HEARING

8
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14 DATE: November 28, 2001

15
16 TIME: 11:35 a.m.

17
18 LOCATION: SAN JOSE STATE UNIVERSITY
One Washington Square
19 Umunhum Room
San Jose, California

20
21
22 REPORTED BY: Diane S. Method
Certified Shorthand Reporter
23 License Number C-6464

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A P P E A R A N C E S:

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5 For the Transit District: Kim Chen
Linda Fry
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1 MR. CHEN: Good morning. My name is Kim Chen.
2 I'm from the Santa Cruz Metro Transit District. We
3 appreciate you coming today to be with us at the public
4 hearing. What I'd like to do first of all is make a few
5 comments about how we would like to receive your input.

6 First of all, what I'd like to do is formally
7 call the public hearing to order, and to just introduce
8 a couple of people from the district. Linda Fry, who as
9 I said is planning supervisor. Ian McFadden, who is the
10 transit planner in the back, and then Olivia Diaz, who
11 is the transportation specialist.

12 Also I'd like to introduce some members from
13 VTA, Yibeli Galindo-Baird, who will help us today with
14 Spanish translation if anybody needs that. Kat Mereigh
15 and Dina Braun. Scott Haywood is the eco pass manager
16 from the VTA, too.

17 The purpose of today's public hearing is
18 basically receive your input, public input on a proposal
19 for raising fares on Highway 17 service.

20 The public hearing today will start at 11:30,
21 which is pretty much now, ending at 1:30 this afternoon.
22 We do have the court reporter here who will be taking
23 down, transcribing public input, and what we propose to
24 do is to provide that public input by way of a
25 transcript to our board of directors before we make a

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1 decision on December the 21st, which is the next
2 regularly scheduled board meeting.

3 I want to emphasize that no decisions have been
4 made at this point. Essentially what we're looking for
5 from you folks today are your comments, concerns, issues
6 that are related to the proposal, and it isn't so much
7 an opportunity for us to answer questions, as much as to
8 give you an opportunity to let us know what your
9 thoughts are and what your concerns are so that we can
10 give them to the board prior to them making a decision.

11 Obviously the board will consider a number of
12 issues, public input being one of them, and then
13 certainly their estimates, as far as how the Highway 17
14 service increase could benefit the transit district.

15 So that's how we would like to present that to
16 you today.

17 There are a number of ways that you can -- in
18 addition to today's proceedings, there are a number of
19 ways you can also let us know your thoughts and
20 concerns. One way to do that is to e-mail us at Highway
21 17 at hwy17@scmtd.com.

22 The other way you can also do that is to write
23 the general manager, and the address is if you write Les
24 White, general manager. His name is Les White, general
25 manager, SCMTD, 370 Encinal Street, Santa Cruz,

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1 California, 95060.

2 The third way that you could provide public
3 input is to attend the December 21st board meeting, and
4 that board meeting will be held at the Santa Cruz city
5 council chambers, and that's at 809 Ocean Street in
6 Santa Cruz.

7 MR. ROSTEN: 809 what?

8 MR. Chen: 809 Center Street, Santa Cruz. And
9 all that information is basically listed and contained
10 for you in a flyer that's available at the desk where
11 Ian and Olivia are. So if you would refer to this.
12 You're welcome to take one of these flyers with you.

13 In addition to today's noon public hearing, we
14 also have one scheduled for this evening from 7:00 to 8
15 o'clock at Santa Cruz city council chambers, and again
16 the purpose of that is to receive public input much like
17 we are doing this afternoon.

18 What I'd like to do is just briefly go over the
19 suggestions for today's formatted proceeding. The first
20 one is that we will make a very short brief presentation
21 regarding what the proposal is. And then secondly,
22 the -- we will then begin to open the public hearing for
23 public comments. And what we would ask is that each
24 person would limit the comments to three minutes. Ian
25 will be the official timer, and he'll wave his arms if

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1 you approach the three minute mark.

2 We do have a sign-in sheet that's back at the
3 table, and I would encourage you to fill that out so
4 that there will be a way for us to contact you if we
5 have additional information about this issue and other
6 issues relating to Highway 17. So if you could, or if
7 you have not done so when you came into the room, please
8 sign up before you leave today.

9 I think that pretty much covers my remarks.
10 What I'm going to do is to turn it over to Linda. She's
11 going to go over briefly what the proposal is, and then
12 once she concludes her remarks, we'll open the public
13 hearing for comment. Linda?

14 MS. FRY: Thanks. Good morning. I thought I
15 might give you just a very short background about the
16 service and why we're proposing a fare increase at this
17 time.

18 As you probably know, the service started right
19 after the Loma Prieta earthquake in 1989. It's operated
20 jointly between Santa Cruz Metro and VTA, Valley
21 Transportation Authority, and our last fare increase for
22 this service was in 1993, and since that time the
23 consumer price index has risen about 29.3 percent, and
24 so this fare increase brings fares in line with the CPI.

25 Why a fare increases now? Well, costs have

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1 increased, and our subsidy per passenger has also --
2 it's very high for the Highway 17 service.

3 I might just take a minute and explain what
4 subsidy per passenger is. There is a cost of providing
5 the services for every passenger that uses it, and after
6 you subtract whatever passenger revenue comes in, the
7 remainder is how much it costs us to operate the service
8 for each passenger. So on the Highway 17 service, our
9 costs per passenger after passenger revenue is deducted
10 is \$4.38. Now, if you compare that with our regular
11 inter-county service in Santa Cruz, our cost per
12 passenger for that service is \$2.59. So you can see
13 it's a much greater subsidy per passenger for the
14 Highway 17 Express.

15 We increased the service quite a bit in October
16 of 1999 when we took over operation. We formerly
17 contracted out the service. Santa Cruz Metro took over
18 operation of the service. We added a number of trips.
19 We extended many trips to Soquel park and ride lot, and
20 we also added some recovery time to make sure that the
21 routes were running on time. We're hoping to provide
22 some service extensions in the future and service
23 increases. I know that's on everyone's mind, more peak
24 hour service; extend service to Los Gatos; South County
25 and Santa Cruz, Aptos, Santa Cruz Metro Center, and

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1 weekend services and so on.

2 And you're probably wondering, I know we've
3 gotten some e-mails from people who have asked, well,
4 what does the fare increase buy us? Does it buy us some
5 service increases? And the answer to that is what we're
6 doing here is just raising the cost of fares to
7 accommodate what we've done in the past. To accommodate
8 the cost increases, the CPI and what we've added
9 previously.

10 So there's -- we are still looking at
11 increasing service. We're working on it, but this fare
12 increase does not guarantee any specific service
13 increases.

14 What is the proposal? The one way cash fare
15 would go from 2.25 to \$3.

16 The discount cash fare, that would be for
17 seniors and people with disabilities, would go from a
18 dollar to a dollar fifty.

19 The regular day pass from 4.50 to \$6.

20 The regular day pass with the Santa Cruz or VTA
21 day pass stays the same, \$3.50.

22 Regular day pass with the Cal Train ticket goes
23 from 2.50 to 3.50, and a monthly pass from 65 to \$80.

24 I read that kind of fast. If you missed it, we
25 have brochures in the past. Ian has some that can give

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1 you a complete list of the proposed changes.

2 There are a few other things that we thought
3 you might be interested in. One is that you may not be
4 aware that you can use pretax wages for transit passes.
5 There is a program called computer check program, and we

6 have brochures on this in the back where your employer
7 signs up with a minimum of paperwork, and you can get an
8 actual check that could be used to purchase a pass with
9 Metro or VTA or many other transit agencies. This --
10 it's pretax dollars that are used to pay for this.
11 Sometimes the employer pays for it. Sometimes the
12 employee, and sometimes a combination of both, but we
13 have the forms in the back for you. It even gives the
14 form to fill out that your employer can fill out to sign
15 up for the program, and the amount per month that can be
16 utilized is going up from 65 a month to a hundred a
17 month starting January 1st. And I should also mention
18 that if this proposal does get approved, if it does take
19 effect, it would not be until after the first of the
20 year.

21 There is another brochure you might be
22 interested in, and that is the true cost of driving in a
23 car. It's estimated to be at least a dollar per mile,
24 and Ian has some brochures on that as well in the back.

25 And I might just end by saying this is just a

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1 proposal. As Kim mentioned, nothing has been approved
2 yet. The board will consider all your testimony at its
3 December 21st meeting. We have a court reporter, and
4 she's taking down your every word. What you think is
5 very important to us and to the board of directors and
6 to the VTA. And with that I think I'll turn it over to
7 Kim. Do you want to open the public hearing?

8 MR. CHEN: What I'd like to do is open the
9 public hearing now for public input, and what I would
10 ask is if you have comments to make, and I'm hoping you
11 do, to please state your name and address for the record
12 and that way we'll have that as part of the transcript.
13 So who would like to take it on first? Can I take
14 Frank?

15 MR. ROSTEN: Ladies first.

16 MS. REEVES: I just have a question. I'm Linda
17 Reeves, and I work in the financial aid office here at
18 San Jose State, and I'm just attending today to kind of
19 get a feel for what's going on.

20 Can you tell me, if this does not pass, will it
21 affect anything that is currently being provided for the
22 riders?

23 MR. CHEN: The services that -- no. The answer
24 is no.

25 MS. REEVES: It would stay the same?

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1 MR. CHEN: Currently the board has approved a
2 service plan for us, for the transit district, and part
3 of the budget that we've developed with the next fiscal
4 year does include the proposed fare increase. If the
5 board -- if the fare increase does not go through, the
6 board will then have to reconsider the service proposals
7 for the following year. So it may affect the service
8 picture.

9 MS. REEVES: For the following year?

10 MR. CHEN: For the year that we've adopted the

11 budget for, but what we would be interested in if is you
12 have any issues, concerns related to the proposal, to
13 make that today, and that's probably a good question to
14 ask, or to raise at this point. And then we would
15 certainly pass it on to the board as well.

16 MR. ROSTEN: Thank you. My name is Frank
17 Rosten. I live in 119 Oak Lane, Scotts Valley, 95066.
18 And I'm basically here representing AARP, formerly the
19 American Association of Retired People.

20 We take anybody now, whether you're retired or
21 not, and that's why we scrubbed the name with the word
22 "Retirement" in it.

23 We were very pleased when I think about nine or
24 ten months ago the transportation board gave seniors a
25 one dollar fee for the trip to San Jose, which instead

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1 of just being valid from 9:30 to 2:30 was now valid at
2 all times. This made a real difference to some of the
3 seniors, and the people I'm really representing today is
4 the AARP members of Santa Cruz County. I don't know
5 where the Campbell people are. They're supposed to be
6 here too.

7 And I noticed that when I looked at the
8 paperwork that the fare increases are certainly
9 reasonable, because as it was pointed out you haven't
10 raised the fares too much in recent times. However, I
11 feel that seniors are really being given a raw deal
12 because whereas you just mentioned, the day pass goes up
13 from \$65 to 80, that's a 23 percent increase. While the
14 senior fare goes up to a dollar to a dollar fifty, which
15 is a 50 percent increase, and that is causing a major
16 hardship, would you believe, for seniors in Santa Cruz
17 County who have been hit extremely hard this year alone
18 by a doubling of the fees of HMO membership, and most of
19 our people belong to an HMO.

20 It went up from \$40 to \$80 a month. That alone
21 has caused any number of seniors to leave Santa Cruz
22 County because they couldn't afford to live there
23 anymore.

24 Other expenses are increases in rent, and we've
25 seen our membership tumble, and yet we've made a big

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1 drive to get new members for the Santa Cruz chapter
2 simply because the attrition rate is so high because
3 seniors can't make it in Santa Cruz anymore.

4 I would therefore like to suggest that the
5 board looks leniently on the old fogies in Santa Cruz
6 County and over here, and not give us a 50 percent
7 increase, preferably none at all, but 10 cents, 20
8 cents, we can probably afford that, but please keep the
9 amount of money down for seniors.

10 One question I do have. I can't believe that
11 raising senior fares by 50 cents can make that much
12 difference to the bottom line at the end of the day, and
13 I don't know whether you keep statistics on this type of
14 thing, but I don't think it will make a significant
15 difference to the profits that you make or the lack of

16 profits. Thank you very much.

17 MR. CHEN: Thank you are, Mr. Rosten. We will
18 certainly pass that on to the board for their
19 consideration.

20 MR. ROSTEN: Yes, I've got a note.

21 MR. CHEN: Thank you very much, Mr. Rosten.

22 Other members of the public who would like to
23 make a comment today? All right.

24 MR. ZONOBI: Hello, my name is Eyedin Zonobi.
25 I'm the manager of the transportation solutions

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1 department of associated students here at San Jose State
2 University.

3 We have done some thorough background search of
4 Santa Cruz Metro's Web site, and we extracted some
5 interesting facts which we have some questions about
6 them.

7 One of the things that I wish the university's
8 police department or anybody from UPD here?
9 Unfortunately they're not here.

10 If you could in your revenues elaborate the
11 university's role for providing any kind of a subsidy, I
12 would really appreciate it.

13 MR. CHEN: What I'll do is probably refer that
14 to VTA because some representatives of VTA here might be
15 able to answer that question.

16 What we would like to do today for the purpose
17 of the public hearing, and maybe I should go back a
18 second, is I think that if the question is related to
19 existing service, we can certainly answer that, but at
20 the end of the public hearing or apart from the public
21 hearing. But what we would like to get today from
22 members of the public is issues related to the proposed
23 fare increase. I think that I know Scott Haywood, you
24 want to make some comments on the arrangement that the
25 VTA has to the university as far as Highway 17 goes?

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1 MR. HAYWOOD: Yeah, we do -- yeah, probably
2 just we are probably going to be doing a fare study
3 ourselves. VTA is looking at all of our programs
4 including the program we have with San Jose State, and
5 at that time we might be able to look at any prices we
6 have for increasing or decreasing or for that matter the
7 eco pass program, the many of our programs would be
8 handled at that time, and once that is set we would
9 certainly be happy to -- we'll let you know, of course,
10 at San Jose State, but probably today nothing that would
11 happen today with the fare increase would impact us at
12 that time.

13 MR. CHEN: I should also just state that the
14 proposal to increase Highway 17 fares is done in
15 conjunction with VTA, and as some of you may know, the
16 service offered is a joint pact with Valley
17 Transportation Authority so both Santa Cruz Metro and
18 VTA have an agreement as far as how Highway 17 operates.
19 So the basic message is we're doing this in conjunction
20 with our partners at VTA.

21 MS. FRY: Was your question, did it have to do
22 with what the university itself pays for --

23 MR. ZONOB: Exactly.

24 MS. FRY: San Jose State University, the only
25 thing they do is subsidize two late night southbound

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1 trips. I believe it's the 9:15 and 10:15 trips. They
2 subsidize that because they have students getting out of
3 school at night who need to get back over the hill.
4 That's the extent of the subsidy.

5 MR. DAWID: Could you explain what that means
6 when you say subsidize those routes?

7 MR. CHEN: Could I have you just state your
8 name for the record, please?

9 MR. DAWID: Sure. My name is Irvin Dawid. I
10 work for Mr. Sue Numi in the transportation services
11 program. We were just explained that the entire route
12 is subsidized per passenger. There is a subsidy. You
13 gave that figure before of subsidy per passenger of
14 \$4.30 for Highway 17 and \$2.59 for the fixed route. So
15 all of public transit receives a subsidy, but we are now
16 told that two runs of Highway 17 are subsidized by the
17 university. So if you could just explain that subsidy.

18 MS. FRY: Okay. When I say subsidy, what I
19 mean is there is a cost of operating the service, the
20 basic cost. Fuel, maintenance of buses, driver wages,
21 insurance, and so on. That's X number of dollars a
22 year. What we do is we take the passenger revenue and
23 subtract it from the cost of operating the service, and
24 everything left after you deduct passenger revenue is
25 what VTA and Santa Cruz Metro have to chip in to pay for

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1 the service. So when I say subsidy, it's actually the
2 cost to Metro and to VTA for operating the service,
3 aside from passenger revenue.

4 Now, when you're talking about what does San
5 Jose State University chip in, the only thing that they
6 pay for are those two late night southbound trips for
7 the returning students to go from San Jose to Santa
8 Cruz. I don't know the terms of the exact arrangement
9 of that. I do know that it shows up in our board packet
10 about once a year.

11 We have a year to year agreement with the
12 university. Those trips wouldn't be there otherwise.
13 Does that answer your question?

14 MR. DAWID: The only thing it doesn't -- so
15 you're not able to provide the actual dollar figure at
16 this point? You're not able to actually provide a
17 dollar, an actual financial value as to how much the
18 university police department is paying per year to
19 subsidize those last two runs? But obviously it does
20 vary based on the ridership of those two runs.

21 MS. FRY: And the cost.

22 MR. DAWID: Right, and the cost. Thank you.

23 MR. CHEN: Thank you. Other comments?

24 MR. DAWID: For the record my name is Irvin
25 again. In our analysis of the figures, we certainly see

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1 some disturbing trend from the previous year. We've
2 seen a decrease in ridership, rather substantial
3 decrease in ridership of 17 point -- the revenue has
4 decreased 17.3 percent from the prior year. And the
5 costs have gone up. The ridership has also decreased.
6 And we suspect that that's one of the reasons that's
7 behind this fare increase. Is that correct?

8 MS. FRY: No.

9 MR. CHEN: No, that's not correct. As I said
10 before, what this is, the proposal that the board has
11 asked for essentially is as a stand alone piece, and
12 what they would be interested in doing is look at
13 Highway 17 as an independent component of the service
14 that we provide. What I would like to again sort of
15 reemphasize what I said before, which is today's
16 proceedings essentially is not so much a -- we would
17 like to see, but it's not so much geared up to the
18 question and answer type of format because what we're
19 looking for here in terms of how the procedure of the
20 public hearing process is to get your comments made
21 about the fare proposal.

22 So for example if you had a comment that you
23 wanted the board to be aware of regarding the proposal
24 of fares prior to the board making a decision, we would
25 certainly want you to do that.

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1 If you had questions about existing service,
2 ridership information, we will respond to that outside
3 of the public hearing process, but essentially today's
4 proceeding is to essentially again to gather your input
5 and to gather your comments related specifically to the
6 Highway 17 proposal.

7 MR. DAWID: Our concern is we are a student
8 population who is taking the Highway 17 buses, and we
9 feel that especially since these last two runs, the
10 university is putting in fairly substantial money to
11 make sure that those last two runs, by the way, are open
12 to anybody, you know, whether you're a student or not a
13 student. So the university is helping the entire
14 community by subsidizing those last two runs.

15 Meanwhile, all of our students are paying for
16 our program, a \$21.50 semester fee, and they're in an
17 unusual position where they're paying the fee, but if
18 they're taking the Highway 17 bus, they're not receiving
19 any benefit from that 21.50, because the transit access
20 program doesn't cover it.

21 One of the things that we would like certainly
22 the university -- pardon me, the Metro and VTA to
23 consider, is looking at the fare structure and allowing
24 students to have some benefit from their transit access
25 program sticker.

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1 A good example is in looking at the existing
2 fare structure, there is a regular Highway 17 day pass
3 with a VTA day pass. Now, to my knowledge, and maybe
4 Scott could correct me if I'm wrong, if you show your

5 VTA, AS VTA sticker on your student ID, that doesn't get
6 you anything. We certainly would like that to be
7 considered.

8 What we really would like to do is we would
9 like to see more of our students use the monthly pass.
10 Many of our students don't do it because depending on
11 how many classes, we feel that, you know, we -- our
12 whole program, the transportation solutions management
13 program -- and what you're suggesting here is simply an
14 across the board fare increase for the most part,
15 although it's good to see that the fare increase on the
16 monthly pass is less than the others, percentage wise,
17 but our goal in transportation solutions is to increase
18 ridership, decrease single occupant vehicle usage fee.
19 Any type of incentive that works towards that is what we
20 are looking for.

21 What you're presenting us doesn't do that.
22 It's just you already stated your goal is to match CPI.
23 Our goal is to decrease single occupant vehicle usage
24 and to increase ridership. So we would like that taken
25 into account. We would like you to work with VTA to

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1 perhaps recognize this sticker. At this point, you
2 know, simply give students somehow credit for having
3 that sticker so that they would apply for a lower rate.

4 MR. CHEN: Thank you. Official comments?
5 Scott, do you want to make a comment or not? Okay.
6 Other comments?

7 What we're going to do is make sure everybody's
8 got one chance to make comments. Mr. Rosten I know has
9 made some comments earlier today. Is there anybody else
10 here in the room today who would like to make a comment
11 who has not made a comment? Okay.

12 MR. DE ALBA: My name is Alfonso De Alba. I am
13 the executive director of the associated students. I
14 work with VTA.

15 Originally when we started this particular
16 program that is being explained.

17 Personally, and I'm hopefully not speaking out
18 of turn in representing the students, any type of fee
19 increase of any sort will impact adversely the students,
20 and ridership as being told.

21 We understand there is a need to increase fees
22 just like any other program. It costs money to run
23 programs. But when you increase fees, without an
24 attached plan to increase ridership, it begs the
25 question of what we're trying to solve. I would love to

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1 have the city council provided with an explanation, be
2 provided with an explanation of what are the planned
3 activities to increase ridership? We saw on your Web
4 site, ridership is going down. That's by seven percent.
5 It's somewhere here in the report.

6 MR. DAWID: 9.2 percent.

7 MR. DE ALBA: 9.2 percent change from last
8 year. I got it over here for you guys to see it. And
9 we're concerned about that because we would like for our

10 students or faculty and the staff to be able to enjoy
11 this particular program, and if the fees continue to
12 increase, less students going to be willing to
13 participate in the program.

14 Maybe the solution is not to have the problem,
15 and that is, not to have the program itself. But I
16 assume that you guys are not in the business of cutting
17 out this particular program. So in view of that, I'm
18 hoping that the city council receives information about
19 the plan, programs, partnerships, and other activities
20 that you guys are going to be having to increase
21 ridership.

22 MR. CHEN: Thank you. Additional comments?

23 Just for a quick response, we are in the same
24 business as you in terms of increasing the use of public
25 transit, reducing the use of private vehicles. That's

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1 our goal as well. So I just want to state that for the
2 record. We are also interested in, the way that we
3 work, we certainly look at VTA as a partner in terms of
4 ridership promotion activities, and we certainly look
5 forward to working with you, in terms of additional
6 activities that we can undertake together to improve
7 transit use and transit ridership.

8 What we will do and have been doing with the
9 community colleges, as well as UCSC in Santa Cruz, is to
10 look at value added type of activities. So we are -- we
11 certainly will be open to that.

12 We would be looking forward to talking with you
13 in much greater detail about the kind of things we can
14 do together, and that certainly can be part of the
15 conversation outside of the public hearing process, but
16 we'll take your comments and certainly pass it on to the
17 board.

18 But just for the record, we are in the same
19 business as you, essentially providing increasing
20 transit ridership and decreasing the use of the single
21 occupancy vehicle. We have the same goal.

22 MR. DAWID: I would just like to make some
23 suggestions to the Metro board in terms of increasing
24 revenue.

25 Number one, the Downtown Business Association

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1 or DASH, what's called the DASH, the downtown area has
2 provided a shuttle, and San Jose State is deeply
3 indebted to that because they've really taken it on to
4 introduce the service.

5 Your service, the Highway 17 service, really
6 benefits them. Has there been any attempt to contact
7 them to see about having them subsidize the run just
8 like they help subsidize the DASH service? That's one
9 suggestion.

10 Another suggestion is to consider that the
11 Highway 17 service is essentially a park and ride
12 service, and as in all park and rides, basically, people
13 for the most part, but not all, drive to the park and
14 ride lot, park their car and then they board the express

15 bus. I'd like to see a possibility of a consideration
16 of somehow trying to maybe increase or add a very small,
17 moderate parking fee. The incentive of that parking
18 fee, make it a monthly fee -- Cal Train's monthly fee is
19 only ten dollars -- is that it could actually encourage
20 people to carpool, to take the 31 and the 35 Metro buses
21 that go to Scotts Valley, and also to bike. Highway 17
22 has bike racks on them.

23 Park and ride lots are associated with single
24 occupancy usage, air pollution and congestion. So these
25 are some ways to perhaps increase revenue, rather

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1 moderately, and at the same time, decrease the need to
2 increase the actual boarding of the bus. So those are
3 just some suggestions to Metro. Those two suggestions
4 are actually increasing your revenue.

5 MR. CHEN: Thank you. Mr. Rosten?

6 MR. ROSTEN: Thank you. My name is still Frank
7 Rosten. While we are on the suggestions of how to save
8 costs, most of the buses that leave Scotts Valley at 10
9 o'clock and after are more than half empty. In fact,
10 sometimes there's only about ten passengers on them. It
11 strikes me that during the middle of the day, money
12 could be saved. Instead of putting on these whopping
13 buses which creep up the hill very slowly, to get a mini
14 bus of maybe 20 passengers, which I think would be much
15 cheaper to operate, and thereby save enough money to
16 maybe not have a fare increase at all.

17 While I have the floor for a second, what is
18 the CPI? I think you mentioned that.

19 MR. DAWID: Consumer price index.

20 MR. ROSTEN: Oh, the abbreviations are
21 terrible.

22 MR. CHEN: Thank you, Mr. Rosten.

23 MR. ROSTEN: Thank you.

24 MR. CHEN: Additional comments from the members
25 of the public before we close the proceedings today?

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1 Going once; going twice.

2 MR. ZONOBI: Eyedin Zonobi with transportation
3 solutions. I just wanted to comment that our center
4 downstairs, pretty much almost every week we receive
5 concerns and complaints from students that this run is
6 already over priced for them, and they can barely make
7 it. So this type of increase would be devastating for
8 them. I'd really like to get on record for that. Thank
9 you.

10 MR. CHEN: Thank you, Eyedin.

11 For those who have joined us at this moment,
12 we're here for a public hearing to receive public -- for
13 the proposal for Highway 17 fares. Did you want to make
14 a few comments? We're pretty much running to the
15 conclusion of today's proceedings. Before I close
16 today's proceedings I just want to make sure that nobody
17 else has any comments they would like to pass on to the
18 board prior to their decisions on Friday, December 21st.

19 Again, I would encourage you to -- before you

20 leave today, there are a number of materials that we
21 have available for you, and I would encourage you to
22 take a copy of that as you leave the room today.

23 Also, just to reemphasize that there are number
24 of ways, in addition to today's public hearing, there
25 are a number of ways that you can provide additional

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1 input. One is to e-mail us at Highway 17, that's
2 hwy17@scmtd.com, which is our e-mail address,
3 specifically for this purpose.

4 Secondly, to write to the general manager,
5 Santa Cruz Metro Transit District, 370 Encinal Street,
6 Santa Cruz, 95060, or to attend the December 21st board
7 meeting which is located in the city council chambers,
8 Santa Cruz city council chambers, 809 Center Street in
9 Santa Cruz.

10 So those are the three additional ways that you
11 can provide input, or if you have additional comments
12 that you would like to make that you remember after
13 today's proceedings, to please let us know using those
14 channels.

15 I would like to definitely thank you for your
16 input. As I said, if you have questions about existing
17 service, we'll be here for a little bit after today.
18 We'll be happy to meet with you and provide you as much
19 of a response as we can. If we don't know the answer,
20 we'll get back to you. But we definitely appreciate
21 your attendance today, and your participation.

22 So with that, it is now 12:10. So if there are
23 no additional comments from the public, I close the
24 public hearing. Thank you.

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1 (Whereupon, the hearing
was adjourned at
2 12:10 p.m. this date.)

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

PUBLIC HEARING

DATE: Wednesday, November 28, 2001
TIME: 7:10 p.m.
LOCATION: SANTA CRUZ CITY COUNCIL CHAMBERS
809 Center Street
Santa Cruz, California
REPORTED BY: Melissa Roen Williams
Certified Shorthand Reporter
License Number 12284

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A P P E A R A N C E S

For the Santa Cruz Metropolitan Transit

- Kim H. Chin
- Linda Fry
- Ian McFadden
- Tim Fitzmaurice

Members of the Public

- Cassandra Axton
- Rhiannon Axton

Also present: Carmen Magdaleno, Spanish Interpreter

2 MR. CHIN: Good evening. Thank you very much
3 for coming tonight to this public hearing. What I would
4 like to do first of all is open the public hearing.
5 This is now 7:10 p.m., Wednesday, November 28. And the
6 public hearing is to consider the Fare Ordinance 84-2-1,
7 which is the Fare Structures of Highway 17.

8 What we'd like to do tonight is use the
9 format, which has basically three parts to it. The
10 first one is that we will give a brief presentation of
11 the Ordinance, the proposed fare increase on Highway 17,
12 and then we will open it for public comment. What I
13 would like to ask members of the public to do is to
14 limit their comments to three minutes per speaker. And
15 if you come up to the podium, if you could please just
16 state your name and address. And then what we plan on
17 doing is closing the public hearing at 8:00 p.m.

18 In addition to tonight's proceedings where we
19 will gather public input on this issue, you can also
20 provide additional input by e-mailing us at
21 highway17@scmtd.com. Also, you may write to the general
22 manager, S.C.M.T.D., 370 Encinal Street, Santa Cruz
23 95060. And what we ask members of the public to do is
24 to provide e-mail or to write us before December 17.
25 The last time that the public can provide input is to

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1 provide oral testimony at the Friday, December 21 Board
2 meeting, when the Board will consider in issue in full.

3 What we'd like to do tonight is again
4 emphasize that what we're seeking is input from the
5 public on this issue. If you have questions relating to
6 existing service, we'd be happy to address that
7 separately from this evening's public testimony. But if
8 you have issues relating to the fare ordinance, that
9 should be part of your testimony.

10 Tonight we do have a court reporter who will
11 transcribe and record all of the public testimony
12 provided, and we will be then providing that to the
13 Board before their decision on December the 21st. We
14 also have a Spanish translater available, if members of
15 the public require those services.

16 I would also like to point out that we do have
17 some handouts available for the public. There are
18 several pieces of information that we encourage you to
19 take as you leave this evening, and those are placed
20 right at the window as you leave.

21 So with that, what I would like to do is turn
22 it over to Linda Fry, who is our service planning
23 supervisor, who will give a brief overview on the
24 proposed fare ordinance.

25 MS. FRY: I'll keep it brief, because I know

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1 you have comments that you'd like to make. I'd like to
2 give you a little bit of background on the Highway 17
3 Fare increase proposal itself.

4 You may know this already, but we began
5 operating the Highway 17 service after the earthquake in
6 1989. And we operate it jointly, that is, Santa Cruz
7 Metro operates it jointly with the VTA, the Valley
8 Transportation Authority. Our last fare increase was in
9 1993, and since then the Consumer Price Index has
10 increased 29.3 percent. And this fare increase proposal
11 brings the fares in line with what's happened since
12 1993.

13 You might be asking: Why a fare increase now?
14 First of all, as I just mentioned, costs have increased.
15 And secondly, the subsidy per passenger is very high on
16 Highway 17 service. And what I mean by "subsidy per
17 passenger" is the cost of operating the service less the
18 passenger revenue that we receive is what we have to
19 subsidize. That is, Metro and VTA, we have to provide
20 the rest of the cost of operating the service. And on
21 the Highway 17 service, for every passenger that boards
22 the bus, we have to provide an additional \$4.38 in
23 operating costs. In contrast, our inter-county service
24 costs us only 2.59 per passenger.

25 Also, we increased the service when we took

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1 over operation of it in October of 1999. We added
2 trips, we added service to the Dominican Park and Ride
3 lot, and we restored a lot of the on-time performance by
4 adding running time to the routes.

5 We've received some e-mails asking, well, what
6 do we get in return for this fare increase? Do we get
7 increased service? Well, we are looking at a number of
8 service increase proposals. We're looking at extending
9 service to Metro Center, extending service to Santa
10 Clara County and Los Gatos, and there are a lot of
11 things that are being talked about. But I have to be
12 candid with you and say that this fare increase proposal
13 just catches us up in terms of our operating costs.
14 This would not fund additional service, but we are
15 continuing to look into ways to increase the service.

16 That brings me to what is the proposal. The
17 one-way cash fare would go from 2.25 to \$3.00; the
18 discount cash fare -- that is for seniors and people
19 with disabilities -- would go from \$1.00 to 1.50; the
20 regular day pass, from 4.50 to \$6.00; the regular day
21 pass with a Santa Cruz Metro or VTA day pass would stay
22 the same, 3.50; the regular day pass with a CalTrain
23 ticket goes from 2.50 to 3.50; and the monthly pass from
24 65 to \$80.

25 There are a couple of other things that I'd

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1 like to mention. We have some brochures in the back on
2 these subjects. You can use your -- if you're employed,
3 you can use your pretax dollars to purchase transit
4 tickets through the Commuter Check Program. We have
5 some brochures back there where they even have the sign

6 up form on the back for your employer to fill out. This
7 is a great cost savings to you and to the employer as
8 well. The allowable amount per month is going up
9 starting in January. It goes from \$65 a month to 100 a
10 month. So that's a great way to save. We also have a
11 brochure on the true cost of driving alone. Costs are
12 estimated to be upwards of a dollar per mile to drive
13 your own vehicle.

14 I'd also like that say that this is just a
15 proposal at this time. It's not a done deal. The Board
16 wants to hear your testimony and consider it, and they
17 will be deliberating this issue further, as Kim said, at
18 the Board meeting on December 21st. And if we do
19 implement this, it would not be until after the first of
20 the year.

21 And with that, I think we'll open testimony.

22 MR. CHIN: Thanks. At this point what I'd
23 like to do is open the public comments. Are there
24 individuals tonight who would like to provide public
25 testimony? Would you please state your name and address

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1 for the record.

2 MS. RHIANNON AXTON: Do I have to come up
3 there? Do I have to state my name?

4 MR. CHIN: Yes.

5 MS. RHIANNON AXTON: My name is Rhiannon
6 Axton. I'm a student at San Jose State, and I've driven

7 over because I missed the bus every once in a while.

8 I don't have a bus pass for this month,
9 because it's shorter, you know, for December. But in
10 the end of it all, it will end up costing me less to
11 drive over however many days I go to school than it
12 would to take the bus and buy a bus pass for the month.

13 What was I supposed to say? I'm trying to
14 think. Well, I do buy a bus pass right now, and I know
15 that we get a discount at the school if we buy it at the
16 Center. And the difference -- say I was to buy a pass
17 each day instead of buy a month of passes. Like I think
18 the difference for how many days I go over is like a \$6
19 difference or something, which is why I buy the monthly
20 pass. So then I wouldn't buy a monthly pass if the
21 prices changed, which would be right before next
22 semester.

23 I know there's other people who don't go over
24 the hill as much because it's a hectic commute. It's
25 really long. I go over three days right now. Right now

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1 it's worth it to buy a monthly pass. But later on it
2 would be more worth it to me to try and find other
3 people to car-pool with me and drive my car. I know
4 what it costs right now for me to drive my car. There's
5 a Park and Ride over at the school, and I park there
6 each day. And it takes less time to park there and
7 everything too.

8 But I just wanted you to know that I'm not the
9 only one I don't think that takes the bus only like
10 three times a week, and I know there's a lot of other
11 people that do that because I talk to them. And they
12 don't always buy monthly passes. They miss school or
13 something or whatnot. And I'm sure there will be other
14 people that might end up car-pooling, and the loss of
15 customers might increase a little more to do -- increase
16 it up to \$85.

17 MR. CHIN: Do you have some testimony for us?

18 MS. CASSANDRA AXTON: Hi, I'm Cassie Axton.
19 I'm her sister. Our address -- she didn't mention it --
20 is 15915 Kings Creek Road in Boulder Creek, California.

21 So we figured it all out at home, and it
22 actually does cost about the same right now for her to
23 drive over as it does for her to actually take the bus,
24 which, as we all know, is a lot longer of a trip.

25 I go over more than her. I go over four days

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1 a week, and I would go over five, but you guys don't go
2 on Saturdays. And I don't have a car, so that's
3 probably not my problem. But it's hard to take the bus
4 over, and that's why our parents say to take it is
5 because it's dangerous. And like two years ago I
6 crashed on that road. So my mom was like, "Take the
7 bus." I'm like, no, but yeah. Okay.

8 So the reason why I go over there is because I

9 have friends over there, and I go over there four times
10 a week. That's expensive. I generally end up having to
11 pay for my own pass myself, and being a college
12 student -- I've also got a part-time job -- and it takes
13 a lot of my paycheck already to afford the pass. And I
14 could definitely see myself going over there less
15 because I couldn't afford it.

16 And the monthly passes are expensive right
17 now. Like I have her buy my pass like at the discount,
18 but it's still a big portion of my paycheck goes to
19 that. And it's a long trip from my house to San Jose.
20 It takes about three hours, about two and a half to
21 three hours to get there, and that's not including
22 traffic, because the bus does hit traffic. So it takes
23 the bus like an hour to get from my house to Scotts
24 Valley, and it's another hour waiting there and another
25 hour to go across.

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1 And like I don't know. When I go over there,
2 I read like eight books a month. I'm like, "Doo, doo,
3 doo." But it's time consuming, and I could see myself
4 just going when she goes over just to get a ride or, you
5 know, like I don't think that it's a very good idea,
6 because I don't think that too many people -- like
7 people who couldn't have made it here because they have
8 other things to do right now. I don't know that too
9 many people could make it over with that price increase.

10 A lot of students are living on their own, and
11 that's the reason why they're going to -- it's a good
12 school, but it's a cheaper college, you know. They're
13 living on their own, you know, like buying their own
14 food, and I can just see a lot of people driving. Thank
15 you.

16 MR. CHIN: Thank you. Just for the record, we
17 also recognize Director Tim Fitzmaurice, who has arrived
18 tonight. I appreciate his presence as well.

19 MR. FITZMAURICE: I'm sorry I'm late. It's
20 raining out there. The buses are slow.

21 MR. CHIN: There -- we've basically heard from
22 two individuals tonight who have attended the public
23 hearing. Do any of you have any additional comments for
24 us tonight?

25 MS. RHIANNON AXTON: I would just like to

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1 say --

2 MR. CHIN: Would you like to come up to the
3 podium?

4 MS. RHIANNON AXTON: No. I think that a price
5 increase is okay, but just not so much of an increase.
6 Maybe like, you know how they bring the minimum wage up
7 slowly and slowly, you know? I think you should do that
8 with the price as well, kind of hit on it a little bit
9 slower, and then people will be able to afford it a
10 little bit better and be more accepting of it.

11 MS. CASSANDRA AXTON: I think you should bring
12 it up slower. I could do that if you did. Every time
13 minimum wage goes up, I get a small raise as well, which
14 would increase my money and be able to, you know, put in
15 any other costs that I might need to accommodate for.

16 MR. CHIN: Okay. Thank you. We have a court
17 reporter tonight who's taking -- who's transcribing your
18 testimony. She's a very, very quick transcriber, but we
19 just want to make sure we capture every comment tonight.

20 So seeing that only two individuals are here
21 tonight, we'll -- the public hearing is scheduled from
22 7:00 p.m. to 8:00 p.m. tonight. You're certainly
23 welcome to say to listen to other testimony, if there is
24 any, or, if you have concluded your remarks, you're
25 certainly welcome to take a handout with you as you

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1 leave.

2 MS. CASSANDRA AXTON: Can I ask a question?

3 MR. CHIN: Yes.

4 MS. CASSANDRA AXTON: Are they talking about
5 running Saturday service at all?

6 MR. CHIN: As Linda mentioned early on, this
7 proposed fare increase is not linked to future service.
8 But, as Linda also mentioned, in terms of our serious
9 planning for the future, we're looking at a whole
10 variety of different options, and one of them would be
11 weekend service.

12 The process that we have is we have an
13 internal planning committee that has representation from
14 bus operators and so forth, and what we do is we receive
15 public input by way of public testimony and letters and
16 e-mails and so forth, and then we rank those and
17 evaluate each of those and then come up with a plan that
18 we propose to the Board for implementation.

19 So there are many things that we're looking
20 at. We'll be coming back to the Board in the future in
21 terms of a proposal to show them what we would like to
22 do and get their approval before we proceed. So there
23 are a number of things basically that we're looking at
24 in the future.

25 MR. FITZMAURICE: In other words, no. We

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1 probably won't have Saturday service for a long time.
2 But the best thing you could do is write a letter to the
3 District and suggest that and tell us what time and the
4 reasons and those kinds of things that might help us
5 to -- we could add that to our package and start to talk
6 about those kinds of matters. Because I agree with you.
7 It would be a great idea.

8 MR. CHIN: Thank you.

9 MS. RHIANNON AXTON: Is that it?

10 MR. CHIN: It's not very dramatic. We're here
11 until eight o'clock.

12 MR. FITZMAURICE: Can I ask a question? Did

13 you go to the public hearing in San Jose?

14 MR. CHIN: Yes, we were there.

15 MR. FITZMAURICE: How many people showed up?

16 MR. CHIN: We had about a dozen. Mostly the
17 individuals that were there were students at San Jose
18 State.

19 MR. FITZMAURICE: Are you students?

20 MS. CASSANDRA AXTON: Yes.

21 MS. RHIANNON AXTON: Yes.

22 MR. FITZMAURICE: I'm a graduate of San Jose
23 State. It's a good school. They essentially said that
24 the fare increase was too great for them?

25 MR. CHIN: They had a number of different

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1 comments. One of them was that the price increase was
2 higher than they felt comfortable with.

3 Others -- there was one individual who
4 suggested actually lowering the fares to -- in order to
5 encourage more people to use transit. But generally the
6 comments were we feel that the price -- that the rate
7 increase is significant, especially for students on a
8 limited budget.

9 MR. FITZMAURICE: That's interesting. Of
10 course, I believe the buses should be free, all of them.
11 I've believed that for ten years.

12 MS. RHIANNON AXTON: When you can afford it.

13 MR. FITZMAURICE: I honestly think that it

14 should be, but unfortunately not everyone agrees with
15 that. We have funding sources that include trying to
16 use some of the fares, capture some of the fares, and
17 still that fare doesn't cover the cost. What's the
18 percentage of the coverage that we have from Highway 17?

19 MR. CHIN: On Highway 17 the fare recovery is
20 25 percent plus.

21 MR. FITZMAURICE: I mean, we're talking about
22 25 percent of our cost from running the service is paid
23 for by fares. Let's boost it to 30 percent. The
24 University service I believe is upwards of 60 percent;
25 is that correct? So when we have a full complement of

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1 buses that are relatively quick and not as expensive,
2 we're able to capture quite a bit more of the fare.

3 But that's certainly the best we do in the
4 whole district. Everything else is subsidized one way
5 or another by State funds, federal funds, a variety of
6 other things. And so any fare that we can capture helps
7 us to expand service. So, for instance, Saturday
8 service is really going to be a reflection of whether we
9 can capture a little bit more of the cost of that
10 service with the fare.

11 MS. RHIANNON AXTON: You know, I'm actually
12 really happy to be paying that one dollar per way
13 because, you know, when they don't ask for a fare or
14 when the fare is really low, the bus drivers and the

15 people who put out the buses tend to care a lot less
16 about the people who are needing to get from place to
17 place. I don't mind paying a dollar for somebody to
18 care what I think and somebody to clean up the bus
19 before I get on there, so the homeless guy who was on
20 there before me, the bag of cans aren't everywhere. I
21 don't think that's too much to ask.

22 MR. FITZMAURICE: Still, I wish we wouldn't
23 have to pay, because I think it's a public service when
24 you decide not to drive. You take a car off the road,
25 and every passenger on a bus -- just with a bus with

16

PULONE & STROMBERG (408) 280-1252

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

1 fifty people coming off the University -- one car off
2 the road to me, and that's a big thing.

3 MR. MCFADDEN: There was one gentleman at the
4 hearing this afternoon -- he was a Department chair --
5 and he said he's been advocating since pretty much the
6 inception of Highway 17 for us to have semester passes
7 for San Jose State.

8 MS. RHIANNON AXTON: I would buy one of those.

9 MR. MCFADDEN: I don't know how much we've
10 looked. I know San Jose State subsidizes to a small
11 degree the monthly passes, but I don't know if that's a
12 possibility to consider or not.

13 MS. CASSANDRA AXTON: I do think that the
14 semester pass is a good idea, and if you can raise
15 prices slowly.

16 MR. CHIN: Thank you for your input and
17 suggestions. Good night. Let the record show it's
18 7:30. We're taking a brief pause.

19 (Recess.)

20 MR. CHIN: Let the record show that we're
21 reopening the public hearing at 7:59 p.m. At this time
22 there are no members of the public here to provide
23 testimony. We'll leave the public meeting open until
24 eight o'clock, which is the scheduled shutdown time.

25 Let the record show it is now eight o'clock,
17

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1 and there are no individuals or members of the public to
2 provide testimony, so we'll close the public hearing.

3

4

(Whereupon, the SANTA CRUZ

5

METROPOLITAN TRANSIT DISTRICT PUBLIC

6

HEARING was concluded at 8:00 p.m.

7

this date.)

8

--- oOo ---

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

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STATE OF CALIFORNIA)
)ss.
COUNTY OF SANTA CLARA)

6 I, MELISSA ROEN WILLIAMS, a Certified Shorthand
7 Reporter in and for the State of California, hereby
8 certify that the foregoing is a full, true, and correct
9 transcript of the proceedings had at the taking of said
10 hearing, reported to the best of my ability and
11 transcribed under my direction.

12
13
14
15
16
17

Date: November 29, 2001 _____
CSR Number 12284

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PULONE & STROMBERG (408) 280-1252

**HIGHWAY 17 EXPRESS SERVICE
POTENTIAL FARE INCREASE
November/December 2001
Ridership Input**

DATE REC'D	RECEIVED FROM	COMMENTS
11/13/01	Suzanna Jones	Opposed to rate increase
11/15/01	Frank Rosten	Opposed to rate increase
11/15/01	Connie Wilson	More connections
11/15/01	Georgia Randall	Increase okay if weekend service is implemented
11/19/01	Nonna Giagos	Increase okay with improvements
11/21/01	Bob Strickland	Increase okay with improvements
11/21/01	Harvey Gotliffe	Opposed to rate increase
11/25/01	Andrew Carbone	Opposed to rate increase
11/26/01	Heather Harris Palmadessa	Letter plus e-mail – Opposed to rate increase
11/27/01	Eran Williams	Rate increase discourages ridership
11/28/01	T. S. Anand	Opposed to rate increase
11/28/01	Lynne Diane Klein	Opposed to rate increase

DATE REC'D	RECEIVED FROM	COMMENTS
11/28/01	Victoria May	Rate increase discourages ridership
11/28/01	Irina Vazir	Student discount needed
11/29/01	Lisa Nunes	Opposed to rate increase
11/28/01	Wendy Kroll	Suggestions on fares
11/28/01	Brian Sheppard	Opposed to rate increase
11/28/01	Thomas Jeannette	Opposed to rate increase
11/28/01	Mike Adams	Fare increase okay with suggestions
11/28/01	Frank Rosten, AARP	Opposed to rate increase
11/28/01	Signup sheet for 11/18 San Jose Public Hearing	
12/2/01	Merissa Cline	Opposed to rate increase
12/4/01	T.S. Anand	Opposed to rate increase

X-Sender: kchin@scmsun 1
X-Mailer: QUALCOMM Windows Eudora Pro Version 4.2.0.58
Date: Wed, 14 Nov 2001 08:33:46 -0800
To: dale Carr <dcarr@scmtd.com>
From: Kim Chin <kchin@scmtd.com>
Subject: Fwd: Fare increases
Cc: ian McFadden <imcfadden@scmtd.com>, Linda Fry <lindaf@scmtd.com>

Please log this as public input for the fare increase. Thanks,

X-Sender: bbaehr@scmsun 1
X-Mailer: QUALCOMM Windows Eudora Pro Version 4.2.0.58
Date: Tue, 13 Nov 2001 14:45:18 -0800
To: markd@scmsun1.scmtd.com, kim Chin <kchin@scmtd.com>
From: Bryant Baehr <bbaehr@scmtd.com>
Subject: Fwd: Fare increases

From: Suzanna Jones <Suzanna@directedlight.com>
To: "bbaehr@scmtd.com" <bbaehr@scmtd.com>
Subject: Fare increases
Date: Tue, 13 Nov 2001 14:08:11 -0800
X-Mailer: Internet Mail Service (5.5.2650.21)

I had tried to e-mail to hwy17@scmtd.com, but was undeliverable.
I want to let you know that I am opposed to raising the monthly fare pass.
Considering the state of
the economy and the high rate of unemployment, this is BAD timing. Those of
us who still have jobs are on shaky ground, and the holidays are fast
approaching. Please take time to reconsider how this will affect your
riders.
Thank You....

Suzanna Jones
Purchasing Agent
Directed Light, Inc.
408-321-8500 Ext. 145

Kim Chin
Manager, Planning and Marketing
Santa Cruz Metropolitan Transit District
920 Pacific Avenue
Santa Cruz, CA 95060
(831)-423-0613
Fax (831)-423-1024
kchin@scmtd.com
From david@scmtd.com Wed Nov 14 09:59 PST 2001

Subject: Re: Hwy 17 proposed bus fare increases
To: Dale Carr <dcarr@scmtd.com>

Dear Dale,

I was only sent the clipping, 4 paragraphs, single column from the 13th of November Sentinel, from several members of the AARP, Santa Cruz Chapter #4733. Thanks for your message.

Sincerely

Frank Rosten,
President Elect, Yr 2002
AARP Chapter #4733

--- Dale Carr <dcarr@scmtd.com> wrote:

> Dear Frank,
> This information was included in the Sentinel's
> 1 1/13/01 issue. It was
> listed in the box with the other current and
> proposed fares and entitled
> "Discount Fare* (Highway 17 Express) - Current
> \$1 .00, Proposed \$1.50. The
> asterisk referred the reader to *Senior
> passenger/Individual w/
> disability. I hope this helps.
> Dale Carr-
>
> At 04:31 PM 1 1/14/2001 -0800, you wrote:
>>The article announcing this fare increase in the
> Santa
>>Cruz Sentinel of Tuesday, November 13th made no
>>mentionm of the fare increases for Seniors,
> currently
>>\$1 each way, Scotts Valley to San Jose.
>>
>>Please advise via return e-mail what fare
> increases,
>>if any, are being proposed for Seniors.
>>
>>Respectfully,
>>
>>
>>
>>Frank W. Rosten
>>President Elect,
>>Santa Cruz Chapter #4733 AARP, formerly the
> American
>>Association of Retired Persons.

Subject: 50% Proposed Fare increases for Seniors, Hwy 17 Bus
To: Hwy17@scmtd.com
Cc: Bonnie AAGuinee <ONETOPGIRL@HOTMAIL.com>,
Charles AAHedges <fgh@cruzio.com>,
Inga AAHoffman <INGAHOFF@cruzio.com>,
Richard AALewis <GRUPOAMISTAD@cruzio.com>,

Dear Sir or Madam,

Further to the article in the Santa Cruz Sentinel of Tuesday, November 13th. regarding the proposed 50% fare increases for Seniors along the Hwy 17 bus route to San Jose, we feel this constitutes another major set back for the beleaguered elderly citizens of Santa Cruz County. The rising cost of living in this county has had a deleterious impact on Seniors, forcing many of them to relocate often away from their families and children. Recently, the senior's fares, formerly only effective between 10 a.m. to 2 p.m., was extended to all day, a most welcome relief to many. Now, less than a year later we are being threatened with this proposed set back.

I herewith urge ALL seniors, especially AARP members to attend the Metro meeting scheduled for 7 p.m. November 28th at the City Council chamber, at 809 Center Street, to protest this proposal.

Respectfully.

Frank W. Rosten,
President Elect,
AARP Chapter #4733
Santa Cruz County

Do You Yahoo!?
Find the one for you at Yahoo! Personals
<http://personals.yahoo.com>

X-Mailer: Microsoft Outlook Express Macintosh Edition - 4.5 (0410)

Date: Thu, 15 Nov 2001 15:34:22 -0800

Subject: <no subject>

From: "Tom & Connie Wilson" <camt@got.net>

To: hwy17@scmtd.com

I realize that increases in fares will be a hardship for some riders, but I hope that the highway 17 express bus can continue on and possibly with the horrific traffic issues in this county and state more people will utilize your services. I just wish we had more connectors that would entice more folks to use bus or alternative transportation means.

Keep up the good work and hopefully so many will utilize your service that we will need to add more buses!

Thanks

Connie Wilson

From: 83 18544920@airmessage.net
Date: Thu, 15 Nov 2001 15:13:07 -0600
To: hwy17@scmtd.com
Subject: Message from a two-way device

hwy 17 fare changes my comment on this issue would be i have been a bus rider for over five years or so, now i do have a question? will the hwy 17 bus run on the weekeneds or not? if it is, it will be worth the fare change. But if not, then it would not be worth the fare change, another issue is the senior disabled fare why is it the same as everyone else's fare? please submit this as a comment also please reply with a response to me at:83 18544920@airmessage.net and my name is Georgia **randall** thank you.
Georgia

To: "hwy17@scmtd.com" <hwy17@scmtd.com>

Gentlemen:

Obviously, the fares must increase...but what will we, the riders, get for that increase other than some profit for you. This is probably not the most profitable route for you, but it is not the most comfortable for us either.

The buses are getting noisier and creakier.

The seats in the "newer" buses you added are most difficult for some of us to get in and out of.

The side arms do not lift so you must squeeze your body in and "fall" into the seat. God forbid that the seat in front of you is tilted, then you have to enter or exit at an angle as well.

Many of the passengers feel they are entitled to two seats for the fair as they put their bags, briefcases, knapsacks on the seat next to them and promptly "fall asleep".

The buses are not well ventilated and if you sit in the back, you could gag.

Your SCHEDULING needs MAJOR reform as you do not coincide with many Caltrain arrivals and bus connections, given the "traffic" issue which may cause occasional delays which we understand and accept, but the SCHEDULING IS REALLY BAD!!!

Some of your buses, especially southbound, are NEVER on time with a usual 10- 15 minute delay, even if they have come around Northbound timely.

Why such a long break between 5:50 and 6:20 (which is never on time) and then 7:05...I would think that the majority of the "long distance" commuters, especially those using the train, would like to see either an adjustment to a more closer scheduling, or an extra bus somewhere in that time slot. PLEASE.

When drivers bid for this route, they should be better briefed or trained as to the peculiarities of this specific run, instead of consulting the printouts and not giving the passenger the benefit of the doubt and making everyone wait and making the passenger feel guilty. Almost all of your drivers have great driving skills and we can almost be "lulled" into a brief nap, but others are rude even in the way they drive...jerking, swaying, speeding, keeping the bus uncomfortably hot, more than keeping it cold...etc. They need some public relations training.

The round-trip fare should be a little less than a one-way--this would be an incentive for people to buy the round-trip even if they don't use it, and the only other advantage is that you get a day-pass!

So, if we get some comfort and better scheduling and friendlier drivers, we probably will feel that the increase was worth it. Otherwise, some of us will opt for carpools, vanpools, etc., which will now be almost as economical as the Hwy 17, but certainly a lot more comfortable.

Thank you for the opportunity to put this drop into your bucket!

Nonna Giagos

Date: Wed, 21 Nov 2001 08:48:11 -0800
From: Bob Strickland <bob.strickland@lmco.com>
Subject: Highway 17 Fare Increase
To: hwy17@scmtd.com
Cc: Bob Strickland <rls@cruzio.com>
X-Mailer: Mozilla 4.61 [en] (WinNT; U)
X-Accept-Language: en

Hello,

The proposed 40% fare increase for CALTRAIN passengers might be more palatable if it were accompanied by service improvements.

1) Improve Rush Hour Service Frequency: During rush hour (about 5:30-7:00PM) hiway- 17 service frequency is reduced from 15 minutes to about 30 minutes. It would be very helpful if there were more hiway- 17 service between 5:30PM and 7:00PM. That's when most of the south bound trains arrive* at the Diridon Station. During this time 3 of the 10 trains** (#68, #72, #82) have good (i.e. less than 10 minutes) connections. However, if the train is late, the next bus is 30-40 minutes later!

2) Monthly Hiway-17/CALTRAIN pass/sticker: It's a nuisance keeping enough quarters and dollar bills to feed the fare box on a daily basis. Since we already pay between \$55-\$125 per month for a train/bus transit pass, it's hard to justify buying a monthly metro/vta pass. It would be really convenient if we could buy a \$40 monthly hiway-17 sticker for the CALTRAIN pass.

It doesn't seem fair to increase the CALTRAIN surcharge 40% when you're trying for a 25% increase. Even a 25% increase seems large in the current economy.

If you must levy most of the fare increase on CALTRAIN customers, please consider providing improvements in return.

Thank you,
Bob Strickland
123 McGivern Way
Santa Cruz, CA 95060
(831) 427-3136

=====

*Combined CALTRAIN Highway- 17 evening schedule:

CT - H/17 Wait
3:35 - 3:55 20
4:05 - 4:15 10
4:39 - 4:45 06
5:08 - 5:15 09

5:37 - 5:50 13
5:45 - 5:50 05 **
6:02 - 6:20 18
6:13 - 6:20 07 **
6:27 - 7:05 33
6:35 - 7:05 30
6:47 - 7:05 17
6:54 - 7:05 11 **
7:13 - 7:35 22
7:28 - 8:05 37

--

Bob Strickland
(408) 742-7490 (voice)
(408) 742-273 1 (FAX)

Lockheed Martin Space Systems
Mail Stop L7-44 B/1 56A
1111 Lockheed Martin Way
Sunnyvale CA 94088

To: hwy17@scmtd.com

Subject: Raise In Fares

I won't be able to attend any of your hearings next week, but as someone who has ridden the Highway 17 bus since its inception, I wish to voice a protest for the raise in fares for the one segment of your ridership to which I belong.

As a senior citizen I note that the fifty-cent increase from \$1 to \$1.50 may be the smallest in terms of actual coinage, however it represents one of the largest percentage increases - a gigantic 50 percent, which is unfair to those of us over sixty five years of age.

The increase for a regular one way fare is from \$2.25 to \$3, is equal to 33 percent jump as is the percentage increase for a regular day pass from \$4.50 to \$6. The monthly bus pass increase from \$65 to \$80 represents less than a 24 percent increase.

In fairness for those of us on Social Security, when we may get a two to three percent cost of living raise once a year, a 50 percent increase in bus fare seems out of proportion and unreasonable.

Please maintain the current rate for the seniors, it seems only a fair fare.

Harvey Gotliffe

,

Get your FREE download of MSN Explorer at <http://explorer.msn.com/intl.asp>

From: "Mike & Andy" <dar1322@earthlink.net>
To: <tsp@as.sjsu.edu>
Cc: <hwy17@scmttd.com>
Subject: re:hwy 17
Date: Sun, 25 Nov 2001 20:42:04 -0800
X-Mailer: Microsoft Outlook Express 5.00.2615.200

To Whom it May Concern:

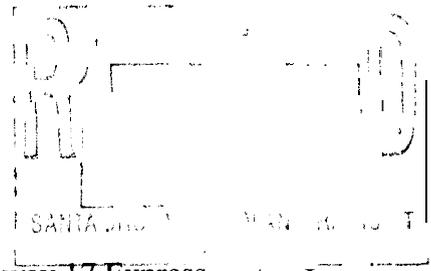
I live in Santa Cruz and commute to SJSU at least 4 days per week. It costs me \$18 per week, \$72 a month. (Granted this is a bit less if I remember to buy a bus pas on the 1st). As a student, I find it nearly impossible to make ends meet with the rents as high as they are in this town. I might consider driving my car, but due to the poor conditions of the Santa Cruz roads I have no shocks left in my car, and don't dare drive it over Hwy 17. Also, it is nearly impossible to get a parking spot at SJSU, despite paying a high fee for this "service". (I hate to complain, but the facts are the facts) Please don't make my financial situation worse.

Thank You for your time and consideration.

Sincerely,
Andrew Carbone

November 26, 2001

General Manager, SCMTD
370 Encinal Street, Suite 100
Santa Cruz, CA 95060



This letter is in response to the plans to raise fares on the **Highway 17 Express** route. I urge you to reconsider this plan and to **NOT** raise fares at this current time.

My husband rides the Highway 17 Bus every weekday to and from his job in Santa Clara. The proposed \$15 (fifteen-dollar) increase in the monthly pass price would significantly impact his decision on whether he uses public transportation to commute or the convenience of his own automobile. Instead of generating additional income for the SCMTD, I believe that increasing the fares will actually dissuade many current Highway 17 bus riders from using this mode of transportation. If bus fares increase, this will surely make the ease and practicality of driving one's own car that much more of an attractive option. Likewise, as gas prices continue to fall while fares for the Highway 17 Express Bus rise, driving personal automobiles also becomes much more viable and appealing.

Again, I urge you to reconsider your proposal to raise the fares on the Highway 17 Express route. Santa Cruz City Council and the Santa Cruz Metropolitan Transit District should be encouraging greater use of our public transportation system, not discouraging its use, as increasing the fares would indeed do.

Please **DO NOT** raise the fares on the Highway 17 Express route!

Thank you for your consideration,

Heather Harris Palmadessa
Heather Harris Palmadessa
4 18 Palmer Ave.
Aptos, CA 95003

To: <hwy17@scmtd.com>
Subject: No on raising HW 17 bus fares

November 26, 2001

SCMTD
Hwy17@scmtd.com

This is in response to the plans to raise fares on the Highway 17 Express route. I urge you to reconsider this plan and to NOT raise fares at this current time.

My husband rides the Highway 17 Bus every weekday to and from his job in Santa Clara. The proposed \$15 (fifteen-dollar) increase in the monthly pass price would significantly impact his decision on whether he uses public transportation to commute or the convenience of his own automobile. Instead of generating additional income for the SCMTD, I believe that increasing the fares will actually dissuade many current Highway 17 bus riders from using this mode of transportation. If bus fares increase, this will surely make the ease and practicality of driving one's own car that much more of an attractive option. Likewise, as gas prices continue to fall while fares for the Highway 17 Express Bus rise, driving personal automobiles also becomes much more viable and appealing.

Again, I urge you to reconsider your proposal to raise the fares on the Highway 17 Express route. Santa Cruz City Council and the Santa Cruz Metropolitan Transit District should be encouraging greater use of our public transportation system, not discouraging its use, as increasing the fares would indeed do.

Please DO NOT raise the fares on the Highway 17 Express route!

Thank you for your consideration,

Heather Harris Palmadessa
4 18 Palmer Ave.
Aptos, CA 95003

Cc: Santa Cruz City Council Members
General Manager, SCMTD

X-Sender: lwhite@scmsun1
X-Mailer: QUALCOMM Windows Eudora Version 4.3.2
Date: Tue, 04 Dec 2001 07:58:07 -0800
To: dcarr@scmsun1.scmttd.com
From: Les White <lwhite@scmttd.com>
Subject: Fwd: FW: No on raising HW 17 bus fares - email forwarded

Dale,

Please put this with the other communications received on Highway 17 fares. All Board members should should get this.

Thanks Dale,

Les

X-Sender: kchin@scmsun1
X-Mailer: QUALCOMM Windows Eudora Pro Version 4.2.0.58
Date: Mon, 03 Dec 2001 16:51:51 -0800
To: dale Carr <dcarr@scmttd.com>
From: Kim Chin <kchin@scmttd.com>
Subject: Fwd: FW: No on raising HW 17 bus fares - email forwarded
Cc: ian McFadden <imcfadden@scmttd.com>, Linda Fry <lindaf@scmttd.com>, lwhite@scmttd.com, mdorfman@scmttd.com

From: Timothy Fitzmaurice <TFitzmaurice@ci.santa-cruz.ca.us>
To: "'kchin@scmttd.com'" <kchin@scmttd.com>
Subject: FW: No on raising HW 17 bus fares - email forwarded
Date: Mon, 3 Dec 2001 11:35:34 -0800
X-Mailer: Internet Mail Service (5.5.2650.21)

"urn:schemas-microsoft-com:office:office" xmlns:w = "urn:schemas-microsoft-com:office:word">
Kim,

For your records, here's an email received by the City Council--in case you did not get it.
Tim

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

From: Leslie Cook
Sent: Monday, November 26, 2001 3:44 PM
To: Timothy Fitzmaurice; Christopher Krohn; Emily Reilly; Keith Sugar; Mark Primack; Scott Kennedy; Ed Porter
Subject: FW: No on raising HW 17 bus fares - email forwarded

I am forwarding this information to you.

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

From: Heather Harris [mailto:shf200@co.santa-cruz.ca.us]
Sent: Monday, November 26, 2001 2:33 PM
To: cityclerk@ci.santa-cruz.ca.us
Subject: No on raising HW 17 bus fares

November 26, 2001

Santa Cruz City Council Members (via e-mail)

This letter is in response to the plans to raise fares on the Highway 17 Express route. I urge you to reconsider this plan and to NOT raise fares at this current time.

My husband rides the Highway 17 Bus every weekday to and from his job in Santa Clara. The proposed \$15 (fifteen-dollar) increase in the monthly pass price would significantly impact his decision on whether he uses public transportation to commute or the convenience of his own automobile. Instead of generating additional income for the SCMTD, I believe that increasing the fares will actually dissuade many current Highway 17 bus riders from using this mode of transportation. If bus fares increase, this will surely make the ease and practicality of driving one's own car that much more of an attractive option. Likewise, as gas prices continue to fall while fares for the Highway 17 Express Bus rise, driving personal automobiles also becomes much more viable and appealing.

Again, I urge you to reconsider your proposal to raise the fares on the Highway 17 Express route. Santa Cruz City Council and the Santa Cruz Metropolitan Transit District should be encouraging greater use of our public transportation system, not discouraging its use, as increasing the fares would indeed do.

Please DO NOT raise the fares on the Highway 17 Express route!

Thank you for your consideration,

Heather Harris Palmadessa

4 18 Palmer Ave.

Aptos, CA 95003

Cc: Santa Cruz City Council Members (via mail)

General Manager, SCMTD

Hwy 17@scmtd.com

Kim Chin

Manager, Planning and Marketing

Santa Cruz Metropolitan Transit District

920 Pacific Avenue

Santa Cruz, CA 95060

(831)-423-0613

Fax (831)-423-1024

kchin@scmtd.com

</x-html>

X-Originating-IP: [66.122.52.35]
From: "Eran Williams" <kanwill@hotmail.com>
To: hwy17@scmtd.com
Subject: fee increase
Date: Tue, 27 Nov 2001 06:01:35 +O000
X-OriginalArrivalTime: 27 Nov 2001 06:01:36.0541 (UTC) FILETIME=[F914ACD0:01C17708]

I have been riding the Hwy 17 bus for years. I can afford the new increase but its message is unfortunate. The Hwy 17 bus is the best solution to that road's serious traffic problem so why dissuade people from using it? Why punish bus riders when they, at least, are living within reasonable means? You will say that it is because it costs money to run a bus service. You will say that there have not been fee increases in a long time. You will say that it is still a deal. All that is true. Still, in a more perfect Santa Cruz, the government would fund this route to encourage commuters to get out of their cars and into a reasonable, less Middle-East dependent, form of transportation. Alas, in lieu of encouraging a sustainable lifestyle, our government only asks that we wave flags and max out our credit cards.

Eran Williams
468 Thayer Road
Santa Cruz, CA 95060
kanwill@hotmail.com

Get your FREE download of MSN Explorer at <http://explorer.msn.com/intl.asp>

To: hwy17@scmtd.com
Subject: Hwy 17 Express Fare Increase

Dear SCMTD,

Because I am unable to attend the public hearing tomorrow (Nov 28) on the issue of the Hwy 17 proposed fare increase ordinance, I send you this message to register my reasons why NOT to raise rates at this time. Kindly make my views known to the people who make the decisions. Thanks.

People who, like myself, ride the 17 Express on a regular basis are primarily students and working class folks. I was a graduate student at San Jose State University and commuted to San Jose from Scotts Valley. Now I have graduated and live in San Jose and commute to Scotts Valley for work. (I work in a retail venue at Kings Villiage Plaza.) So I know the Hwy 17 route intimately.

This is simply not a good time to raise the fares. The economy is down. Retail has suffered. The store where I work has recently laid off two workers and the rest of us have accepted reduced hours. Twenty dollars extra a month, which is what the fare increase would mean to me, would be a real hardship. I am just barely managing to pay my bills and student loan payments as things stand right now. Please wait .

Also I cannot help but notice that the Hwy 17 bus often runs empty or virtually empty. Would it not be possible to streamline the route and save money instead of raising fares? More often than not I am the only person on the bus in the morning. Not only that but two "Not in Service" buses pass me every morning returning to Santa Cruz completely empty! This seems very wasteful to me. In the evening there are often less than 5 people on the bus when I return. I witness two almost empty buses going to Santa Cruz past me on the way home. This seems like a big waste also.

I love the 17 bus service. I'm sorry more people do not take advantage of it. Of course that is probably due to the fact that it does not service the Metro Center. I understand that next year Metro is going to take over the Amtrak contract and finally be allowed to service the Metro Center on the Hwy 17 route. Couldn't you please consider waiting until that time before raising the fares. Then I'm sure nobody would have a problem with paying more for the improved service right into Santa Cruz.

So in conclusion, I feel that the time is inappropriate for raising fares; that the route as a whole needs serious streamlining; and that until Metro Centre service is added the fares should remain as they are now. It will only hurt the working class people---the people who can afford it drive their cars for the convenience. Thank you for listening. And truely, very truely, thank you for the Hwy 17 bus.

A regular Hwy 17 Express customer,

T. S. Anand
(408) 286 7088

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

NOTICE OF PUBLIC HEARINGS

Regarding District Fare Structures for Highway 17 Express Route (Ordinance 84-Z-1)

Notice is hereby given that Santa Cruz Metropolitan Transit District will hold Public Hearings on the following dates, times and locations:

HONOR UCSJC CARDS AND CABRILLO COLLEGE CARDS, AND ALL OTHER EDUCATION CENTERS.

Wednesday, November 28, 2001 ♦ 11:30 am to 1:30 pm

Umunhum Room, Student Union, San Jose State University, One Washington Square, San Jose, CA 95192

Wednesday, November 28, 2001 ♦ 7:00 pm to 8:00 pm

Santa Cruz City Council Chambers, 809 Center Street, Santa Cruz, CA 95060

The purpose of the public hearings is to consider amending Ordinance 84-2-1 with regard to the fare structures for the Highway 17 Express Route as follows:

I USE HWY 17 ALL THE TIME.

	EXISTING	PROPOSED
Regular Hwy. 17 Express Bus Fare (One Way)	\$2.25	\$3.00
Discount Hwy. 17 Bus Fare*	\$1.00	\$1.50 \$2.00
Regular Hwy. 17 Day Pass	\$4.50	\$6.00 \$5.00
Regular Hwy. 17 Day Pass with SCMTD/VTA Day Pass	\$3.50	\$3.50 \$2.00
Regular Hwy. 17 Day Pass with CalTrain Ticket	\$2.50	\$3.50 \$2.00
Hwy. 17 Monthly Pass	\$65.00	\$80.00 \$75.00

*Senior Passenger/Individual with Disability
COINS SLOW THE PROCESS DOWN.

Lynne Diane Klein
E-MAIL: lynaeklein@hotmail.com

In addition to attending the public hearings, the public is invited to submit comments in writing to the General Manager of the Santa Cruz Metropolitan Transit District, dated no later than December 17, 2001, addressed to 370 Encinal Street, Suite 100, Santa Cruz, CA 95060.

You may also e-mail your comments by December 17, 2001, to hwy17@scmted.com. Or, if you prefer, you can present your comments orally at the regular Santa Cruz Metropolitan Transit District Board meeting on Friday, December 21, 2001, at 9:00 am at the Santa Cruz City Council Chambers, 809 Center Street, Santa Cruz, CA 95060.

I AM DISABLED AND ON A FIXED INCOME.

If you require a language translator, large-format materials, or sign language interpreter, or have other special needs, please call Dale Carr at (831)-426-6080 at least 72 hours in advance of the public hearings.

BACKGROUND: MATHEMATITION AND ACCOUNTANT.



YOU COULD GAIN ADDITIONAL REVENUE FROM UCSJC CABRILLO COLLEGE, BELLARMINI PREP, CLARA UNIV, DE ANZA COLLEGE, STANFORD, ETC.

PO Box 2846
SANTA CRUZ, CA
95063-2846

X-Sender: vic@mail.cruzio.com
Date: Wed, 28 Nov 2001 14:28:59 -0700
To: hwy17@scmtd.com
From: Victoria may <vic@cruzio.com>
Subject: fee raise

to whom it may concern:

i am writing in regards to the proposed fee raise for the highway 17 bus. i am an avid supporter of the bus and use it whenever possible. i feel the bus is a small step in reducing pollution and should be more widely used.

i worry that the fee increase would put off potential users and maybe even lose some regular users. i do understand the costs involved and am not surprised that it has been proposed. i wonder if there are other ways to cut costs, like cutting some of the trips at non-peak hours. there have been times when i have been alone on the bus or with two or three other people at the middle of the day. it would be easy enough for riders to schedule around such changes, if such trips at such hours were cancelled.

also, due to the strained economy, the timing of such an increase is not good. perhaps waiting a few months until the economy has picked up would make it a less dramatic change.

thanks for your time and consideration,
Victoria may
former SJSU student and santa cruz resident

Date: Wed, 28 Nov 2001 18:54:48 -0800 (PST)
From: irina vazir <irinavazir@yahoo.com>
Subject: Hwy 17 Express Bus
To: tsp@as.sjsu.edu, hwy17@scmtd.com

Hi

I am a student at san jose state unversity.
I ride the Hwy 17 express 4 days a week from monday to thursday.
>From next semester(spring 2002)I will be riding the Hwy 17 express bus 5 days a week.
I like the Hwy 17 bus service.

I am aware of the fact that **santa cruz** metro is planning to increase the fare for Hwy 17 express bus.

I strongly feel that there should be some discounts on the fare on Hwy 17 express bus for the students of san jose state unversity.

I would like to suggest to **santa cruz** metro that they should start hwy 17 express bus service from the metro center in downtown **santa cruz**.
There are so many people like me who take a bus from downtown **santa cruz** to scotts valley or drive from **santa cruz** to scotts valley.

irina

Do You Yahoo!?

Yahoo! GeoCities - quick and easy web site hosting, just \$8.95/month.
<http://geocities.yahoo.com/ps/info1>

From: Dscokwn@aol.com
Date: Thu, 29 Nov 2001 01: 19:49 EST
Subject: Highway 17 Bus rate increases
To: hwyl7@scmtd.com
X-Mailer: AOL 4.0 for Windows 95 sub 124

I just learned that the Santa Cruz Metro is planning to increase the fare for the Highway 17 bus. I am a student at San Jose State, doing my research in Monterey County, and living in Santa Cruz. That bus is a crucial link for me to get to my classes at San Jose State, as it is crucial for other students (high school and college) as well as professionals.

I feel that the bus is already over-priced, and that raising the fees even more, will discourage people from taking the bus, adding more cars to the road. Adding more cars will lead to more traffic and pollution, two things our area does not need more of.

I urge you to not raise your fees for this bus, and instead, find other ways to raise revenues.

Sincerely,
Lisa Nunes

Wendy Kroll
1201 Hawks Brook Rd
Apt. A7500B

11/28/01

Suggestion - Day Pass should be less than
2x oneway fare.

Increase monthly pass to a less
degree than the increase on
single rides and Day Pass fare

Maintain or increase the
portion that SJCC kicks in
to the monthly pass

AdvertC&D - Help Bus Service Co
more people are aware of its
benefits. Make the get News
Coverage in Sentinel, Mercury,
GoodTimes etc. Use happy meters
in the article to promote more use.

Brian Sheppard
203 Younglove Ave
Santa Cruz CA 95060
831-427-0585

11/28/01

This proposal is a bad idea.
The Day Pass carries NO Incentive to purchase it.
It would be a ~~good~~ better I ~~decide~~ to charge single fares more, and maintain the pass fare. Then people who are more proactive commuters save more more money.
I also feel ~~frustrations~~ frustrated when the City of Santa Cruz buys the Water St. sign, ~~but~~ yet doesn't increase public Transit funding. The City wasted a lot of money with that sign.

11/28/01

Thomas Jeannette

Insted of increasing the fare, decrease it and
or in an attempt to increase the number
of people using the bus. This could
off set the cost increase of transportation.

Mine Adams

11/28/01

112-~~CORCORAN~~ CT
SCOTT VALLEY, CA 95066

30 MONTHS PASS IDEA Re-VISIT

FADs in cases OK

11/28/01

Mike Adams

Ritten since the earthquake.
No problem w/ fare increase.

Department chair, - Why no
student semester pass?

The suggestion - decrease the
fares and advertise a "sale"
to encourage ridership and
increase efficiency.

Day pass change is too
significant. There's no incentive
to not pay one way fare.

EPI increased 29,3% since 1993
Subsidy per passenger - Hwy 17 = \$4.38 PP
Subsidy per passenger Regular fixed route \$2.59 PP



Frank W. Rosten, Pres.,
AARP, Chapter #4733,
119 Oak Lane, Suite #2,
Scotts Valley, CA 95066
(83 1) 439-9842

11/28/2001

Dear Member of the SCMTD Board,

As Chairman and President elect of the Santa Cruz County Chapter #4733 of the AARP (formerly the American Association of Retired Persons) I would like to enter a plea for your consideration of our members, as well as other elderly people using Highway #17 transportation.

Your proposed increase of 50% (\$1.00 to \$1.50) in daily fares for over 65s on the Hwy 17 bus, hits hardest at that sector of the population least able to **afford** it, viz. the elderly **trying** to survive on a fixed income. Regular passengers and regular day passes are only being raised by 33% while monthly passes increase by a mere 23%. It is difficult to believe that a **50 cents increase** per journey for over 65s is going to impact your bottom line significantly.

Recent cost of living increases, in Santa Cruz county particularly, have had a devastating **effect** on Seniors. Our only HMO in Santa Cruz, viz. Secure Horizon, raised their monthly fees by 100% since last year from \$40 to \$80 per subscriber and by more than 100% for co-payments. They are raising their fees again for next year with drastic reduction in services. The cost of drugs is downright prohibitive for most seniors. Even the cost of telephoning from your Scotts Valley terminus has risen by 43% some months ago, from 35 cents to 50cents. While this may seem a small amount, many seniors call next of kin to pick them up from the terminus upon arrival, increasing the cost of transportation by yet another 15 cents.

We were all grateful for your having increased the hours that seniors could travel at reduced rates from between 9:30 and 2:30 to all day, some time earlier this year. It would be a pity to dissipate the good will garnered through this concession by raising the fares for seniors now. To avoid appearing to complain without making a positive suggestion, permit me to suggest that minibusses be employed between the hours of, say, 9:30 and 2:30, which should save significant funds in gasoline savings alone.

Looking forward to your favorable decision in regard to any fare increase for seniors.

Yours respectfully,

Frank Rosten,
Pres. Chapter 4733,
AARP Santa Cruz County.

mg:FWR

HIGHWAY 17 EXPRESS
FARE INCREASE HEARING

11/28/01

SJSU
Hearing
11:30a

NAME

CONTACT INFORMATION
(address, phone or email)

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dina.braun@yahoo.com

Kat Merveigh

kmerveigh@hotmail.com

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Brian Sheppard

whiskey777@hotmail.com

Miko Adams

ADAMS@BUTL.SJSU.EDU

HIGHWAY 17 EXPRESS FARE INCREASE HEARING

SJSU
Hearing
11:30a

NAME

CONTACT INFORMATION
(address, phone or email)

Thomas Jeannette

t.j.jeannette@hotmail.com

Cassandra Axton

lunabebe@hotmail.com

Rhi

Rhiannon Axton

Rhiannon@hotmail.com

X-Originating-IP: [64.167.149.236]

From: ". ." <ooollive@hotmail.com>

To: hwyl7@scmtd.com

Subject: increase in fare

Date: Sun, 02 Dec 2001 12:21:26 -0800

X-OriginalArrivalTime: 02 Dec 2001 20:21:26.0418 (UTC) FILETIME=[EB 1BEF20:01C17B6E]

I am writing this to discourage the Santa Cruz Metro from increasing the fare for the Highway 17 Bus. I am a college student and do not have a car.

This rate increase would make it considerably harder for me to make it financially through the semester. This rate increase would mean about \$100 more per semester for transportation costs. If a student was living on Student loans to get through college, this would mean that they would have to barrow an extra \$200 per academic year. This \$200 would have an %8 monthly interest rate, and at the end of a 5 year period, there would be an extra \$1000 the student owes, just on top of the current bus fare. This rate increase would further put stress on the already meager income of a student. With the state of the world today and the millions of parents loosing their jobs being unable to continue support to their children in college, why increase an already over priced fare? This makes absolutely no sense to me, as the prices of gas have gone down and your cost should have decreased.

Thank you for your consideration.

-Merissa Cline

Get your FREE download of MSN Explorer at <http://explorer.msn.com/intl.asp>

To: hwy17@scmtd.com
Subject: Hwy 17 Fare Increase

Please reconsider raising the fares at this time. The economic down-turn is adversely affecting people of the lower classes, like myself, who are just barely scraping by as it stands now. The fare increase you are suggesting would cost me personally \$20 extra per month. Where is that money to come from? I would gladly accept fewer buses than higher fares. I beg you to reconsider. Thankyou.

from T.S. Anand

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: December 21, 2001
TO: Board of Directors
FROM: Leslie R. White, General Manager
SUBJECT: CONSIDER APPROVAL OF 2002 STATE LEGISLATIVE PROGRAM

I. RECOMMENDED ACTION

That the Board of Directors adopt the proposed METRO 2002 State Legislative Program attached to this staff report.

II. SUMMARY OF ISSUES

- Elected officials at the State level continue to actively support the goals established by the METRO Board of Directors when the legislative program is presented to them early in the legislative process.
- The current economic climate will make it difficult to obtain new funds from the California State Legislature as they convene their 2002 session.
- Projected deficits in the State General Fund will require that transit agencies defend funds previously allocated for capital projects.
- METRO must actively advocate for the State to honor its commitment of \$7.75 million in Traffic Congestion Relief Program funds to Santa Cruz for buses and the METRO Center Renovation and Expansion Project.
- Proposition 42, if passed by the voters of California, would permanently dedicate the sales tax on gasoline to transportation programs, thus providing a dedicated source of capital funds to METRO after 2008.
- In order for METRO to draw down Federal Section 5309 earmarked funds, all Federal Section 5307 formula funds under the Governor's jurisdiction must be programmed. METRO should advocate for agencies to program these funds or transfer them to other transit agencies that are able to program them.
- METRO will continue to incur additional costs to provide the mandated ADA complimentary paratransit service. The state has yet to provide specific funding programs to address this need.
- The implementation of the Urban Bus Rule promulgated by the California Air Resources Board will require additional capital investment for which no state funds are currently identified.

- The reliance of UCSC, Cabrillo College, and some K-12 systems on METRO services make it important that we advocate for exploration of “cross function” funding opportunities.

III. DISCUSSION

The 2002 California State Legislature will convene in January to consider legislative actions for the coming year. The current condition of the State General Fund will require considerable attention on the part of the legislature. The financial condition of the State will put pressure on members of the legislature to divert funds from other programs, including transportation, to balance the General Fund. Currently, METRO receives capital funding from the State Transit Assistance Program (STAP), as well as having earmarked funds under the Traffic Congestion Relief Program (TCRP). These funds are dedicated to bus acquisition and the Phase I METRO Center Renovation/Expansion Project. It will be necessary for METRO to closely monitor legislative actions to ensure that METRO projects remain funded. Proposition 32 will permanently dedicate the sales tax on gasoline to transportation programs. The temporary diversion of the sales tax on gasoline from the General Fund to transportation provided the funding source for the TCRP projects. If Proposition 42 is passed by California voters next year, it will reduce the possibility of the legislature defaulting on major transportation funding commitments.

While the actions currently being implemented by METRO in the area of ADA recertification have resulted in complementary paratransit costs stabilizing, it is likely that future years will see cost increases. Currently, the State does not have a funding program to assist transit agencies in addressing this need. Staff recommends that METRO advocate for State consideration of the complementary paratransit funding need.

In 2001 METRO, CalTrans, and other transit agencies in the under 200,000 in population urbanized areas were able to collaborate successfully and remove obstacles which could have prevented draw down of Section 5309 earmarked discretionary funds from the Federal Transit Administration. In 2002, it will be necessary for transit agencies in areas under 200,000 in population to ensure that all Section 5307 formula funds are programmed. This is necessary to achieve the ability to continue to draw down discretionary Section 5309 earmarks and to avoid having “allocated but unprogrammed” funds lapse back to the Federal Treasury with the expiration of the Transportation Equity Act of the 21st Century (TEA-21). Where transit agencies have allocated funds that they will not be able to program for projects in a timely manner, Staff recommends METRO advocate for the Governor’s Office to transfer these funds to other transit agencies that are able to program the funds to avoid having these allocations lapse back to the Federal Treasury.

In prior years, METRO has explored the possibility of acquiring subpoena authority so that the Office of District Counsel can gain information necessary to effectively

defend claims against METRO. Staff recommends that the 2002 Legislative Program once again address this issue and explore the possibility of initiating legislation which would grant the subpoena authority to METRO.

The implementation of the Urban Bus Rule issued by the California Air Resources Board will require that METRO invest substantial funds in diesel bus conversion to CNG as well as the installation of a high capacity fueling station. Currently, the State does not have any funding programs which would adequately address this level of need. Staff recommends that METRO advocate for the establishment of programs which would assist in the implementation of the Urban Bus Rule.

Service provided by METRO is relied upon by UCSC, Cabrillo College, and some of the K-12 school districts in Santa Cruz County. Currently, there is no mechanism or incentive at the State level for coordination of funding for transportation between the education functions and the transportation functions. Staff recommends that METRO advocate for the exploration of "cross function" funding opportunities.

The specific legislative goals recommended by Staff are attached to this staff report. Additionally, I have attached a memo from METRO legislative advocate and California Transit Association Executive Director, Joshua W. Shaw, wherein the issues of the upcoming legislative session are attached. I have also attached the adopted 2002 Legislative Program for the California Transit Association.

IV. FINANCIAL CONSIDERATIONS

Funds for the State Legislative Advocacy activities, including travel to Sacramento and the contract with Joshua W. Shaw, are included in the adopted 2002 METRO Operating Budget.

V. ATTACHMENTS

- Attachment A:** Proposed 2002 Santa Cruz Metropolitan Transit District Legislative Program.
- Attachment B:** December 3, 2001 memorandum from Joshua W. Shaw.
- Attachment C:** Adopted 2002 California Transit Association Legislative Program.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
2002 STATE LEGISLATIVE PROGRAM**

State Goals:

1. Support legislation and actions necessary to protect existing funding sources and funding levels for transit operating assistance and capital assistance.
2. Support passage of Proposition 42 to permanently dedicate the sales tax on gasoline to transportation purposes.
3. Support the introduction and passage of legislation designed to enact additional sources of transit operating and capital assistance.
4. Support efforts to insure that Federal Section 5307 formula funds in the Governor's apportionment are programmed statewide to the maximum extent possible to insure that SCMTD can access Section 5309 Federal discretionary earmarks and to insure that no funds lapse at the end of the TEA-21 authorization.
5. Support efforts to obtain operating and capital funds to meet the increasing service requirements of ADA Paratransit.
6. Explore the possibility of using state funds for parking facilities and public transit services at campuses in the University of California system.
7. Explore the possibility of requesting legislation to grant the SCMTD the authority to issue subpoenas.
8. Support efforts to obtain operating and capital funds to implement the CARB Urban Bus Rule requiring the use of alternate fuels.
9. Support efforts to improve communication and funding for public schools (K-12) and community college/university transportation needs.



SHAW/YODER, inc.
LEGISLATIVE ADVOCACY

December 3, 2001

To: Board of Directors, Santa Cruz Metropolitan Transit District
Les White, General Manager
Mark Dorfman, Assistant General Manager

Fm: Joshua W. Shaw, Partner 

Re: **2002 Legislative Session and Proposed 2002 Legislative Program**

This report summarizes for you the latest information on the State's looming budget crisis, and places our legislative representation program in context.

Simply put, the next legislative session will pose incredible challenges for the Legislature, Governor and a multitude of interest groups, including public transit operators. In fact, the Governor has already called an extraordinary session of the Legislature to deal with the deficit; the session will start in January and run concurrent with the regular 2002 session.

While the exact figure is debated, all observers agree that the state is facing a General Fund deficit of unprecedented proportions. For instance, the non-partisan Office of the Legislative Analyst predicts that the 2002-03 General Fund hole will be *at least* \$12.4 billion. Specifically, the LAO finds:

“The current recession and declining stock market values are having devastating impacts on California's budget outlook, largely due to shortfalls in revenues. [A]fter increasing 22 percent in 1999-00, revenues decelerated to 8 percent growth in 2000-01, and are projected to fall 12 percent in 2001-02—the deepest one-year decline in the post-World War II period. This abrupt revenue fall-off is pushing the state into a major deficit for the first time since the early 1990s. Specifically, we estimate that:

- California will end 2001-02 with a deficit of \$4.5 billion, compared to the \$2.6 billion reserve assumed in the *2001-02 Budget Act*.
- The 2002-03 budget year faces a shortfall of \$12.4 billion and potentially even more if the recovery we are assuming for next spring is delayed.
- Annual budget shortfalls will persist well beyond 2002-03 absent corrective actions. **AS** a result, it will be necessary to adopt substantial ongoing expenditure cuts and/or revenue augmentations in order to bring the budget back into balance.”

TEL: 916.446.4656

FAX: 916.446.4318

1414 K STREET, SUITE 320

SACRAMENTO, CA 95814

Based on similar assumptions, the Governor has asked all state departments and agencies to prepare scenarios wherein 15% of their operating budgets are cut going into the 2002-03. In order to save cash this year, he has issued an executive order freezing all non-mandated spending in the current year, and directed each department to immediately cut \$150 million in operating expenses.

On the other hand, the Governor's November Department of Finance Bulletin contained some mixed news. It appears that while California did not suffer as greatly as the rest of the nation after the September 11 attacks, general fund revenues continue to run below the 2001 budgetary forecast. The good news is that sales and use tax receipts were only \$7 million below the month's forecast of \$1.682 billion, signaling some good consumer spending levels. However, personal income tax revenues were \$209 million below the month's forecast of \$2.509 billion.

In any case, policymakers will face a painful mix of program cuts and revenue enhancements in order to balance the 2002-03 budget and stimulate the economy.

Shaw / Yoder, Inc. has worked to ensure that the District's existing and planned state-funded projects are insulated from such actions. For instance, we have detected no plans to suspend the Governor's Traffic Congestion Relief Program, which will provide \$7.75 million to the District for vehicle purchases and for renovation / rehabilitation of the Downtown Metro Center. However, while transportation spending is viewed by the Governor's Administration as necessary to stimulate the economy, there is no guarantee that transit will be spared from all cuts after next year's budget deal is finalized.

In this context, we have consulted with the District's General Manager and Assistant General Manager, and **we offer the District's proposed 2002 Legislative Program**, attached, for your review and action. This program recognizes the fiscal difficulties facing the state, and therefore does not, for the time being, propose pursuit of additional "earmarks" or appropriations of state funds for District projects. However, the program does maintain the District's aggressive stance on advocating for all due and necessary augmentations to the state's transit funding program, when possible.

We would be pleased to explore further with the Board and your staff prospects for the 2002 Legislative Session.



CALIFORNIA TRANSIT ASSOCIATION

1414 K Street, Suite 320 • Sacramento, CA 95814

Phone (916) 446-4656 • FAX (916) 446-4318

E-Mail: info@transitassociation.org

www.transitassociation.org

Date: November 27, 2001

To: All Members

Fr: Joshua W. Shaw, Executive Director
Tony Rice, Legislative Advocate

RE: **THE ASSOCIATION'S ADOPTED 2002 STATE LEGISLATIVE PROGRAM**

Attached is the Association's adopted 2002 State Legislative Program, approved November 6 by the Executive Committee during the Fall Conference. In short, the adopted program will continue our efforts from 2001, while at the same time incorporate new proposals to address recent concerns expressed by some transit agencies. Examples of proposals that will continue to be pursued from the 2001 Program are as follows:

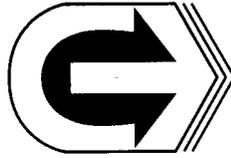
- **AB 381 (Papan)** – This is the Association-sponsored transit oriented development bill to encourage high-density development within one-third mile of a transit station.
- **Transit Funding** – Although the state is facing a huge budget deficit next year, to the extent possible, the Association will continue to seek augmentations to current funding levels (see attached Legislative Program on specific breakdowns of additional revenue).

The new legislative proposals and recommended actions are as follows:

- **Paratransit HOV-lane Exemption** – Seek an exemption for Paratransit vehicles to utilize high occupancy vehicle lanes when less than the required persons are present in the vehicle.
- **Joint-Development** – Allow all transit agencies the ability to joint-develop transit properties with the express purpose of facilitating transit-oriented development.
- **Video Monitoring** – If after review by appropriate legal counsel it is determined that transit agencies must retain video recordings for at least one year, seek an exemption from this burdensome requirement.
- **Industrial Welfare Commission** – Sponsor legislation to enact the Association's preferred choice in dealing with meal and rest breaks. This is intended to be a counter-proposal to the unwarranted language contained in AB 1677 (Koretz).

Please feel free to contact the Association's office at 916-446-4656 with any questions you may have regarding any of the items contained in the adopted 2002 State Legislative Program.

Attachments



2002 STATE LEGISLATIVE PROGRAM

Vision Statement

This statement contains the long-range vision for the transit industry of the California Transit Association and portrays the desired future we seek to achieve. Our Association's vision is:

A more balanced transportation system, which weaves into the fabric of California communities and improves the quality of life for all Californians.

Mission Statement

This statement describes how the Association will accomplish its vision. Our Association's mission is:

To work in partnership with its membership and California's communities to be the primary advocate for policies which recognize and support public transit as an integral part of a balanced transportation system.

Policy Principles

These policy principles provide guidance to the Association on how to best advocate for the industry. The first set of principles articulate what we, as an industry, strive to be. The second set of principles refers to what types of policies we support in the political arena.

We strive to...

- Generate economic development
- Provide choice of mode in travel
- Meet market demand flexibly and reliably
- Operate efficiently
- Raise public awareness about transit

We support policies that...

- Create patterns of land-use that efficiently combine transit and-development
- Promote a multi-modal transportation system that offers choices to transportation consumers
- Preserve the environment through better transportation planning
- Promote social equity through better transportation planning
- Create financial stability for public transit

2002 California Transit Association State Legislative Program

Based on the policies we support, as enumerated on the previous page, following is the **California Transit Association's 2002 State Legislative Program**. At the end of each entry we identify adopted Lobbying Action Level (LAL), indicating the priority of this item to the Association.

I. Create patterns of land-use that efficiently combine transit and development

A. Enact Comprehensive Policies to Enable Transit-Supportive Development and Smarter Growth -

Numerous groups and organizations, including the California Futures Network and the Legislature's Smart Growth Caucus, have been pushing for widespread reform of state policies that govern how California will grow in the future. Many of the efforts directly affect the ability of public transit to perform its mission. For instance, many believe that different, more condensed patterns of development are necessary to support cost-effective and efficient transit service.

The two-year 2001-02 Legislative Session may be the right time for a comprehensive "campaign" on "smart growth" in California. While it may be appropriate for California Futures Network and the Legislature's Smart Growth Caucus to lead such an effort, the Association must participate actively to ensure that any resulting policy supports and complements public transit's role. Our participation would depend on the development of more specific legislative proposals, defining our preferred policy and regulatory changes that remove obstacles to transit-supportive development and growth, and that create incentives for transit-oriented development.

The transit-specific elements of such a campaign could include: working with the state, cities and counties to facilitate more building near transit stops; prioritization of state-allocated funds for projects and programs that support or incorporate public transit and other smart growth measures; exemption of certain pre-project activities from CEQA; amendment of CEQA's mitigation factors to include indices of transit access and mode split; and / or, amendment of the Bates "Transit Village Planning Act" to include bus time-transfer centers and provide other incentives to TOD.

The Association's Smart Growth Task Force is charged with developing these proposals. The Legislative Committee will review and refine them over the coming months. Because many of these policy changes are necessary for transit to truly achieve its mission, and because they would allow transit to take even greater advantage of the funding program proposed in 5. below, this effort is included in the State Legislative Program at the highest level of resource commitment.

Adopted LAL: 1

B. Enact Transit-Supportive Development Funding - The Association will seek additional revenue allocation to provide transit agencies a dedicated funding source to support transit-friendly development. This would assist those agencies that would like to do more transit-supportive planning and development but can't because they do not have the resources to accomplish those goals. This funding element should be integrated into the comprehensive funding program described in 5. below, as well as in the policy effort described in 1. above. AR 381 (Papan), the Association-sponsored bill in this area is still active and viable.

Adopted LAL: 2

C. Implement Transit-Supportive State Funding Programs - The state enacted two new Housing & Community Development programs in 2000 which may provide funding for projects that support or rely on public transit: the Downtown Rebound Program (AB 2870, Cedillo), and the Jobs-Housing Balance Improvement Program (AB 2864, Torlakson). The Association will work with the Administration to ensure that these programs are implemented in a transit-supportive manner. The Administration and the Association are continuing to work to implement this item.

Adopted LAL: 2

D. Allow Statewide Transit Joint Development – Some transit agencies currently have the authority to acquire land for transit-oriented development and jointly develop that land with outside contractors, however most agencies do not. The Association will pursue legislation to allow transit agencies the ability to enter into joint development contracts with outside entities to develop transit properties.

LAL: 2

2. Promote a multi-modal transportation system that offers choices to transportation consumers

A. Improve PUC Grade Separation Funding Formula - The formula used by the Public Utilities Commission to prioritize and allocate state rail grade separation projects favors freight rail projects over public transit rail projects. The PUC held a hearing in December of 2000 to consider recommendations for changing the formula. The Association's Rail Operations and Regulatory (ROAR) Committee has been working with PUC staff on the issue. The Association coordinated operators' presentations at this workshop, including highlighting the fact that there are not enough state funds available for this program. Per the Association's request, the PUC held a workshop to discuss changing the formula. This issue is still not resolved, therefore staff continues to monitor this issue.

Adopted LAL: 3 [2 if legislation becomes necessary]

B. Oppose Weakening of HOV Lanes - The Association has adopted a separate set of principles to guide our actions in response to legislation dealing with high occupancy vehicle lanes.

Adopted LAL: TBD according to introduced or amended bills

1. **Allow Paratransit Vehicles to Utilize HOV Lanes** - Travel times, particularly in urban areas, can be difficult during hours of high congestion. The Association will pursue legislation to allow Paratransit vehicles the opportunity to utilize HOV lanes, even while deadheading.

LAL: 2

C. Eliminate Redundant Driver Training Requirements /Rationalize the Certification System – In 2000, staff began working on the issue of eliminating redundant training requirements for transit bus drivers seeking the school pupil activity bus certification. The Training Committee has also asked for support of relief from SPAB requirements when pupils are transported on transit vehicles simply for purposes of conducting transit system educational programs. The California Highway patrol is conducting an informal review of the various training and certification requirements, and we will report to the Legislative Committee the results of that study, and whether any legislative approaches are warranted and / or suggested.

Adopted LAL: TBD according to need

D. Consider Penalty Enhancements for Crimes on Transit Vehicles - The Association is assembling a working group of transit security personnel, labor representatives, and other interested parties to review the issue of crime on transit vehicles and determine whether there is a widespread problem that is currently not addressed by existing law. For instance, the group will consider whether the penalties for assaulting a bus driver are sufficient. That group will make recommendations on Association sponsorship of a measure to respond to the crime issue.

Adopted LAL: TBD based on working group recommendations

E. Consider Impact of 45' Bus Restrictions - The Legislative Committee has asked the Association's Transit Operations Committee to review the state laws and regulations affecting the operations of 45' buses on local streets and roads. The TOC reported to interested agencies on this issue.

Adopted LAL: TBD based on TOC recommendations

3. Preserve the environment through better transportation planning

A. Add Revenue to Address Air Quality Requirements - Various agencies, including the California Air Resources Board, Federal Environmental Protection Agency, and local air quality regulatory agencies, have imposed stringent air quality demands on transit operators in California. While these agencies have made these demands, they have not provided additional revenue to accomplish the tasks. The Association will seek additional revenue to comply with the newly imposed requirements. This effort will be integrated into the funding program described in 5. below.

Adopted LAL: 1

4. Promote social equity through better transportation planning

No items at this time.

5. Create financial stability for public transit

A. Enact Comprehensive Funding Program - In 2000 the Governor and the Legislature appropriated additional revenue to fund transportation capital improvement programs over the next five years [AB 2928, (Torlakson)], but did little to add additional revenue to operate the expanded capacity. Moreover, these actions do not address the underlying need to fully fund the operations of our existing system. nor the need to fund more effective and efficient transit service in California. In addition, these actions did not address the state's existing investment in public transit capital systems. This infrastructure, including rail cars, buses, track, and maintenance, fueling and other capital facilities, must be maintained and rehabilitated on a regular basis. In the meantime, transit agency budgets have been hit hard due to increasing fuel and electricity costs.

The Association and others made this case, and, in 2001, the Legislature passed ACA 4, placing a constitutional amendment on the March, 2002 ballot to permanently dedicate the sales tax on gas to transportation programs. While this measure would lock in hundreds-of -millions of dollars for transit over the long-term, it provides no "new" revenue over and above what is currently being provided through AB 2928. However, the Association will be exceptionally active in attempting to pass this measure when it is before the voters.

Thus, a major priority of local public transit operators for 2002 and beyond is still enactment of a program to generate the comprehensive and targeted funding necessary to support transit as a viable transportation option. Such a program would include support for additional operating assistance for transit, including a mechanism to address budget shortfalls due to increased energy costs, and a baseline level of investment to maintain and rehabilitate the existing transit capital infrastructure, including the funding necessary to conform the California transit fleet to new federal, state and local air quality regulations.

While AB 2928 and ACA 4 are significant steps in funding transportation in California, the California Transit Association has reviewed and updated existing state documents addressing the need to invest in the statewide transit system, as well as surveyed agencies regarding several new investment needs. Based on this analysis, the Association calls for additional transit funding in the following three major categories:

<u>Category</u>	<u>Annual Unfunded Need</u>
Operations:	
existing system	\$ 80 million
fuel / electricity	\$ 35 million
unmet demand	\$ 170 million
increase ridership 50%	<u>\$ 150 million</u>
sub-total	\$ 435 million

Capital:

rehabilitate	\$ 280 million
u p g r a d e	\$ 120 million
ARB bus regulations	\$ 44 million
expand	\$ 780 million
sub-total	\$1,224 million

Planning / TOD: \$ 20 million

Total Annual Funding Need: **\$1,679 million**

Following is a detailed survey of these annual unfunded transit needs:

Transit Operations:

Basic System Maintenance and Expanded Service - The Senate Resolution 8 report indicates that California transit operators require at least an additional **\$80 million** per year over the next ten years to operate their existing baseline systems. To meet the state's growing demands for mobility, access and economic development, an additional **\$170 million** per year is required. Finally, additional assistance is required to fund a cost-effective transit system that offers true options to the automobile, on the order of **\$150 million** per year. Thus, the **total** required annual investment in transit operations is **\$400 million**.

Offset / Subsidize Utility Price Hikes - In 1996, the state passed legislation allowing for the deregulation of the electrical industry. Under the terms of the agreement, the public has been shielded from excessive rates until recently. While this issue is not as "hot" as it was when this Committee considered it last year, utility rates can still be considered an issue to be addressed.

Offset / Subsidize Fuel Price Hikes - The price of all types of fuel (gasoline, diesel, natural gas) increased enormously in 2000-01. The price of fuel has decreased this past year, however some agencies are still having concerns in this area. This is evidenced by the Association's recent survey requesting input on fuel relief. Therefore, budgetary relief in the amount of **\$10 million** is required to pay higher fuel prices and keep the service on the street. Also, the California Air Resources Board requirement that agencies purchase low-sulfur fuel will also impact this issue area.

Transit Capital:

Rehabilitation - The state's transit capital investment program is woefully inadequate; in fact, there is no program that corresponds to the state's 'highway maintenance and rehabilitation program. For this reason, Metrolink, BART and a collective of other rail transit agencies are currently sponsoring a Passenger Rail Improvement, Safety and Modernization (PRISM) Program. Similarly, the state must maintain and rehabilitate its existing bus, ferry and other transit capital investments. The SR 8 Report finds that **\$280 million** is needed annually to rehabilitate the existing bus and rail transit infrastructure.

Upgrade - Additional capital funding is also needed to upgrade existing maintenance and passenger facilities in order to meet growing demand. The SR 8 concludes that **\$120 million** annually is required to address this unmet demand. Additionally, the California Air Resources Board and a number of local air quality management districts have imposed stringent new air quality demands on bus transit operators in California. The state should provide **\$44 million** in additional annual revenues so transit agencies can upgrade their engine and fueling equipment to the level required in the new regulations.

Expansion - In 2000, the Governor and Legislature provided funds for new rail and bus transit capital equipment over the next five years. These are sorely needed investments; however, the SR 8 report finds that more than **\$780 million** per year for new transit equipment is needed over the next ten years to meet the state's growing demand for mobility and access.

Transit Planning:

Transit Planning and Development - All agree that transit service can be provided more efficiently and effectively if urban and suburban development occurs in a more compact manner. Unfortunately, this type of “smart growth” is technically difficult to model and plan using traditional “business as usual” techniques. The state should provide **\$20 million** in additional funding to cities, counties and transit agencies to **support** innovative transit-friendly planning and development. This would assist those agencies that would like to do more transit-supportive planning and development but can’t because they do not have the resources or proficiency to accomplish those goals. Such funds could also be provided directly to local governments to incentivize such development.

B. Seek Surplus Expenditures Consistent With Transit’s Funding Priorities - In 2000 the Governor and Legislature allocated more than \$2 billion in General Fund surplus monies to various transportation projects and programs. It is unlikely the state will realize a budget surplus as in years past. However, to the extent the state does realize a General Fund surplus in the future, or additional Public Transportation Account revenue, the California Transit Association calls for allocation of some of these resources to high-priority transit needs.

Based on current challenges facing transit operators, and the needs identified in the SR 8 Report, as described in 5.A. above, the following categories of transit needs are appropriate to meet with one-time surplus funds:

- backfill the short-term operating budget cost increases due to electricity and / or fuel price increase; these costs are estimated at \$25 million and \$10 million, respectively, in the current year
- provide transit capital expansion projects or funding
- provide transit capital upgrade projects or funding
- provide transit capital rehabilitation projects or funding
- provide projects or funding for meeting ARB or local AQMD engine emission requirements
- provide a fund for transit-supportive development planning or incentives

We have not assigned dollar amounts or percentages to most of these categories because we do not know how much, if any, surplus funds will be available for transportation. We will respond by sizing and scoping this list when we see the estimates of any surplus state revenues.

C. Protect Existing Transit Revenue - The Association will take all necessary and appropriate actions to protect against the transfer or expenditure of Transportation Development Act, Public Transportation Account, and other transit funds, to state or local agencies or for purposes other than those specified in the Act and existing transit funding law. This includes support for funding of transit bond debt service payments from the General Fund, as has been the state’s normal practice.

Adopted LAL: 1

D. Support Transit Efficiency - Transit performance efficiency measures that streamline and improve present state accountability requirements will be supported, and those that do not will be opposed.

Adopted LAL: TBD according to introduced or amended proposals

1. **Storage of Video Monitorings** – Some agencies have interpreted current law to require all agencies that have video monitoring to maintain these records for at least one year before they can be destroyed. The Association will seek appropriate legal counsel opinions to determine if transit is indeed required to maintain these recordings. If it is determined that transit must conform to this requirement, sponsor legislation to exempt transit from these requirements.
LAL: TBD by Legislative Committee, if necessary

2. **Meal and Rest Breaks** - Recent attempts have been made to mandate meal and rest periods for transit operators. The Association will pursue legislation to counter this proposal (i.e. state that public transit operator rest and meal periods are subject to the criteria supported by the Association).

Adopted LAL: 1

3. **Workers' Compensation** – Coordinate with other public employers to ensure fairness and equity when negotiating increases to the workers' compensation system in California.

Adopted LAL: TBD by Legislative Committee, if necessary

E. Exempt Small Operators - The Association will seek exemption of small operators from financially burdensome regulatory requirements, or to minimize their impact on small operators.

Adopted LAL: TBD according to introduced or amended proposals

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: December 21, 2001

TO: Board of Directors

FROM: Leslie R. White, General Manager

SUBJECT: CONSIDER APPROVAL OF 2002 FEDERAL LEGISLATIVE PROGRAM

I. RECOMMENDED ACTION

That the Board of Directors adopt the proposed METRO 2002 Federal Legislative Program attached to this staff report.

II. SUMMARY OF ISSUES

- Elected officials at the federal level continue to support the goals established by the METRO Board of Directors when the Legislative Program is presented to them early in the legislative process.
- In 2002, the second session of the 107th Congress will appropriate transit funds for federal FY 2003. This will be the final appropriation provided for in the Transportation Equity Act of the 21st Century (TEA-21).
- In order to maximize formula funds received by METRO, staff recommends that we advocate for funding of the federal FY 2003 Transportation Appropriations Bill at the full authorized level provided for under TEA-21.
- In prior years, there have been numerous efforts to limit funding for public transit service in California. Staff recommends that METRO representatives again oppose any action which singles out specific states for lower transit funding levels.
- As costs related to federally-mandated complimentary Paratransit will continue to rise, staff recommends that METRO advocate for funding at the federal level to assist in offsetting these expenses.
- Proposals for the reauthorization of TEA-21 will be finalized in 2002. Staff recommends that METRO advocate for the inclusion of a \$35 million Incentive Tier Program in the under 200,000 population Urbanized Area Formula Program.
- Many of the transit-intensive systems in the under 200,000 population Urbanized Areas have aging fleets, which need replacing. Additionally, there are some small systems in the Urbanized Areas of population 200,000 – 1 million which also have bus replacement needs which exceed the ability of the Formula Program to address. Staff recommends that METRO advocate for the inclusion of a \$100 million per year Bus Fleet Modernization Program directed at areas below 1 million in population in the next authorization bill.

- Transit financing needs will continue to increase in future years. Staff recommends that METRO advocate for the transit program funding levels to increase from the projected \$7.2 billion authorized level in 2003 to \$14.2 billion in 2009.

III. DISCUSSION

In 2002, Congress will appropriate funds for federal FY 2003. This will be the final appropriation under the Transportation Equity Act of the 21st Century (TEA-21). The federal formula funds that METRO receives to offset operating and capital expenses are derived from the annual Appropriations Bill. Therefore, it is important that Congress appropriate at the fully authorized levels. In the first four years of TEA-21, Congress has not appropriated above guaranteed funding levels.

In prior years, the transportation appropriations process has resulted in proposals being developed which would limit funding for California transit systems. In past years, the proposals to limit transit funding have been generated by Senator Richard Shelby (R-Alabama) who was Chair of the Senate Transportation Appropriations Sub-Committee. With the change in majorities in the senate, the new Sub-Committee Chair is Senator Patty Murray (D-Washington). It is therefore less likely that Senator Shelby will be in a position to submit a new proposal which would limit California transit funding. However, staff continues to recommend that the 2002 Legislative Program include a provision that METRO vigorously resist efforts to single out specific states for lower transit funding.

While the recertification program and the recently completed Comprehensive Operational and Financial Audit has stabilized the growth in ADA Paratransit costs, it is likely that these costs will increase in future years. Staff recommends that METRO advocate for federal capital and operating funds to assist in supporting future costs of the ADA-mandated complimentary Paratransit.

TEA-21 required (section 3303) the completion of a study for smaller transit-intensive communities to determine if the current Formula Program was adequate to meet the needs of these communities. The report issued, pursuant to section 3303, identified the need to include a service factor in the formula for these communities. The report found that systems, like Santa Cruz, performed at levels higher than systems in communities of 200,000 – 1 million in population. Staff recommends the inclusion of a service/performance based incentive tier in the next authorization bill. Staff further recommends that METRO representatives work collaboratively with the American Public Transportation Association and the other transit-intensive communities to promote the development of the incentive tier provision. Staff proposes that the incentive tier be initially funded at \$35 million annually and that the program grow in future years at the same rate as the rest of the programs contained in the new authorization bill.

In small and medium sized communities, the formula capital program does not provide sufficient funding to keep pace with bus replacement needs. This has resulted in many communities having fleets that far exceed the identified Federal Transit Administration criteria. In order to address this need, staff recommends that METRO advocate for the inclusion of a \$100 million annual Bus Fleet Modernization Program in the new authorization bill.

In order to accommodate the inclusion of new funding initiatives in the Federal Transit Program, it will be necessary for authorized levels to rise in the new bill. Therefore, staff recommends that METRO advocate for an increase in funding levels from the \$7.2 billion projected for 2003 to \$14.2 billion in 2009.

In order to effectively advocate for the goal contained in the proposed 2002 Federal Legislative Program, it will take the efforts of members of the Board of Directors, staff, other community leaders and citizens to communicate our needs to our members of Congress. METRO will continue to use the services of Chaney & Associates in Washington, DC as our legislative advocates.

IV. FINANCIAL CONSIDERATIONS

Funding necessary for travel to Washington, DC and other APTA Legislative Committee meetings is included in the 2001/2002 METRO operating budget. Additionally, funds necessary to support the services of Chaney & Associates are included in the METRO budget.

V. ATTACHMENTS

Attachment A: Proposed Santa Cruz Metropolitan Transit District 2002 Federal Legislative Program

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
2002 FEDERAL LEGISLATIVE PROGRAM**

Federal Goals:

1. Support the full funding of the Transportation Equity Act of the 21st Century (TEA-21) and protection of TEA-21 guaranteed funding levels..
2. Resist efforts to single out specific states for lower transit funding levels.
3. Support efforts to obtain funding for operating and capital costs to meet the increasing service requirements of ADA Paratransit.
4. Advocate for the inclusion of service and equity factors in the Federal Transit Formula Program in the Reauthorization of TEA-21. Request that an Incentive Tier be added to the Formula Program for urbanized areas under 200,000 in population. Advocate for the Incentive Tier to be funded at \$35 million in FY2004 and increased by 4% each year of the Authorization Bill.
5. Advocate for the inclusion of a Bus Fleet Modernization Program in the Reauthorization of TEA-21. Support the funding of the Fleet Modernization Program at \$100 million annually.
6. Advocate for increasing the funding levels of the Federal Transit Program from \$7.2 billion in 2003 to \$14.2 billion in 2009.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: December 21, 2001

TO: Board of Directors

FROM: Tom Stickel, Manager of Fleet Maintenance

SUBJECT: CONSIDER AMENDING HAZARDOUS WASTE DISPOSAL CONTRACT

I. RECOMMENDED ACTION

District staff is recommending that the Board of Directors authorize the General Manager to execute an amendment to the contract with Evergreen Environmental Services to extend the term of the contract for one (1) additional year.

II. SUMMARY OF ISSUES

- The District has a contract (#98-27) with Evergreen Environmental Services for hazardous waste disposal.
- At the option of the District, this contract may be renewed for four (4) additional one-year terms under the same terms and conditions.
- Environmental Evergreen Services has indicated that they are interested in extending the contract to January 31, 2003.

III. DISCUSSION

The District currently has a contract (#98-27) with Evergreen Environmental Services for hazardous waste disposal. Under the contract the District has the option to renew the contract under the same terms and conditions. Evergreen Environmental Services has indicated that they are interested in extending the contract for one additional year. The District has been very successful in increasing its hazardous waste recycling capabilities utilizing Evergreen Environmental's services.

IV. FINANCIAL CONSIDERATIONS

Funds are available in the Facilities Maintenance budget for this amendment.

V. ATTACHMENTS

Attachment A: Letter from Evergreen Environmental Services



Evergreen Holdings Inc.

Attachment -A

December 7, 2001

Lloyd **Longecker**
Santa **Cruz** Metropolitan Transit District
120 Du Bois Street
Santa Cruz, CA 95060

RE: Contract Extension

Dear Lloyd Longecker:

Thank you for your interest and continued business with Evergreen. Furthermore, we would be pleased to extend your contract per the terms of your letter referencing *Proposed Third Amendment to District Contract #98-27 Hazardous Waste Disposal Service* to extend the agreement from February 1, 2002 through January 31, 2003 under the same terms and conditions as the aforementioned contract,

If you require anything **further**, please feel free to **contact me** at 949-757-7770, extension 332

Sincerely,
EVERGREEN ENVIRONMENTAL SERVICES

Darwin L. **Hall**
Vice President - Sales

DH/sm



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: December 21, 2001

TO: Board of Directors

FROM: Tom Stickel, Manager of Fleet Maintenance

SUBJECT: CONSIDER AMENDING CONTRACT FOR PRINTING OF *HEADWAYS*

I. RECOMMENDED ACTION

District staff is recommending that the Board of Directors authorize the General Manager to execute an amendment to the contract with Southwest Offset Printing Company, Inc. to extend the term of the contract for one (1) additional year for the printing of *Headways*.

II. SUMMARY OF ISSUES

- The District has a contract (#00-12) with Southwest Offset Printing Company, Inc. for the printing of Headways.
- At the option of the District, this contract may be renewed for four (4) additional one-year terms under the same terms and conditions.
- Southwest Offset Printing Company, Inc. has indicated that they are interested in extending the contract to January 18, 2003.

III. DISCUSSION

Headways is the quarterly schedule book published by METRO to provide passengers and members of the public with current route and timetable information. The District currently has a contract (#00-12) with Southwest Offset Printing Company, Inc. for the printing of Headways. Under the terms of the contract, the District has the option to renew the contract under the same terms and conditions for four (4) additional one-year periods. Southwest Offset Printing Company, Inc. has indicated that they are interested in extending the contract for one additional year.

IV. FINANCIAL CONSIDERATIONS

Funds are available in the Planning and Marketing budget for this amendment.

V. ATTACHMENTS

Attachment A: Letter from Southwest Offset Printing Company, Inc



Attachment -A

December 6, 2001

Santa Cruz Metropolitan Transit District
3700 Main Street
Suite 100
Santa Cruz, CA 95060

Attn: Lloyd Longscker

Re: Extension of printing contract for Headways, (contract 00-12)

Southwest Offset Printing would be pleased to extend our contract for an additional one year period, There will be no modification to the current contract.

If any additional information is required, please advise.

A handwritten signature in black ink, appearing to read 'Dick Sanderson', written in a cursive style.

Dick Sanderson
Account Executive

SOUTHWEST OFFSET PRINTING CO., INC.
13650 Gramercy Place, Gardena, California 90249-2465
PH (310) 323-0112 FAX (310) 323-6927

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: December 21, 2001

TO: Board of Directors

FROM: Leslie R. White, General Manager

SUBJECT: CONSIDERATION OF NOMINATION OF DIRECTORS TO SERVE AS BOARD OFFICERS FOR THE YEAR 2002, TRANSPORTATION COMMISSION AND METRO USERS GROUP CHAIRPERSON ASSIGNMENTS

I. RECOMMENDED ACTION

That the Board of Directors identify nominees from the Board to serve in the positions of Chair and Vice-Chair for the Year 2002 and identify nominees for representation on the Transportation Commission and identify a nominee to Chair the Metro User's Group.

II. SUMMARY OF ISSUES

- Article 6 of the Metro Bylaws outlines that the Directors shall, in December, nominate members of the Board of Directors to serve as Chair and Vice-Chair.
- Article 14.02 of the Metro Bylaws indicates that the Board of Directors shall annually, in January, appoint three of its members to represent the Transit District on the Santa Cruz County Regional Transportation Commission.
- Article 3 of the Bylaws of the Metro Users Group states that the Chair of the Committee shall be a member of the Metro Board of Directors appointed by the Board of Directors.

III. DISCUSSION

The current terms of officers of the Board of Directors are set to expire in January 2002. Additionally, it is necessary for the Board of Directors to identify representatives from the Board to sit as members of the Santa Cruz County Regional Transportation Commission. Currently, the Bylaws indicate that the Board of Directors shall nominate candidates for officers in December and conduct elections in January. The Bylaws also indicate that the Board of Directors shall identify the representatives to the Santa Cruz County Regional Transportation Commission in January, and that they will then be seated and take office at the Commission in February of each year. The Bylaws further provide that in addition to the three representatives to the Transportation Commission, the Board shall select three alternates designated in priority. The Bylaws also indicate that "It is the policy of the Board of Directors of establishing, as a priority for SCCRTC appointments, appointment of a Board Member from an 'off rotation city,' taking into consideration other factors at the time of appointment." With the enactment of Senate Bill No. 465 into law, the membership of the Santa Cruz Regional Transportation Commission no

longer has an “off rotation city.” Therefore, the use of a METRO appointment to ensure complete city representation is no longer necessary.

The current Bylaws of the Metro Users Group indicate that the Chair shall be a member of the Board of Directors and shall be appointed by the Board of Directors.

Staff recommends that the Board of Directors give consideration to identifying nominees for the various offices and appointments identified in this staff report at the December meeting. In accordance with the Bylaws, the Board could conclude elections and appointments in January for individuals to serve in the various positions for 2002.

IV. FINANCIAL CONSIDERATIONS

Funding support for the positions identified in this memo are contained in the adopted operating budget for 2001/2002.

V. ATTACHMENTS

Attachment A: Senate Bill No. 465

Senate Bill No. 465

CHAPTER 472

An act to amend Section 67940 of, and to add Section 67941 to, the Government Code, relating to regional transportation.

[Approved by Governor October 3, 2001. Filed with Secretary of State October 4, 2001.]

LEGISLATIVE COUNSEL'S DIGEST

SB 465, McPherson. Santa Cruz County Regional Transportation Commission.

(1) Existing law creates and prescribes the membership and powers of the Santa Cruz County Regional Transportation Commission.

This bill would revise the membership of the governing body of the commission. To the extent that this revision would establish additional duties upon local governmental entities, the bill would impose a state-mandated local program.

The bill would revise the power of the commission, to permit it to exercise (1) the power of eminent domain, (2) the power to preserve, acquire, construct, improve, and oversee multimodal transportation projects and services on rail rights-of-ways with Santa Cruz County to facilitate recreational, commuter, intercity, and intercounty travel, and (3) the authority to contract for any services to accomplish its purposes.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Section 67940 of the Government Code is amended to read:

67940. (a) The Santa Cruz County Regional Transportation Commission is hereby created, as a local area transportation planning agency, and not as part of the executive branch of state government, to provide regional transportation planning and development for the area of Santa Cruz County. The commission may be known by any other name it chooses and is the legal successor to the Santa Cruz County

Regional Transportation Commission, established pursuant to Section 29535, for all purposes, including those set forth in Section 67941.

(b) The governing body shall be composed of all five members of the Santa Cruz County Board of Supervisors, one member for each of the cities in the county, by each city, and three members appointed by the Santa Cruz Metropolitan Transit District.

(c) The appointing authority, for each regular member it appoints, and the board of supervisors for each of its members, may appoint an alternate member to serve in the place of the regular member when the regular member is absent or disqualified from participating in a meeting of the governing body.

SEC. 2. Section 67941 is added to the Government Code, to read:

67941. (a) The commission has the power of eminent domain and the power to preserve, acquire, construct, improve, and oversee multimodal transportation projects and services on rail rights-of-ways within Santa Cruz County in any manner that facilitates recreational, commuter, intercity, and intercounty travel. An action in eminent domain to acquire property or property interests within any incorporated city or within the unincorporated area of the county may not be commenced unless the governing body of the affected city or county has consented by resolution to the acquisition.

(b) The commission may contract for any services that accomplish its purposes.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district are the result of a program for which legislative authority was requested by that local agency or school district, within the meaning of Section 17556 of the Government Code and Section 6 of Article XIII B of the California Constitution.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: December 21, 2001

TO: Board of Directors

FROM: Leslie R. White, General Manager

SUBJECT: CONSIDERATION OF WAIVING \$21,498 IN ADMINISTRATIVE FEE REBATES FROM COMMUNITY BRIDGES TO ALLOW FOR THE IMPLEMENTATION OF DEPENDENT MEDICAL CARE COVERAGE FOR LIFTLINE EMPLOYEES

I. RECOMMENDED ACTION

That the Board of Directors waive \$21, 498 in administrative fee rebates from Community Bridges to allow for the implementation of dependent medical care coverage for the Lifeline employees.

II. SUMMARY OF ISSUES

- METRO currently contracts with Community Bridges to provide the complementary paratransit service required under the Americans With Disabilities Act.
- The current contract extension with Community Bridges expires on June 30, 2002.
- In 2001, Community Bridges entered into a labor agreement with the United Transportation Union, Local 23. The labor agreement provided for a reopener to address issues to become effective January 1, 2002.
- UTU Local 23 has requested the addition of dependent medical care coverage for represented employees.
- Community Bridges has estimated that the cost for the addition of dependent medical care coverage for UTU Local 23 employees for the six months remaining in the contract extension with METRO will be \$95,166 with an additional \$10,944 required to include management staff.
- Annually, Community Bridges adjusts its administrative fee rate and rebates any overages to METRO.
- Community Bridges has requested that METRO waive the receipt of the administrative fee rebate for FY00/01 (\$15,498) and FY01/02 (\$6,000) to assist in offsetting the cost of extending dependent medical care coverage to its employees.

III. DISCUSSION

Currently, Community Bridges provides complementary paratransit service mandated by the Americans With Disabilities Act of 1990. Community Bridges operates the complementary

paratransit service under a contract extension with METRO, which expires June 30, 2002. Currently, METRO is evaluating proposals for operation of paratransit service after July 1, 2002.

In 2001, Community Bridges entered into a labor agreement with the United Transportation Union, Local 23. The agreement provided for a reopener to address issues effective January 1, 2002. UTU Local 23 has requested that dependent medical care coverage be extended to their members for the period January 1, 2002 – June 30, 2002. Community Bridges has estimated that the cost of extending dependent medical care coverage will be approximately \$95,166 for the six-month period. It is also anticipated that an additional \$10,944 will be necessary to extend this coverage to management employees.

Annually, Community Bridges evaluates the administrative fee which is applied to its contracts. If there is a surplus in the funds charged under the administrative fee, then rebates are provided to contract holders. For FY 00/01, the rebate to METRO was scheduled to be \$15,498. Community Bridges is anticipating that the FY 01/02 rebate will be \$6,000.

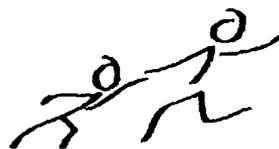
METRO has received a letter from Community Bridges requesting that payment of the \$2,498 in administrative fee rebates from Fiscal Years 2001 and 2002 be waived in order to assist them in funding the cost of extending dependent medical coverage to employees. The letter and attachments from Community Bridges is attached to this staff report.

IV. FINANCIAL CONSIDERATIONS

The approval of the request from Community Bridges to waive the administrative fee rebate for two fiscal years will result in a loss of funds to METRO of \$21,498.

V. ATTACHMENTS

Attachment A: 12-03-01 letter and support materials from Sam Storey, Community Bridges



COMMUNITY BRIDGES
Puentes de la Comunidad

To: Les White
General Manager
SCMTD

From: Sam Storey
Executive Director
Community Bridges

Date: 12/3/01

Re: General & Administrative Rebate/Dependent Care Coverage

This is to present information on the consideration of applying SCMTD's share of the Community Bridges' (CB) rebate of administrative costs toward dependent medical care coverage for the Lift Line UTU membership. Currently, CB pays for employee coverage only and provides no contribution to dependent medical care coverage.

The contract between CB and UTU provides for a reopener to negotiate dependent care coverage for the Lift Line union membership, Article 25.01B. CB and the UTU initiated the reopener on November 8, 2001. The SCMTD Board had already approved the contract extension with CB on October 19, 2001. The contract extension between CB and SCMTD did not include the provision of dependent care coverage.

The CB administrative rate is 13.7% of all expenses (or 15.9% of direct operating expenses), Any surplus administrative revenues is rebated to the program budgets in the subsequent fiscal year. For example, in 00/01, a surplus from 99/00 year of \$60,260 was rebated to all programs. The contract for ADA services between SCMTD and CB provides that SCMTD will receive the benefit of any reductions in the administrative rate. In 00/01 SCMTD's share of this rebate was \$15,498, see attached letter dated August 23, 2001. In 01/02 the rebate to SCMTD is estimated to be \$6,000.

A survey conducted in November, 2001 confirmed that 48 Lift Line UTU members were in need of dependent care coverage (out of a total membership of about 62). Of those 48, 15 had one dependent and 33 had more than one dependent. This is a minimum of 81 individuals that would benefit from dependent care coverage.



1

www.communitybridges.org

December 3, 2001

The current **CB** rates for dependent medical care coverage are an additional monthly premium of \$228 for a single dependent and \$377 for family **coverage**, i.e. more than one dependent. The total cost of full family coverage is \$591. The total additional cost to **Lift** Line for the period January 1, 2002 to June 30, 2002 is \$95,166 for union members and another \$10,944 for management staff- grand total cost of \$106,110).

15 x \$228 x 6 months =	\$20,520
33 x \$377 x 6 months =	74,646
SubTotal	<u>95,166</u>
8 Mgt. Staff x 228 x 6 months =	10,944
Total	<u>\$106,110</u>

After the implementation of Living Wages, Lift Line is currently projecting a 01/02 deficit of \$3,452 (see the Lift Line October, 01 budget analysis attached). This projection take into consideration **all** changes from the recent contract extension, i.e. rider percentage allocation shifts, new SCMTD vans, and anticipated 4% COLA, etc. **It does not include the cost of dependent care coverage.**

In order to prudently cover the expense of dependent care coverage **we** must either reduce other costs, spend from the reserve or find new sources of revenue. In fact, **it may** take a combination of all of these methods in order to provide this **benefit**. In order to assist us in providing this benefit we are requesting that SCMTD consider the application of the administrative cost rebate for the last year and this year – a total of about **\$21,498**. These funds if approved would be restricted solely for the purpose of defraying the cost of dependent care expenses.

Please let me know if you need any additional information. Thank you for your consideration of helping us to provide this **important benefit**.

Cc: CB Board of Directors
UTU

**COMMUNITY BRIDGES**
Puentes de la Comunidad

August 23, 2001

Margaret Gallagher
District Counsel
SC Metropolitan Transit District
370 Encinal Street, Suite 100
Santa Cruz, CA 95060

RE: **1) Reduction in 00/01 General & Administrative (formerly referred to as "Grantee Allocated" rate; 2) Restoration of Same for Contract Number 98-06**

Dear Ms. Gallagher:

This letter is a request to reduce our G.A. (General & Administrative, formerly referred to as "Grantee Allocated") rate from 13.7% to 13.15% for the 00/01 fiscal year (July 1, 2000 to June 30, 2001). The approval of this reduction would result in a rebate to SCMTD of \$15,498.02, as per the attached spreadsheet.

This reduction is the result of efficient management of Food & Nutrition Services administrative budget and is therefore being applied throughout our programs for the 00/01 fiscal year in keeping with OMB guidelines on a uniform indirect expense rate for multi-service agencies.

For your reference in this matter, I am attaching a copy of a September 6, 2000 letter to Mr. Les White on the same subject. (Please note: the G.A. rate of 13.7% is derived from an effective rate of 15.9% of operating expenses.)

In as much as I am requesting this reduction in the G.A. rate for the 00/01 fiscal year, I am simultaneously requesting a return to the agency approved single G.A. rate of 13.7% for the 01/02 fiscal year (July 1, 2001 to June 30, 2002).

Thank you in advance for your kind response to both of these requests. If I can be of assistance please contact me at 688-8840, ext. 204, or email miker@cbridges.org. Thank you.

Sincerely,

Michael Robins
Contracts Manager

Encl.

Cc: Sam Storey, Jim Aspden, Mark Hartunian, Ilene Hooten, Danna Thomas

www.communitybridges.org

CTSA GRANTEE ALLOCATION BY 08/01 ADJUSTMENT

Month	CTSA Van Costs	Total Tax Costs	Old	New	Difference	Monthly Dispatch	Old	New	Difference	Allocation Diff
			.159 Grantee Allocation	.159 Grantee Allocation			.159 Grantee Allocation	.159 Grantee Allocation		
July '00	41616.00	89079.54	20780.59	19800.37	980.22	39070.88	6212.27	5919.24	2993.03	1227.84
Aug '00	43712.10	93333.44	21790.24	20762.40	1027.84	40720.68	6474.59	6169.18	305.41	305.41
Sept '00	39443.40	95402.80	21440.55	20429.20	1011.35	39147.72	6224.49	5930.88	294.61	294.61
Oct '00	36674.10	97336.58	21307.70	20302.62	1005.08	38727.36	6157.65	5867.20	290.45	290.45
Nov '00	36322.20	88989.30	19924.53	18984.69	939.84	36417.64	5790.40	5517.27	273.13	273.13
Dec '00	38479.50	76747.80	18321.11	17456.91	864.20	33113.52	5265.05	5016.70	248.35	248.35
Jan '01	43926.30	75589.41	19003.00	18106.63	896.37	34415.28	5472.03	5213.91	258.12	258.12
Feb '01	41080.50	83768.28	19850.96	18914.59	936.37	35396.12	5627.98	5362.51	265.47	265.47
Mar '01	48477.77	100080.59	23620.78	22508.59	1112.19	43710	6949.89	6622.07	327.82	327.82
Apr '01	46632.21	92388.78	22104.34	21061.68	1042.66	40368.30	6418.56	6115.80	302.76	302.76
May '01	51627.95	101948.21	24418.61	23266.79	1151.82	44353.90	7052.27	6719.62	332.65	332.65
June '01	45948.08	92382.69	21994.59	20957.11	1037.48	39973.50	6355.79	6055.99	299.80	299.80
Totals	513940.11	1087047.22	254556.99	242549.58	11974.41	465414.90	74000.97	70510.36	3490.61	3490.61

September 6, 2000

Mr. Les White
General Manager
Santa Cruz Metropolitan Transit District
370 Encinal, Suite 100
Santa Cruz, CA 95060

Subject: Grantee Allocated Rate
RX: Contract Number 98-06
Professional Services Contract for Paratransit Service5

Dear Mr. White:

The purpose of this letter is to clarify our grantee allocated rate for **Lifeline** administration services. This agency-approved rate has historically been 13.7%; this was, in fact, the rate agreed upon in our initial contract.

Last year, due to efficient management of the administrative budget that resulted in a surplus, Food & Nutrition Services, Inc. elected to retroactively lower the grantee allocated rate to 12.5% and remitted 1.2% to the District.

Therefore our current claim, which includes a grantee allocated rate of **13.7%**, effective July 1, is not a new rate, but simply a return to the agency approved rate. The grantee allocated rate of 13.7% is derived from an effective rate of 15.9% of operating expenses.

If you would like to meet and discuss this matter, my staff and I would be happy to do so. If you would like further information, please contact me at **688-8840**, x240 or **email** me at sams@foodnut.com.

Thank you for your assistance with this matter.

Sincerely,

Sam Storey
Executive Director

Cc: Cathy Benson
Michael Robins
Yolanda ~~Lennon~~
~~Ilene Hooten~~
Lynn Zephyrina

white re grantee rate

INSURANCE RATES

11/1/01-10/31/02

Insurance	Plan	Premium	Co-pay	Out-of-Pocket
Chiro/Acup/Herb American Specialty	Single	4.29'		
	1 Dependent	8.59	4.30	2.15
	Family	11.16	6.87	3.43 *
Dental - Safeguard PPO	Single	31.34		
	1 Dependent	62.68	31.34	15.67
	Family	97.78	66.44	33.22
Dental - Safeguard DMO	Single	11.60		
	1 Dependent	22.04	10.44	5.22
	Family	30.74	19.14	9.57
Health - PacificCare	Single	207.08		
	1 Dependent	438.66	231.58	115.79 *
	Family	590.68	383.60	191.80
Vision - VSP	Single	7.41		
	Dependent/Family	16.55	9.14	4.57

as of 7/1/00

Life- Nippon	Single	2.85	n/a	n/a
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* CB pays the penny difference when deducting semi-monthly.

FILENAME TRB 11/28/01
 LIFELINE TRANS ACTION BUDGET FORECAST - 2001/2002

Mos Elapsed: 4 Mos Remain:

OCTOBER, 2001

CURR PROJ
ANNUAL

PERSONNEL:

5001	SALARIES AND WAGES		1,778,204.06
5102	SUI	0.00496	8,819.21
5103	WORKERS COMP	0.09257	164,808.48
510-I	HEALTH INSURANCE		190,977.42
6105	FICA ACTUAL=	0.07588	135,539.56
5106	RETI REMENT		38,281.35
5108	BONUSES		1,800.00
5107	LTD		8,046.59

TOTAL PERSONNEL 2,326,276.68

SERVICES AND SUPPLIES:

5210	CONTRACTED SERVICES		19740.00
5211	PROFESSIONAL SERVICES		9,052.24
5213	JANITORIAL SERVICES		2,111.40
5317	SUBSIDIZED TAM-ADA		840,288.00
5318	SUBSIDIZED TAXI-U		185,608.00
5320	STAFF TRAVEL		7-7.00
5321	VOLUNTEER TRAVEL		0.00
5480	SPACE RENTAL		42,662.08
5461	UTILITIES		7,923.78
5462	MAINTENANCE		2,879.00
5550	OFFICE SUPPLIES		145.14
5553	PROGRAM SUPPLIES		21,009.12
5560	TELEPHONE		23,398.41
5561	POSTAGE		4,581.55
5562	COMMUNICATIONS		16,121.88
5583	MEMBERSHIPS/SUBSCRIPT		257.00
5584	PENALTIES		36,268.00
5586	PRINTING AND COPYING		14,226.82
5587	ADVERTISING		7,977.63
5591	STAFF TRAINING		5,005.00
5592	INSURANCE		57,000.00
5593	TAXES AND LICENSES		2,166.00
5594	MISC FEES		6,631.50
5595	MISCELLANEOUS		1,568.00
5631	MINOR EQUIPMENT		15,864.00
5632	EQUIPMENT RENTAL		8,400.00
5633	EQUIPMENT MAINT/REPAIR		15,955.00
5635	CAPITALIZED LEASES		4,669.80
5670	VEHICLE OPERATING		144,752.75
5671	VEHICLE MAINTENANCE		184,037.81
6103	MAJOR EQUIP/VEHICLES		174,657.96
6603	LEASEHOLD IMPROVEMENTS		0.00
6701	XFER TO EQUIP RESERVE		0.00
6701	XFER FROM EQUIP RESERVE		-44,956.00
7001	GRANTEE ALLOCATED		574,037.29
TOTAL SERVICES & SUPPLIES			2,386,253.96

TOTAL LIFELINE EXPENSES 4,712,530.64

REVENUE FROM BELOW! 4,709,078.31

CURRENT YEAR GAIN/LOSS -3,452.a

3001	00/01 FUND BALANCE	162,174.33
3001	99/00 FUND BALANCE	-10,400.79
3001	98/99 FUND BALANCE	-9,607.09
3001	97/98 FUND BALANCE	18,496.75
3001	96/97 CUM FUND BALANCE	29,353.91
PRIOR YR CARRY FORWARD		190,017.11
3001 CUMMULATIVE GAIN/LOSS		186,564.78

LFTLINE TRANSPORTATION BUDGET FORECAST - 2001/2002

OCTOBER, 2001	CURR PROJ ANNUAL
REVENUE:	
4110 COUNTY OF SANTA CRUZ	12,761.00
4120 CITY OF SANTA CRUZ	27,703.00
4130 CITY OF CAPITOLA	41,126.00
4150 CITY OF SCOTTS VALLEY	2,710.00
4160 CITY OF WATSONVILLE	4,013.00
4211 AAA III B	60,216.00
4250 TDA	607,718.00
4250 TDA WATS SUPPLEMENTAL	0.00
4250 TDA VOLUNTEER TRAINING GRANT	0.00
4253 FTA SECTION 5310	128,320.00
4256 SC METRO DISTRICT	2,245,928.00
4303 CABRILLO COLLEGE	14,483.00
4304 DOMINICAN HOSPITAL	113,876.00
4401 DONATIONS	1,250.00
4402 PARTICIPANT CONTRIBUTIONS	789.66
4404 FUNDRAISING	0.00
4505 CLIENT FEES- DOMI NI CAN	40,594.00
4510 CLIENT FEES-SCMTD	105,320.00
4521 MEDICAL FEES	760,000.00
4512 PROGRAM INCOME-OTHER	0.00
4521 LL FEES/COUPON SALES	-2,820.79
4522 TAXI FEES	94,738.00
4523 TAXI SCRIP	11,778.00
4524 MSSP SCRIP	45,500.00
4540 OUTSIDE CONTRACTS	3,000.00
4600 INTEREST INCOME	900.00
4601 SALE/DISPOSAL OF ASSETS	0.00
4602 SALE/DISPOSAL OF VEHICLES	0.00
4910 BAD DEBT	-3,000.00
4918 INTERPROGRAM-ELDERDAY	144,847.00
4919 INTERPROGRAM-NUTRITION	113,580.00
4922 INTRAPROGRAM-VEHICLE MAINT	121,262.29
4923 INTERPROGRAM-OUTS CONTRACTS	13,086.15
3001 AVAIL PRIOR YR FUNDS	0.00
TOTAL REVENUE	4,709,076.31