

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**BOARD OF DIRECTORS REGULAR MEETING AGENDA
JANUARY 24, 2003 (Fourth Friday of Each Month)
CITY HALL COUNCIL CHAMBERS
809 CENTER STREET
SANTA CRUZ, CALIFORNIA
9:00 a.m. - Noon**

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

1. ROLL CALL
2. ORAL AND WRITTEN COMMUNICATION
 - a. Pam Greeninger, City of Capitola RE: SCMTD Board Member
 - b. Sharon Barbour, Chair, MASTF RE: Fare Increase/Convenience Pass
 - c. Scott Bugental, E/D TAC RE: ADA/504 Grievance Procedure & Potential Fare Alternatives
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 DECEMBER 13, 2002
Minutes: Attached
- 7-2. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS
Report: Attached
- 7-3. ACCEPT AND FILE NOVEMBER & DECEMBER RIDERSHIP REPORT
Report: **December Materials are included in the Add-On Packet**
- 7-4. CONSIDERATION OF TORT CLAIMS: Deny the Claims of: Henry Gamble, #02-0036 & Carolyn Gamble, #02-0037 (attached), **Mary V. Walsh, #02-0035, Mary Bruggeman, #03-001, Christobal Fernandez Rocha, #03-002 (included in the Add-On Packet)**

* Please note: Location of Meeting Place

- 7-5. ACCEPT AND FILE AGENDA FOR THE MASTF COMMITTEE MEETING OF JANUARY 16, 2003 AND MINUTES OF THE DECEMBER 19, 2002 MEETING
Agenda/Minutes: Attached
- 7-6. ACCEPT AND FILE MINUTES OF MUG COMMITTEE MEETING OF DECEMBER 18, 2002
Minutes: **Materials are included in the Add-On Packet**
- 7-7. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR NOVEMBER 2002, APPROVAL OF BUDGET TRANSFERS
Staff Report: Attached
- 7-8. ACCEPT AND FILE PARACRUZ STATUS REPORT FOR OCTOBER 2002
Staff Report: Attached
- 7-9. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR NOVEMBER 2002
Staff Report: Attached
- 7-10. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE
Staff Report: Attached
- 7-11. ACCEPT AND FILE METROBASE STATUS REPORT
Staff Report: Attached
- 7-12. CONSIDERATION OF NAME CHANGE FOR TENANT'S BUSINESS AT THE WATSONVILLE TRANSIT CENTER
Staff Report: Attached
- 7-13. CONSIDERATION OF REVISIONS OF ADA/504 POLICY AND PROCEDURE
Staff Report: Attached
- 7-14. CONSIDERATION OF AMERICAN PUBLIC TRANSPORTATION ASSOCIATION REAUTHORIZATION PROPOSAL
Staff Report: Attached
(Moved to Consent Agenda at the January 10, 2003 Board Meeting. Staff report retained original numbering as Item #11)
- 7-15. CONSIDERATION OF APPROVAL OF A RESOLUTION AUTHORIZING AN AMENDMENT TO THE CALPERS CONTRACT TO PROVIDE SECTION 21023.5 (PUBLIC SERVICE CREDIT FOR PEACE CORPS OR AMERICORPS: VISTA SERVICE)
Staff Report: Attached

(Moved to Consent Agenda at the January 10, 2003 Board Meeting. Staff report retained original numbering as Item #14)

- 7-16. CONSIDERATION OF REJECTION OF BUS ADVERTISING COUNTER PROPOSAL FROM PRINCETON MEDIA, INC.

Staff Report: Attached

(Moved to Consent Agenda at the January 10, 2003 Board Meeting. Staff report retained original numbering as Item #15)

- 7-17. CONSIDERATION OF APPOINTMENT OF STUART ROSENSTEIN TO THE METRO USERS GROUP UNDER THE MEMBERSHIP CATEGORY OF "TRANSIT USERS"

Staff Report: Attached

(Moved to Consent Agenda at the January 10, 2003 Board Meeting. Staff report retained original numbering as Item #16)

REGULAR AGENDA

8. CONSIDERATION OF ELECTION OF DIRECTORS TO SERVE AS BOARD MEMBERS FOR THE YEAR 2003, TRANSPORTATION COMMISSION AND METRO USERS GROUP CHAIRPERSON ASSIGNMENTS

Presented by: Les White, General Manager

Staff Report: Attached

9. CONSIDERATION OF PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

Presented by: Chairperson

Staff Report: Attached

THIS PRESENTATION WILL TAKE PLACE AT THE JANUARY 24, 2003 BOARD MEETING

10. **DELETED**

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

12. FARE ALTERNATIVES FOR BOARD CONSIDERATION

Presented by: Mark Dorfman, Assistant General Manager

Staff Report: Attached

13. **DELETED**

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. **CONSIDERATION OF APPROVAL OF LEASE FOR WATSONVILLE TRANSIT CENTER KIOSK #6 FOR A NEW BUSINESS**
Presented by: Margaret Gallagher, District Counsel
Staff Report: **Materials are included in the Add-On Packet**

18. **CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE AN AMENDMENT TO LEASE FOR THE WATSONVILLE TRANSIT CENTER KIOSK #5 TO LETICIA LEDESMA AND TOMAS SANCHEZ TO EXTEND THE TERM**
Presented by: Margaret Gallagher, District Counsel
Staff Report: **Materials are included in the Add-On Packet**

19. **A. CONSIDERATION OF APPROVING THE TRANSFER OF THE LEASE AGREEMENT WITH KAROL AND MIROSLAVA MORELUND, DBA STORTI'S PIZZERIA, TO ANDREW AND ALICIA FRANASZEK, FOR THE KIOSK SPACE AT THE SANTA CRUZ METRO CENTER, EFFECTIVE JANUARY 24, 2003**

B. CONSIDERATION OF REQUEST OF ANDREW AND ALICIA FRANASZEK TO REDUCE RENT
Presented by: Margaret Gallagher, District counsel
Staff Report: **Materials are included in the Add-On Packet**

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

21. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

SECTION II: CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Pursuant to Subdivision (a) of Section 54956.9)

Name of Case: Esengil v. Meral Jensen, et al

2. CONFERENCE WITH LEGAL COUNSEL – POTENTIAL LITIGATION
Pursuant to Government Code Section 54957.5

Name of Case: Richard Castro v. Santa Cruz Metropolitan Transit District
(Review of Worker's Compensation Case)

SECTION III: RECONVENE TO OPEN SESSION

22. REPORT OF CLOSED SESSION

ADJOURN

NOTICE TO PUBLIC

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

When addressing the Board, the individual may, but is not required to, provide his/her name and address in an audible tone for the record.

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

The Santa Cruz Metropolitan Transit District does not discriminate on the basis of disability. The City Council Chambers is located in an accessible facility. Any person who requires an accommodation or an auxiliary aid or service to participate in the meeting, please contact Dale Carr at 831-426-6080 as soon as possible in advance of the Board of Directors meeting. Hearing impaired individuals should call 711 for assistance in contacting METRO regarding special requirements to participate in the Board meeting. A Spanish Language Interpreter will be available during "Oral Communications" and for any other agenda item for which these services are needed. This meeting will be broadcast live by Community Television of Santa Cruz on Channel 26.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 24, 2003

TO: Board of Directors

FROM: General Manager

SUBJECT: ADDITIONAL MATERIAL TO THE JANUARY 24, 2003 BOARD MEETING AGENDA

SECTION I:

CONSENT AGENDA:

ADD TO ITEM #7-3 ACCEPT AND FILE NOVEMBER & DECEMBER RIDERSHIP REPORT
(Insert December 2002 reports)

ADD TO ITEM #7-4 CONSIDERATION OF TORT CLAIMS: Deny the claims of: Mary V. Walsh, #02-0035, Mary Bruggeman, #03-001, Christobal Fernandez Rocha, #03-002
(Insert Claims)

ADD TO ITEM #7-6 ACCEPT AND FILE MINUTES OF MUG COMMITTEE MEETING OF DECEMBER 18, 2002
(Insert Minutes)

REGULAR AGENDA:

DELETE ITEM #10 UPDATE FROM CAROLYN CHANEY ON FEDERAL LEGISLATIVE ISSUES
(Presentation was given at the January 10, 2003 Board Meeting)

DELETE ITEM #13 CONSIDERATION OF CHANGE ORDER TO ORION CONTRACT FOR DIESEL HIGH-FLOOR BUSES FOR HIGHWAY 17 THAT CAN BE CONVERTED TO COMPRESSED NATURAL GAS (CNG)
(Staff is waiting for further information)

ADD TO ITEM #17 CONSIDERATION OF APPROVAL OF LEASE FOR WATSONVILLE TRANSIT CENTER KIOSK #6 FOR A NEW BUSINESS
(Add Staff Report)

ADD TO ITEM #18 CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE AN AMENDMENT TO LEASE FOR THE WATSONVILLE TRANSIT CENTER KIOSK #5 TO LETICIA LEDESMA AND TOMAS SANCHEZ TO EXTEND THE TERM
(Add Staff Report)

ADD TO ITEM #19

A. CONSIDERATION OF APPROVING THE TRANSFER OF THE LEASE AGREEMENT WITH KAROL AND MIROSLAVA MORELUND, DBA STORTI'S PIZZERIA, TO ANDREW AND ALICIA FRANASZEK, FOR THE KIOSK SPACE AT THE SANTA CRUZ METRO CENTER, EFFECTIVE JANUARY 24, 2003

B. CONSIDERATION OF REQUEST OF ANDREW AND ALICIA FRANASZEK TO REDUCE RENT
(Add Staff Report)

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

BOARD OF DIRECTORS REGULAR MEETING AGENDA

JANUARY 10, 2003 (Second Friday of Each Month)

*SCMTD ENCINAL CONFERENCE ROOM

370 ENCINAL STREET, SUITE 100

SANTA CRUZ, CALIFORNIA

9:00 a.m. – 11:00 a.m.

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

1. ROLL CALL
2. ORAL AND WRITTEN COMMUNICATION
 - a. Pam Greeninger, City of Capitola RE: SCMTD Board Member
 - b. Sharon Barbour, Chair, MASTF RE: Fare Increase/Convenience Pass
 - c. Scott Bugental, E/D TAC RE: ADA/504 Grievance Procedure & Potential Fare Alternatives
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 DECEMBER 13, 2002
Minutes: Attached
- 7-2. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS
Report: Attached
- 7-3. ACCEPT AND FILE NOVEMBER & DECEMBER RIDERSHIP REPORT
Report: Attached (November Ridership Figures)
THE DECEMBER RIDERSHIP REPORT WILL BE PRESENTED FOR CONSIDERATION AT THE JANUARY 24, 2003 BOARD MEETING
- 7-4. CONSIDERATION OF TORT CLAIMS: Deny the Claims of: Henry Gamble, #02-0036 & Carolyn Gamble, #02-0037
Claims: Attached

* Please note: Location of Meeting Place

- 7-5. ACCEPT AND FILE AGENDA FOR THE MASTF COMMITTEE MEETING OF JANUARY 16, 2003 AND MINUTES OF THE DECEMBER 19, 2002 MEETING
Agenda/Minutes: Attached
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Minutes: **WILL BE PRESENTED FOR CONSIDERATION AT THE JANUARY 24, 2003 BOARD MEETING**
- 7-7. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR NOVEMBER 2002, APPROVAL OF BUDGET TRANSFERS
Staff Report: Attached
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Staff Report: Attached
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Staff Report: Attached
- 7-13. CONSIDERATION OF REVISIONS OF ADA/504 POLICY AND PROCEDURE
Staff Report: Attached

REGULAR AGENDA

8. CONSIDERATION OF ELECTION OF DIRECTORS TO SERVE AS BOARD MEMBERS FOR THE YEAR 2003, TRANSPORTATION COMMISSION AND METRO USERS GROUP CHAIRPERSON ASSIGNMENTS
Presented by: Les White, General Manager
Staff Report: Attached

9. CONSIDERATION OF PRESENTATION OF EMPLOYEE LONGEVITY AWARDS
Presented by: Chairperson
Staff Report: Attached
THIS PRESENTATION WILL TAKE PLACE AT THE JANUARY 24, 2003 BOARD MEETING
10. UPDATE FROM CAROLYN CHANEY ON FEDERAL LEGISLATIVE ISSUES
Presented by: Carolyn Chaney
Staff Report: Oral Presentation
PRESENTATION WILL TAKE PLACE AT THE JANUARY 10, 2003 BOARD MEETING
11. CONSIDERATION OF AMERICAN PUBLIC TRANSPORTATION ASSOCIATION REAUTHORIZATION PROPOSAL
Presented by: Les White, General Manager
Staff Report: Attached
12. FARE ALTERNATIVES FOR BOARD CONSIDERATION
Presented by: Mark Dorfman, Assistant General Manager
Staff Report: Attached
PRESENTATION WILL TAKE PLACE AT THE JANUARY 10, 2003 BOARD MEETING
13. CONSIDERATION OF CHANGE ORDER TO ORION CONTRACT FOR DIESEL HIGH-FLOOR BUSES FOR HIGHWAY 17 THAT CAN BE CONVERTED TO COMPRESSED NATURAL GAS (CNG)
Presented by: Tom Stickel, Fleet Maintenance Manager
Staff Report: **WILL BE PRESENTED FOR CONSIDERATION AT THE JANUARY 24, 2003 BOARD MEETING**
14. CONSIDERATION OF APPROVAL OF A RESOLUTION AUTHORIZING AN AMENDMENT TO THE CALPERS CONTRACT TO PROVIDE SECTION 21023.5 (PUBLIC SERVICE CREDIT FOR PEACE CORPS OR AMERICORPS: VISTA SERVICE)
Presented by: Elisabeth Ross, Finance Manager
Staff Report: Attached
15. CONSIDERATION OF REJECTION OF BUS ADVERTISING COUNTER PROPOSAL FROM PRINCETON MEDIA, INC.
Presented by: Mark Dorfman, Assistant General Manager
Staff Report: Attached
16. CONSIDERATION OF APPOINTMENT OF STUART ROSENSTEIN TO THE METRO USERS GROUP UNDER THE MEMBERSHIP CATEGORY OF "TRANSIT USERS"

Presented by: Mark Dorfman, Assistant General Manager
Staff Report: Attached

17. REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION: District Counsel
18. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

SECTION II: CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Pursuant to Subdivision (a) of Section 54956.9)

Name of Case: Lane, et al vs. Santa Cruz Metropolitan Transit District

2. CONFERENCE WITH LABOR NEGOTIATOR
Pursuant to Government Code Section 54957.6

a. Agency Negotiator: Bryant Baehr, Operations Manager

1. Employee Organization: Service Employees International Union
(SEIU), Local 415

SECTION III: RECONVENE TO OPEN SESSION

19. REPORT OF CLOSED SESSION

ADJOURN

NOTICE TO PUBLIC

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December 17, 2002

Leslie R. White
General Manager
Santa Cruz Metropolitan
Transit District
230 Walnut Avenue
Santa Cruz, CA 95060

DEC 23 2002

RE: CITY OF CAPITOLA REPRESENTATIVE TO THE BOARD OF DIRECTORS
OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Dear Mr. White:

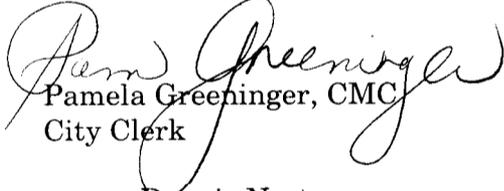
This letter is being sent to advise you that at its December 12, 2002 meeting, the City Council directed me to seek applications from Capitola residents interested in serving as the City's Representative on the Board of Directors of the Santa Cruz Metropolitan Transit District. Council Member Dennis Norton informed the council that he really doesn't have the time necessary to devote to this committee, and asked if any other council members would be interested in serving. No one was able to volunteer at this time due to other commitments.

I spoke to Dale Carr last week regarding information to help me prepare a recruitment notice. I received a fax with some good information and will be finalizing a notice this week. In the meantime, Council Member Norton will continue to serve as the city's representative until such time as another appointment can be made. Please continue to send all agenda and other board related materials to Dennis Norton.

Should you have any questions regarding this information, please feel free to contact me at 831-475-7300.

Sincerely,

CITY OF CAPITOLA


Pamela Greeninger, CMC
City Clerk

cc: Dennis Norton
Dale Carr



METRO

ACCESSIBLE SERVICES TRANSIT FORUM

920 Pacific Avenue, Suite 21, Santa Cruz, CA 95060

December 20, 2002

Santa Cruz Metropolitan Transit District
Board of Directors
370 Encinal Street, Suite 100
Santa Cruz, CA. 95060

To the Santa Cruz Metro Board of Directors,

I have been authorized by the MASTF Executive Committee to write this letter. Many members of MASTF have heard, with some concern, about proposed changes in the bus fare schedule. We are particularly concerned about the proposed elimination of the convenience pass, which is of great value to many of us.

MASTF will be discussing the issues of rate changes and the possible elimination of the convenience pass during our January meeting. Please keep us informed about your thoughts on these matters.

Sincerely,

A handwritten signature in black ink, appearing to be "S|", where the vertical line extends downwards.

Sharon L. Barbour
Chair, MASTF

Cc: MASTF

December 30, 2002

SERVICE AUTHORITY
FOR FREEWAY
EMERGENCIES
(SAFE)

Sheryl Ainsworth, Chair
Santa Cruz Metropolitan Transit District
370 Encinal St, Suite 100
Santa Cruz, CA 95060

RAIL/TRAIL
AUTHORITY

**RE: ADA/504 Grievance Procedure and
Consideration of Potential Fare Alternatives**

Dear Chair Ainsworth:

COMMUTE
SOLUTIONS

At the December 10, 2002 meeting of the Elderly & Disabled Transportation
Advisory Committee (E/D TAC), members unanimously approved the
following motions with those abstaining noted.

TRANSPORTATION
POLICY WORKSHOP

The E/D TAC:

- 1. Approves the ADA/504 Grievance Procedure (abstention -
Daugherty); and**
- 2. Opposes consideration of increased fares for ADA
Paratransit rides (abstentions – Daugherty, Berkowitz).**

BUDGET &
ADMINISTRATION
PERSONNEL
COMMITTEE

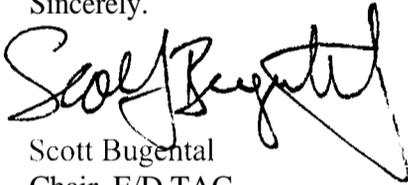
JAN 2 2003

INTERAGENCY
TECHNICAL
ADVISORY
COMMITTEE

Thank you for your consideration of these important issues.

BICYCLE COMMITTEE

Sincerely,



ELDERLY & DISABLED
TRANSPORTATION
ADVISORY COMMITTEE

Scott Bugental
Chair, E/D TAC

I:\E&DTAC\OUTREACH\SCM11\grievance-faresDec02.doc

WWW.SCCRTC.ORG
EMAIL:INFO@SCCRTC.ORG

MEMBER AGENCIES: SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, COUNTY OF SANTA CRUZ, CALTRANS,
CITIES OF CAPITOLA, SANTA CRUZ, SCOTTSVALLEY, WATSONVILLE

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes- Board of Directors

December 13, 2002

A Regular Meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District met on Friday, December 13, 2002 at the District's Administrative Office, 370 Encinal Street, Santa Cruz, CA.

Vice-Chairperson Reilly called the meeting to order at 9:02 a.m.

SECTION 1: OPEN SESSION

1. ROLL CALL:

DIRECTORS PRESENT

Sheryl Ainsworth
Tim Fitzmaurice
Michelle Hinkle
Mike Keogh
Emily Reilly
Pat Spence

DIRECTORS ABSENT

Jeff Almquist (arrived after roll call)
Jan Beautz (arrived after roll call)
Dennis Norton
Ana Ventura Phares
Marcela Tavantzis
Ex-Officio Mike Rotkin

STAFF PRESENT

Bryant Baehr, Operations Manager
John Daugherty, Access. Svcs. Coord.
Terry Gale, IT Manager
Margaret Gallagher, District Counsel
David Konno, Facilities Maint. Manager

Lloyd Longnecker, Buyer
Elisabeth Ross, Finance Manager
Robyn Slater, Interim H.R. Manager
Tom Stickel, Fleet Maint. Manager

EMPLOYEES AND MEMBERS OF THE PUBLIC WHO INDICATED THEY WERE PRESENT

Virginia Allender, S.V. Sr. Advocate
Michael Bradshaw, Rider
Cheryl Brondstatter, UTU, Secretary
Tom Hiltner, SEA
Jake Hurley, SEIU
Pete Legorreta, UTU, Vice Chair
Manny Martinez, PSA
Bonnie Morr, UTU

Jeff North, UTU, Vice Chair
Dennis Papadapulo, MASTF
Will Regan, VMU
James Taylor, UTU, Vice Chair
Marian Taylor, League of Women Voters
Candace Ward, UCSC

2. ORAL AND WRITTEN COMMUNICATION

Virginia Allender, Scotts Valley Senior Advocate, introduced herself as serving on many senior programs over the last seventeen years. Ms. Allender explained that she and her husband were notified that they needed to be interviewed as part of the recertification process. The interviews were conducted separately. Ms. Allender outlined the problems that arose for both her and her

husband in getting to and from the interviews via Lift Line. She urged the Board to improve communication between METRO and Lift Line and asked that METRO take the word of a qualified physician that their patient is eligible for the Lift Line program.

DIRECTOR BEAUTZ ARRIVED.

Michael Bradshaw of the Central Coast Center for Independent Living (CCCIL) stated that the proposed ADA complaint procedure went before CCCIL's Executive Board last night who voted to support this procedure with the following addition of the word "authorized": Under Section VI. Grievance Procedure, Item 6.01 "Any person with a disability or his/her authorized representative.....". Mr. Bradshaw also stated that an example of an "authorized representative" should be given, such as a family member, caregiver, or organization.

Dennis Papadopolu, a member of MASTF since its inception, spoke to contest the voting for MASTF officers at last month's meeting. He stated that the voting was not conducted fairly and he submitted a letter to the Board from John Wood in this regard. A copy of which is attached to these Minutes.

Michael Edwards, a former member of MASTF for many years, stated that he is no longer a member due to irregularities of election law that took place within MASTF. He added that his most serious concern was that the Chairperson's vote was counted as an eligible vote, whereby, the MASTF bylaws state that the Chairperson can only vote in the case of a tie. He addressed this issue three times and was told he was out of order after the third time. He was also told that it was a matter of precedent as this was done in the past but the bylaws were not amended to reflect this. Both Directors Beautz and Fitzmaurice requested a report to the Board in January with a review of the procedure used in the election and a review of the process that MASTF used to formulate its bylaws. Mr. White added that Metro Users' Group (MUG) bylaws are approved by the Board, however, the MASTF bylaws have not been.

ACTION: MOTION: DIRECTOR FITZMAURICE SECOND: DIRECTOR REILLY

Continue Item 7-5 Minutes of MASTF Committee meeting of November 14, 2002 and look at these in light of further discussion.

Motion passed with Directors Almquist, Norton, Phares and Tavantzis being absent.

An agenda for the January Board meeting will be sent to both Mr. Papadopolu and Mr. Edwards.

3. LABOR ORGANIZATION COMMUNICATIONS

Bonnie Morr informed the Board that UTU elections are complete for the next four years. She introduced Pete Legorreta and Jeff North, Vice Chairs, and Cheryl Brondstatter, Secretary. She will bring the new local members elected to the January Board meeting for introductions.

4. METRO USERS GROUP (MUG) COMMUNICATIONS

The next MUG meeting will be held on December 18, 2002.

5. **METRO ACCESSIBLE SERVICES TRANSIT FORUM (MASTF) COMMUNICATIONS**

Nothing to report at this time.

6. **ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS**

SECTION I:

CONSENT AGENDA:

ADD TO ITEM #7-1 APPROVE REGULAR BOARD MEETING MINUTES OF NOVEMBER 8 AND NOVEMBER 22, 2002
(Insert corrected page of November 8, 2002 Minutes)

ADD TO ITEM #7-4 CONSIDERATION OF TORT CLAIMS: Deny the claim of: Dorothy Parker, Claim #07-02-11
(Insert Claim)

Vice Chairperson Reilly deleted Item #7-17 Consideration of request to begin advertising contract on January 1, 2002 from the Consent Agenda.

CONSENT AGENDA

7-1. **APPROVE REGULAR BOARD MEETING MINUTES OF NOVEMBER 8 AND NOVEMBER 22, 2002**

Director Spence stated that the Minutes of November 8, Item 2 Oral and Written Communication should have read "regarding the circumstances of her resignation as MASTF paratransit chair." The Minutes will be revised to reflect this change.

7-2. **ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS**

7-3. **ACCEPT AND FILE NOVEMBER RIDERSHIP REPORT**

7-4. **CONSIDERATION OF TORT CLAIMS: Deny the claims of: Sabrina McPherson, Claim #02-0033; Dorothy Parker, Claim #07-02-11**

7-5. **ACCEPT AND FILE MINUTES OF MASTF COMMITTEE MEETING OF NOVEMBER 14, 2002**

This item was continued to a future Board Meeting.

7-6. **ACCEPT AND FILE MINUTES OF MUG COMMITTEE MEETING OF NOVEMBER 13, 2002**

7-7. **ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR OCTOBER 2002, APPROVAL OF BUDGET TRANSFERS**

7-8. ACCEPT AND FILE PARACRUZ STATUS REPORT FOR SEPTEMBER 2002

The report states that the contract allows for Lift Line to make pickups up to 15 minutes early. Director Spence asked Bryant Baehr to check the contract to ensure it is 15 minutes and not 10 minutes that is allowable. Director Beautz was informed that penalty fees are associated with areas in which Lift Line is non-compliant with the contract. METRO's payment to Community Bridges would be reduced by the penalty amount in each case. Mr. White added that the amount of penalties would be included in future reports.

DIRECTOR ALMQUIST ARRIVED.

Director Spence also inquired as to whether there are separate statistics for ADA phone calls as it relates to average hold times. She was informed that there is no separation between ADA calls and other services provided by Community Bridges – there is a separate phone number but not a separate computer system to single out the ADA calls.

7-9. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR OCTOBER 2002

7-10. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE

7-11. ACCEPT AND FILE METROBASE STATUS REPORT

7-12. CONSIDERATION OF CALL STOP AUDIT REPORT

It was noted that there was 100% compliance with call stops during this reporting period. Mr. Baehr made a correction to the staff report in that the audits cost approximately \$10,000 per year, not \$20,000 as stated in the staff report.

7-13. CONSIDERATION OF RESULTS OF AMERICAN PUBLIC TRANSIT ASSOCIATION (APTA) SURVEY ON THE IMPACT OF ECONOMIC CONDITIONS ON TRANSIT

Mr. White discussed the California Transportation Commission's impacts on both State Transportation Improvement Funds (STIP) and METRO's request to reclaim the \$7.8 million in MetroBase money that may not be released. Mr. White is working to ensure that commitments that have been in place over the last 24 months are honored, especially by the state. He is also very concerned with the February and August bus deliveries and added that the Highway 17 buses are in severe jeopardy. There was discussion regarding options METRO would have if VTA didn't pay their part of the Highway 17 service. Options would be to discontinue the service, or raise fares. Mr. White will request that Senator McPherson and Assemblymember Laird intervene on existing contracts. Mr. White also discussed how the state would honor a payment in progress or an invoice over a signed contract and stated that staff would request an invoice from New Flyer in order to secure the funds. Les White reported that METRO is still working with Caltrans about paying the bill for 29 buses in February. Staff is also in discussion with VTA regarding their budget cutting impacts which may affect their payment for half of the Highway 17 Express service.

7-14. ACCEPT AND FILE NEW STORMWATER REGULATIONS IMPACT AT TRANSIT CENTERS AND BUS STOPS

Director Almquist asked David Konno to look into obtaining equipment that would suck the water up, thereby eliminating the flow to the storm water drain system. Mr. Konno replied that he is looking at all the different strategies that could be used.

7-15. CONSIDERATION OF ONE-YEAR TRIAL PROGRAM FOR INSTALLATION OF NEEDLE DISPOSAL PROGRAM AT TRANSIT CENTER RESTROOMS

The discussion of this issue related to the numerous places that needles have been found and how to avoid injury to both employees and transit riders.

7-16. STATUS REPORT FOR THE CONSTRUCTION, MAINTENANCE, AND OPERATION OF A TRANSIT-ORIENTED CHILD CARE AND APARTMENT COMPLEX CENTER FOR PROPERTY APN'S 17-011-51 AND 52 IN WATSONVILLE, PURSUANT TO A LEASE AGREEMENT BETWEEN THE CITY OF WATSONVILLE AND THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

7-17. CONSIDERATION OF REQUEST TO BEGIN ADVERTISING CONTRACT ON JANUARY 1, 2003

ACTION: MOTION: DIRECTOR AINSWORTH SECOND: DIRECTOR BEAUTZ

Approve the Consent Agenda.

Motion passed with Directors Norton, Phares and Tavantzis being absent and Directors Beautz and Fitzmaurice abstaining from voting on the 11/22/02 Board Meeting Minutes since they were absent.

REGULAR AGENDA

8. CONSIDERATION OF ISSUES OF PROCEDURE FOR UNION REPRESENTATIVES

Summary:

Jake Hurley, Field Representative for SEIU Local 415, thanked the Board for putting him on the agenda. He stated that SEIU is motivated to work with METRO to provide the best service to the public and to make sure that the concerns of the members are addressed. He asked that the Board take this into consideration when opening an issue for discussion and that SEIU be given the opportunity to have their concerns addressed at each meeting. Mr. Hurley described the events that took place at the November 22nd Board meeting and stated that the issue was addressed and he does not foresee this to be a continuing problem.

Discussion:

Several Directors stated that union organizations should not be allowed to speak on issues discussed earlier on the agenda. The public will be invited to speak on each issue as the agenda items are discussed. Oral Communications on each agenda will allow for unions and the public to speak regarding issues not on the agenda. It was reiterated that once an item is voted on, there should be no further discussion. Bonnie Morr stated that she wasn't given the opportunity to speak after each individual item at the November meeting and, therefore, saved all her comments until the end of the meeting. The Board agreed that Ms. Morr shouldn't have been allowed to speak but that going forward, the Chair or Vice Chair would be sure to ask the public, which includes union representatives, if they have any comments during each agenda item.

At this time, Ms. Morr introduced James Taylor as a new Vice Chair of UTU.

9. CONSIDERATION OF AWARD OF CONTRACT FOR PRINTING OF HEADWAYS

ACTION: MOTION: DIRECTOR FITZMAURICE SECOND: DIRECTOR BEAUTZ

Authorize the General Manager to enter into a contract with Folger Graphics for the printing of *Headways*.

Discussion:

Director Ainsworth inquired as to why there are no local bids included in the staff report. The Board was informed that the Invitation for Bids was sent to all local printers and was also advertised in all local newspapers. However, no local printers responded. She was informed that this type of work requires a web press which many vendors do not have.

Motion passed with Directors Norton, Phares and Tavantzis being absent.

10. CONSIDERATION OF AWARD OF CONTRACT FOR VEHICLE BODY REPAIR AND PAINT SERVICES

Summary:

Tom Stickel reported that this contract is for vehicle body and repair paint on both revenue and non-revenue vehicles. The Fleet Maintenance Dept.'s goal is to completely paint eight buses each year. Currently, there is a campaign to paint older buses, do minor repairs and upgrade the exterior lighting to L.E.D.

ACTION: MOTION: DIRECTOR ALMQUIST SECOND: DIRECTOR FITZMAURICE

Authorize the General Manager to execute a contract for vehicle body repair and paint services with Classic Graphics.

Will Regan who represents the mechanics of VMU stated that this is the type of work that could be done in-house when the consolidated MetroBase facility is complete. Les White added that if this was brought in-house, it would cost a lot less money. Jeff North asked for clarification on whether this could be done in-house with just the first phase of MetroBase being completed and was informed that we would probably not have this capability in the Phase 1 facilities.

Motion passed with Directors Norton, Phares and Tavantzis being absent.

11. CONSIDERATION OF AMENDING HAZARDOUS WASTE DISPOSAL CONTRACT

Summary:

Tom Stickel reported that this contract renewal is for the removal of hazardous waste materials.

ACTION: MOTION: DIRECTOR ALMQUIST SECOND: DIRECTOR FITZMAURICE

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.

Motion passed with Directors Norton, Phares and Tavantzis being absent.

12. CONSIDERATION OF AMENDING AWARD OF CONTRACT FOR RESIDENT BUS INSPECTOR SERVICES

Summary:

Tom Stickel reported that buses are currently under construction in Canada and Minnesota. The location for the final production changed and, therefore, additional costs will be incurred to send the Resident Bus Inspector to the new location.

Discussion:

Director Fitzmaurice asked why METRO is responsible for the expenses since it was New Flyer who made the location change. He was informed that under the terms of the grant funding that METRO received for the bus purchase, METRO is required to provide bus inspection services.

ACTION: MOTION: DIRECTOR ALMQUIST SECOND: DIRECTOR BEAUTZ

Authorize the General Manager to amend the contract for resident bus inspection services with J & S Maintenance Professional Services, Inc. to increase the contract by an additional \$4,650.

Motion passed with Director Fitzmaurice voting no and Directors Norton, Phares and Tavantzis being absent.

13. CONSIDERATION OF AMENDMENT AND REINSTATEMENT OF DISTRICT'S DEFERRED COMPENSATION PLAN AND TRUST, IN ORDER TO IDENTIFY A NEW TRUSTEE AND TO FACILITATE CHANGES IN THE LAWS FOR 457 PLANS

Summary:

Margaret Gallagher explained that METRO has two different deferred compensation plans: one with PERS and one with NPC. NPC was purchased by Great West and took over METRO's program. This item was discussed with the unions who were given additional time to evaluate the plan. Ms. Gallagher stated that she would "meet and confer" with SEIU on some of the recommendations, such as the employee loan issue. To avoid tax consequences to the participants in the plan, these changes need to be implemented by December 31, 2002. Ms. Gallagher referred the Board to the specific documents that required adopting (i.e. Items a. through e. on page 13-A-3 of the staff report). Ms. Gallagher recommends that the Board adopt her recommendations to implement Items 1, 2, 4, 6 and 7 on pages 13-A-4 and 13-A-5 of the staff report. She recommends that the Board **not** implement Items 3, 5 and 8 at this time. These items may be brought back to the Board at a future date. Ms. Gallagher's recommendations are based on cost and administrative time.

ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR ALMQUIST

Amend and restate the District's NPC Deferred Compensation Plan and Trust, in order to identify a new trustee and adopt certain changes to the newly adopted plan as set forth in staff report dated November 22, 2002 in order to facilitate changes in the laws for 457 plans.

Discussion:

Director Ainsworth asked for clarification on the 1.25% which was reduced to .75% per transaction and was informed that this is the administration fee that Great West charges participants for requested transactions. This reduction was agreed to by Great West if METRO adopted the Deferred Compensation Annuity Contract.

Ms. Gallagher added that a committee would be formed with the assistance of Great West to educate staff on how to deal with certain issues, such as employee emergency loans.

Motion passed unanimously with Directors Norton, Phares and Tavantzis being absent.

14. CONSIDERATION OF SOLE SOURCE AWARD OF CONTRACT FOR HASTUS ROSTERING SOFTWARE MODULE

Summary:

Mr. Stickel stated that initially, METRO had a contract with MultiSystems to provide this package of software and services to help with the dispatch of the buses. MultiSystems was unable to complete this contract and the contract was cancelled. Hastus offers a package that will go with the rest of the dispatch needs. Staff recommendation is to award the contract to Hastus.

DIRECTOR SPENCE LEFT THE ROOM.

Discussion:

Director Fitzmaurice was concerned that the District would be supporting the UNIX system which he had heard was going out business. There was discussion in this regard. Director Ainsworth inquired about the cost for on-going support and was informed that METRO has a current contract with Giro for on-going support to maintain the license and this will increase a few thousand dollars per year with the addition of this software module.

ACTION: MOTION: DIRECTOR AINSWORTH SECOND: DIRECTOR ALMQUIST

Authorize the General Manager to enter into a contract with Giro to purchase Hastus Rostering software, software customization, and training for an amount not to exceed \$62,740 with Giro as a sole source provider.

Motion passed with Directors Norton, Phares, Spence and Tavantzis being absent.

15. CONSIDERATION OF CHANGE ORDER TO NEW FLYER OF AMERICA CONTRACT FOR DIESEL LOW-FLOOR BUSES THAT CAN BE CONVERTED TO COMPRESSED NATURAL GAS (CNG)

ACTION: MOTION: DIRECTOR ALMQUIST SECOND: DIRECTOR FITZMAURICE

Authorize the General Manager to execute an amendment to the contract with New Flyer of America for the production of fifteen (15) each 35 Foot Diesel Low Floor Transit Buses and fourteen (14) each 40 Foot Diesel Low Floor Transit Buses that can be converted to CNG to change bus specifications resulting in an overall reduction in the unit price of each bus by \$1,506.

Discussion:

There was a brief discussion regarding passenger reading lights which are driver controlled. Leaving these reading lights as passenger controlled would allow them to be turned off for vandalism purposes without the operator being aware of it.

Motion passed with Directors Norton, Phares, Spence and Tavantzis being absent.

16. CONSIDERATION OF AMENDING AWARD OF CONTRACT FOR FOUR EACH COMPRESSED NATURAL GAS (CNG) POWERED PASSENGER VANS

Summary:

These are replacements for the driver shuttle vans.

ACTION: MOTION: DIRECTOR ALMQUIST SECOND: DIRECTOR FITZMAURICE

Authorize the General Manager to amend the contract for the purchase of four CNG powered passenger vans with S & C Ford to increase the dollar amount of the contract an additional \$3,294.40 for a total not to exceed contract amount of \$104,836.

Motion passed with Directors Norton, Phares, Spence and Tavantzis being absent.

DIRECTOR SPENCE RETURNED TO THE MEETING.

17. CONSIDERATION OF BUS SHELTER REQUEST FOR FELTON TEEN CENTER

Summary:

Bryant Baehr reported that this is a request for a specialized bus shelter in Felton at the teen center. Currently, there are no funds for the shelter program. However, Mr. White added that when the shelter program is reinstated, Ms. Stafford could partner with the District utilizing the base level funds that the District would spend on a shelter and make the shelter more customized with what funds she could bring to the table. He further stated that this option would be left open for one year from now if the economy improves.

Discussion:

Director Ainsworth asked if staff has minimum specs for situations like this and was informed that we do.

ACTION: MOTION: DIRECTOR ALMQUIST SECOND: DIRECTOR FITZMAURICE

Direct staff to sent a letter to Ms. Stafford reiterating that if she could find a way of financing this, staff would be happy to work with her to provide the minimum specs and to assist in installing it .

Motion passed with Directors Norton, Phares and Tavantzis being absent.

18. CONSIDERATION OF ADOPTION OF ADA/504 POLICY AND PROCEDURE

Summary:

Margaret Gallagher is requesting that the Board adopt the policy attached to the staff report and to take into account Michael Bradshaw's comments. She would work out language and put it on the Consent Agenda for the January 24, 2003 Board meeting for the Board to review. The proposed procedure follows federal regulations. Ms. Gallagher added that she would include language encouraging employees to immediately bring forward any complaints or issues.

ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR ALMQUIST

Adopt the attached ADA/504 Policy and Procedure, which includes a Grievance Procedure. Return to the Board with language adding "authorized" representative and

giving an example, such as a family member, caregiver, or organization. Include language encouraging employees to bring forward any complaints or issues.

Bonnie Morr expressed concern that employees would not understand how this procedure works and was referred to the Training Module which was develop with SEIU input.

Motion passed with Directors Norton, Phares and Tavantzis being absent.

19. CONSIDERATION OF ALLOWING THE LAND TRUST OF SANTA CRUZ COUNTY TO ACQUIRE THE PROPERTY LOCATED AT 617 REDWOOD DRIVE, FELTON, CALIFORNIA, TO ENSURE THE MAINTENANCE OF THE PROPERTY BY THE NEIGHBORHOOD

Summary:

Approximately 3,000 square feet of property on Redwood Drive was given to the District for a bus stop. This road is inaccessible to buses and the bus stop has since been abandoned by the District. Neighbors of this property contacted the District about keeping this property as open space. Ms. Gallagher stated that there are some legal issues, one of which is whether this would be considered a gift of public funds. However, if the land is transferred to the Land Trust, which is a non-profit corporation, with the stipulation that it must be kept as open space for use by the public, then the public purpose requirements would be satisfied and this would alleviate the concern of a gift of public funds.

Discussion:

Director Almquist thanked Mr. and Mrs. Wright for working on this. He asked that staff make findings that this property has zero net economic value and that there is risk of injury to the public should METRO continue to keep it as we have been in the unmaintained state.

ACTION: MOTION: DIRECTOR ALMQUIST SECOND: DIRECTOR FITZMAURICE

Allow the Land Trust of Santa Cruz County to acquire the property located at 617 Redwood Drive, Felton, California, currently owned by Santa Cruz Metro, to ensure the maintenance of the property by the neighborhood. A \$5,000 endowment was donated by the neighbors. Direct Counsel to prepare language that this property must be kept as open space for use by the public, and include findings that the Board supports surplusing this property on the basis that it has no economic value and represents a potential liability to the District if we keep it. Direct staff to cap the well on the property.

Nancy Wright thanked Margaret Gallagher and Director Almquist for their efforts. She confirmed her desire to have the well capped and stated that the neighborhood is looking forward to restoring the kiosk and treating it as a public amenity for the community. She added that she would like the well to be filled in rather than just capped.

Motion passed with Director Keogh voting no and Directors Norton, Phares and Tavantzis being absent.

20. CONSIDERATION OF ADOPTING REVISIONS TO THE DRUG AND ALCOHOL TESTING POLICY REGULATION

Summary:

Margaret Gallagher reported that the Drug and Alcohol Testing Policy was adopted in 1996. There have been some revisions made by the federal government. Ms. Gallagher conducted a “meet and confer” with both unions and everyone has accepted the regulation.

ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR ALMQUIST

Adopt the revisions to the Drug and Alcohol Policy Regulation.

Bonnie Morr mentioned that the Department of Transportation’s drug testing policy addresses prescription and non-prescription drugs. She added that there is no real list from the D.O.T. nor any testing facilities with which to be compliant.

Motion passed with Directors Norton, Phares and Tavantzis being absent.

21. CONSIDERATION OF NOMINATION OF DIRECTORS TO SERVE AS BOARD OFFICERS FOR THE YEAR 2003, TRANSPORTATION COMMISSION, AND METRO USERS GROUP CHAIRPERSON ASSIGNMENTS

Summary:

Les White stated that the nominations for various commissions and committees are made at the December meeting with the elections taking place at the January meeting. The following positions need to be filled: Three Board members to the Regional Transportation Commission plus alternates, the Chair and Vice Chair positions on the Board, and the Chair of the Metro Users Group.

ACTION: MOTION: DIRECTOR BEAUTZ SECOND: DIRECTOR ALMQUIST

The following Directors are nominated:

Director Reilly for Board Chairperson

Director Keogh for Board Vice-Chairperson

Directors Spence, Reilly and Keogh as appointees to the Regional Transportation Commission

Directors Phares, Hinkle and Tavantzis, respectively, as Alternates 1, 2 and 3.

Director Hinkle as the MUG Chairperson

Director Beautz informed the Board that Michelle Hinkle was reappointed to the Metro Board at the last County Board of Supervisors meeting.

No voting was required on this Motion to identify nominations.

22. CONSIDERATION OF A RESOLUTION AUTHORIZING AN APPLICATION TO CALTRANS FOR FY 2002-2003 RURAL OPERATING ASSISTANCE

ACTION: MOTION: DIRECTOR KEOGH SECOND: DIRECTOR BEAUTZ

Authorize the Secretary/General Manager to submit a grant application to the California Department of Transportation to assist funding public transit operations in the non-urbanized part of Santa Cruz County.

Motion passed unanimously by a roll call vote with Directors Norton, Phares and Tavantzis being absent.

23. CONSIDERATION OF AWARD OF CONTRACT FOR LONG-TERM DISABILITY INSURANCE

Summary:

Tom Stickel reported that METRO currently has a contract with UNUM Provident Corporation who was also the sole respondent to the Request for Proposals. He added that this firm offered METRO a good rate for the long-term disability insurance.

ACTION: MOTION: DIRECTOR AINSWORTH SECOND: DIRECTOR BEAUTZ

Authorize the General Manager to execute a contract for Long-Term Disability Insurance with UNUM Provident Corporation.

Discussion:

Bonnie Morr of UTU and Manny Martinez of PSA stated that they didn't receive the information in a timely fashion in order to review it. However, she was assured that the provisions would be the same as the last time around. Tom Stickel added that he spoke with the Human Resources Dept. (HRD) and Purchasing will coordinate with HRD on contracts that would represent benefit issues. He assured the Board that future contracts would have a leadtime of 120 days, which would allow sufficient time for the unions to review.

There was a discussion regarding supplying the Board with the entire contract in their packets and whether this was necessary for every contract issue. Les White stated that the agenda is reviewed by himself and Counsel along with the Chair and Vice Chair of the Board each month. The nature of the contract could be reviewed at that time and the Chair and/or Vice Chair could suggest whether the entire contract should be supplied to the Board or not. Staff was directed to make any contracts available in the lobby of METRO's Administration Building when they are not provided in the agenda packet. An addendum should be made to the agenda stating where this information is available for review by the public.

Motion passed with Directors Norton, Phares and Tavantzis being absent.

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

Margaret Gallagher reported that the Board would be discussing existing litigation in the case of Lane, et al vs. SCMTD, Jeff Northon Vs. SCMTD, Jose Val Rodriguez vs. SCMTD and Sandra/Neil Bass vs. SCMTD.

21. ORAL AND WRITTEN COMMUNICATIONS REGARDING CLOSED SESSION

None

SECTION II: CLOSED SESSION

Vice Chairperson Reilly adjourned to Closed Session at 11:01 a.m. and reconvened to Open Session at 1:05 p.m.

SECTION III: RECONVENE TO OPEN SESSION

22. REPORT OF CLOSED SESSION

There was nothing to report at this time.

ADJOURN

There being no further business, Chairperson Reilly adjourned the meeting at 1:05 p.m.

Respectfully submitted.

DALE CARR
Administrative Services Coordinator

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

DATE: 12/01/02 THRU 12/31/02

CHECK NR	CHECK DATE	CHECK VENDOR AMOUNT	VENDOR NAME	VENDOR TRANS. TYPE NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
28	12/03/02	160,679.92	502 PUBLIC EMPLOYEES'	80711	DEC MEDICAL INS	160,679.92	
29	12/03/02	337,535.00	806 CHANCE COACH, INC.	80712	TROLLEY BUS	337,535.00	
30	12/06/02	6,762.39	001063 NEW FLYER INDUSTRIES LIMITED	80713	REV VEH PARTS 1848	1,848.46	
				80714	REV VEH PARTS 3152	3,152.18	
				80715	REV VEH PARTS 1762	1,761.75	
31	12/06/02	163.14	00230 CAPITOL CLUTCH AND BRAKE, INC.	80716	REV VEH PARTS	163.14	
32	12/06/02	623.00	00257 DOMINICAN HOSPITAL OF S C	80717	OCT DRUG TESTING	623.00	
33	12/06/02	405.00	00263 ABBOTT STREET RADIATOR	80718	REPAIR RADIATOR/980E	405.00	
34	12/06/02	181.03	00315 WASTE MANAGEMENT OF S C	80719	NOV MT HERMON/KINGS	55.77	
				80720	NOV KINGS VILLAGE	125.26	
35	12/06/02	83,516.58	001316 DEVCO OIL	80721	NOV FUEL	83,516.58	
36	12/06/02	2,228.05	001365 BORTNICK, ROBERT S. & ASSOC.	80722	INVESTIGATIVE SVCS	2,228.05	
37	12/06/02	746.00	001523 SANTA CRUZ MEDICAL CLINIC	80723	OCT MEDICAL EXAMS	746.00	
38	12/06/02	36,122.12	001616 UNUM	80724	DEC LTD INSURANCE	36,122.12	
39	12/06/02	377.60	001711 MOHAWK MFG. & SUPPLY CO.	80725	REV VEH PARTS 378	377.60	
40	12/06/02	46.48	001733 STODDLEY'S SMALL ENGINE SERVIC	80726	REPAIRS/MAINTENANCE	46.48	
41	12/06/02	4,564.97	001745 HARTFORD LIFE	80727	DEC LIFE/ADLD INS	4,564.97	
42	12/06/02	226,071.15	001762 COMMUNITY BRIDGES	80728	OCT ADA PARATRANSIT	226,071.15	
43	12/06/02	331.74	002028 WESTCOAST LEGAL SERVICE	80729	PROF/TECH SVCS	331.74	
44	12/06/02	243.10	002069 A TOOL SHED, INC.	80730	EQUIPMENT RENTAL	243.10	
45	12/06/02	984.00	002109 CITY OF SANTA CRUZ/PARKING	80731	PARKING PERMITS	984.00	
46	12/06/02	604.80	002158 PEREZ, J. ASSOCIATES, INC.	80732	PARTS & SUPPLIES	604.80	
47	12/06/02	3,076.36	002192 BAY EQUIPMENT & REPAIR	80733	OUT REPAIR/#8106	830.20	
				80734	OUT REPAIR/#9828	2,246.16	
48	12/06/02	2,000.00	002352 U.S. POSTAL SERVICE(AMS-TMS)	80735	POSTAGE FOR METER	2,000.00	
49	12/06/02	32.59	002447 SETON IDENTIFICATION PRODUCTS	80736	NAME PLATES	32.59	
50	12/06/02	1,638.06	002504 TIFCO INDUSTRIES	80737	PARTS & SUPPLIES	1,638.06	
51	12/06/02	96.00	002567 DEPARTMENT OF JUSTICE	80738	OCT FINGERPRINTS	96.00	
52	12/06/02	531.36	002609 CLEANSOURCE	80739	CLEANING SUPPLIES	531.36	
53	12/06/02	785.86	002627 CDW GOVERNMENT, INC.	80740	COMPUTER EQUIP/IT	785.86	
54	12/06/02	1,000.00	002634 PITNEY BOWES PURCHASE POWER	80741	POSTAGE FOR METER	1,000.00	
55	12/06/02	16,121.42	002686 WATERLEAF ARCHITECTURE	80742	PROF SVCS TO 10/25	16,121.42	
56	12/06/02	187.50	002713 SANTA CRUZ AUTO TECH, INC	80743	OUT REPAIR/#904	120.54	
				80744	OUT REPAIR/#8025	67.06	
57	12/06/02	465.00	002720 METRO SANTA CRUZ NEWSPAPER	80745	11/6 AD EIR REPORT	465.00	
58	12/06/02	1,565.95	009 PACIF C GAS & ELECTRIC	80746	10/25-11/25 SAKATA	10.50	
				80747	10/25-11/25 SAKATA	10.80	
				80748	10/29-11/27 BEACH ST	93.60	
				80749	10/29-11/26 RDRIGUEZ	128.10	
				80750	10/29-11/26 RDRIGUEZ	1,322.95	
59	12/06/02	359.33	03 MCI SERVICE PARTS, INC.	80751	REV VEH PARTS	122.70	
				80752	REV VEH PARTS	179.10	
				80753	REV VEH PARTS	37.58	
60	12/06/02	34.00	014 CARRILLO COLLEGE	80754	PRE-EMPLOYMENT EXAMS	34.00	
61	12/06/02	2,232.29	018 SALINAS VALLEY FORD SALES	80755	REV VEH PARTS	1,738.57	
				80756	REV VEH PARTS	493.72	
62	12/06/02	369.31	045 ROYAL WHOLESALE ELECTRIC	80757	REPAIRS/MAINTENANCE	369.31	
63	12/06/02	21.95	057 U.S. BANK	80758	4251-2400-0554-7229	21.95	
64	12/06/02	105.00	067 ROTO-ROOTER SEWER/PLUMBING	80759	OUT REPAIR BLDG/IMP	105.00	
65	12/06/02	30.20	098 SANTA CRUZ SAW WORKS	80760	REPAIRS/MAINTENANCE	30.20	

DATE: 12/01/02 THRU 12/31/02

CHECK NR	CHECK DATE	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
66	12/06/02	1,228.96	117 GILLIG CORPORATION		80761	REV VEH PARTS	1,156.00	
					80762	REV VEH PARTS	70.96	
67	12/06/02	1,999.33	130 WATSONVILLE CITY WATER DEPT.		80763	CONTAINER RODRIGUEZ	1,255.04	
					80764	9/3-11/4 RODRIGUEZ	681.87	
					80765	9/3-11/4 RODRIGUEZ	58.71	
					80766	9/3-11/4 RODRIGUEZ	63.71	
68	12/06/02	120.00	134 DAY WIRELESS SYSTEMS		80767	OUT REPAIR EQUIPMENT	120.00	
69	12/06/02	747.96	147 ZEE MEDICAL SERVICE		80768	SAFETY SUPPLIES	198.61	
					80769	SAFETY SUPPLIES	461.70	
					80837	SAFETY SUPPLIES	87.65	
70	12/06/02	346.16	170 TOWNSEND'S AUTO PARTS		80770	REV VEH PARTS	346.16	
71	12/06/02	34.00	172 CENTRAL WELDER'S SUPPLY, INC.		80771	CYLINDER LEASE	7.00	
					80772	PARTS & SUPPLIES	27.00	
72	12/06/02	2,501.36	183 BAYSHORE TRUCK EQUIPMENT CO.		80773	REBUILD DIFFERENTIAL	2,501.36	
73	12/06/02	723.38	186 WILSON, GEORGE H., INC.		80774	REPAIRS/MAINTENANCE	723.38	
74	12/06/02	809.05	191 GOLDEN GATE PETROLEUM		80775	NOV FUEL - FLEET	809.05	
75	12/06/02	1,020.93	192 ALWAYS UNDER PRESSURE		80776	REPAIRS/MAINTENANCE	1,020.93	
76	12/06/02	1,770.25	215 IKON OFFICE SOLUTIONS		80777	MAINT COPIER/METRO	1,770.25	
77	12/06/02	1,682.64	221 VEHICLE MAINTENANCE PROGRAM		80778	REV VEH PARTS 1683	1,682.64	
78	12/06/02	1,758.97	282 BRAINGER INC, W. W.		80779	CLEANING SUPPLIES	872.50	
					80780	SAFETY SUPPLIES	886.47	
79	12/06/02	57.34	372 FEDERAL EXPRESS		80781	OCT/NOV MAILINGS	57.34	
80	12/06/02	235.24	395 APPLIED GRAPHICS, INC.		80782	ENVELOPES/LABELS	235.24	
81	12/06/02	5.35	403 JOHN'S ELECTRIC MOTOR		80783	REPAIRS/MAINTENANCE	5.35	
82	12/06/02	1,364.98	410 TRANSIT INFORMATION PRODUCTS		80784	GRAPHIC SVCS/HEADWAY	1,364.98	
83	12/06/02	622.61	418 COUNTY OF SANTA CRUZ		80785	CNG FUEL	622.61	
84	12/06/02	152.93	434 VERIZON WIRELESS-PAGERS		80786	DEC PAGERS	152.93	
85	12/06/02	53.40	434B VERIZON CALIFORNIA		80787	MT. BIEWLASKI	53.40	
86	12/06/02	94.13	436 WEST GROUP PAYMENT CTR		80788	OCT ACCESS CHGS	94.13	
87	12/06/02	495.00	455 CREATE A CHECK, INC.		80789	ANNUAL MAINT/IT	495.00	
88	12/06/02	359.42	480 DIESEL MARINE ELECTRIC		80790	REV VEH PARTS	359.42	
89	12/06/02	723.25	511 LUMINATOR		80791	REV VEH PARTS 696	232.25	
90	12/06/02	814.86	522 L. PH. BOLANDER & SONS		80792	US & CALIF FLAGS	814.86	
91	12/06/02	188.04	524 JIM'S BUSINESS MACHINES CO.		80793	REPAIR CASH REGISTER	188.04	
92	12/06/02	116.55	527 RECORD WORTH AMERICA, INC.		80794	REV VEH PARTS 113	116.55	
93	12/06/02	150.00	528 NCHRA-NORTHERN CALIFORNIA		80795	MEMBERSHIP RENEWAL	150.00	
94	12/06/02	74.62	534 REGENTS OF UNIVERSITY OF CALIF		80796	CA MECHANICS LIENS	74.62	
95	12/06/02	73.75	566 CALISTOGA SPRING WATER CO.		80797	OCT WATER - PLAN	73.75	
96	12/06/02	196.23	580 BLOCK AND COMPANY, INC.		80798	SECURITY BAGS/METRO	196.23	
97	12/06/02	104.66	592 R & S ERECTION OF		80799	OUT REPAIR BLDGS/IMP	104.66	
98	12/06/02	198.00	639 72 DEGREES		80800	OUT REPAIR EQUIPMENT	198.00	
99	12/06/02	60.42	646 DESIGN & CONSTRUCTION RESOURCE		80801	GUIDE CONSTRUCT COST	60.42	
00	12/06/02	851.91	647 GF I GENFARE		80802	REV VEH PARTS/SUPLY	851.91	
01	12/06/02	144.30	667 CITY OF SCOTTS VALLEY		80803	9/15-11/15 KINGS VLG	144.30	
02	12/06/02	57.37	669 COMPUTER BOOK DIRECT		80804	OFFICE SUPPLIES 57	57.37	
03	12/06/02	5,000.00	673 MARTINEZ, EMILIO		80805	PROF SVC 11/13-11/26	5,000.00	
04	12/06/02	5,552.18	675 RIVKIN RADLER LLP		80806	LEGAL SERVICES	5,552.18	
05	12/06/02	8,750.00	683 TRISTAR RISK MANAGEMENT		80807	DEC WC SVC FEE	8,750.00	
06	12/06/02	175.00	688 SALDANA, ERNEST INA		80808	PARACRUZ HEARINGS	175.00	
07	12/06/02	175.00	689 WOOD, JOHN		80809	PARACRUZ HEARINGS	175.00	

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CHECK NO	CHECK DATE	CHECK VENDOR AMOUNT	VENDOR NAME	VENDOR TRANS. TYPE NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
508	12/06/02	99.80	780 STEVE HANSEN	80810	DECALS FOR TROLLEY	99.80	
509	12/06/02	23,003.00	804 ORTHOPAEDIC HOSPITAL	80811	OCT PROF/TECH SVCS	23,003.00	
510	12/06/02	12,461.50	847 ROMA DESIGN GROUP	80812	OCT PROF/TECH SVCS	12,461.50	
511	12/06/02	3,852.50	903 KEYSER MARSTON ASSOCIATES, INC	80813	OCT PROF SVCS	3,852.50	
512	12/06/02	1,125.00	906 COMPUTER SUPPLY CORPORATION	80814	SUN ULTRA CMPTR 1125	1,125.00	
513	12/06/02	1,775.00	908 VALERIE S. NILSON	80815	PROF/TECH SVCS	1,775.00	
514	12/06/02	248.79	932 A.L. LEASE COMPANY, INC.	80816	REPAIRS/MAINTENANCE	248.79	
515	12/06/02	100.00	B001 AINSWORTH, SHERYL	80825	NOV BOARD MEETING	100.00	
516	12/06/02	100.00	B002 ALMQUIST, JEFF	80826	NOV BOARD MEETING	100.00	
517	12/06/02	50.00	B003 BEAUTZ, JAN	80827	NOV BOARD MEETING	50.00	
518	12/06/02	50.00	B004 FITZMAURICE, TIM	80828	NOV BOARD MEETING	50.00	
519	12/06/02	50.00	B006 HINKLE, MICHELLE	80829	NOV BOARD MEETING	50.00	
520	12/06/02	100.00	B007 KEOGH, MICHAEL	80830	NOV BOARD MEETING	100.00	
521	12/06/02	100.00	B010 NORTON, DENNIS	80831	NOV BOARD MEETING	100.00	
522	12/06/02	100.00	B011 REILLY, EMILY	80833	NOV BOARD MEETING	100.00	
523	12/06/02	100.00	B012 SPENCE, PAT	80834	NOV BOARD MEETING	100.00	
524	12/06/02	100.00	B013 VENTURA PHARES, ANA	80832	NOV BOARD MEETING	100.00	
525	12/06/02	100.00	B014 CITY OF WATSONVILLE	80835	NOV BOARD MEETING	100.00	
526	12/06/02	118.52	E002 STICKEL, TOM	80817	EMPLOYEE INCENTIVE	118.52	
527	12/06/02	30.66	E103 LONGNECKER, LLOYD	80818	MILEAGE 11/21 MTG	30.66	
528	12/06/02	104.90	E377 GALLAGHER, MARGARET	80819	SVTC RECORDING FEE	16.00	
				80820	PROF/TECH FEES	88.90	
529	12/06/02	234.04	E495 WHITE, LES	80821	EMPLOYEE TRAVEL	108.75	
				80822	EMPLOYEE TRAVEL	125.29	
530	12/06/02	44.28	E501 BAEHR, BRYANT	80823	EMPLOYEE TRAVEL	44.28	
531	12/06/02	242.00	M014 HARRELL, LAURA	80824	DEC MEDICAL INS	242.00	
533	12/20/02	595.24	001 PACIFIC BELL/SAC	80838	DEC LINE - IT	595.24	
534	12/20/02	9,969.43	001043 VISION SERVICE PLAN	80839	DEC VISION INSURANCE	9,969.43	
535	12/20/02	2,382.70	001063 NEW FLYER INDUSTRIES LIMITED	80840	REV VEH PARTS 2172	2,172.48	
				80841	REV VEH PARTS 210	210.22	
536	12/20/02	1,407.05	001119 MACERICH PARTNERSHIP LP	80842	JAN - CAPITOLA MALL	1,407.05	
537	12/20/02	2,467.65	001230 CAPITOL CLUTCH AND BRAKE, INC	80843	REV VEH PARTS	1,921.60	
				80844	REV VEH PARTS	546.05	
538	12/20/02	8,082.09	001346 CITY OF SANTA CRUZ	80991	JUL-SEP OFFICER MET	8,082.09	
539	12/20/02	1,357.80	001492 EVERGREEN OIL INC.	80845	HAZ WASTE DISPOSAL	1,357.80	
540	12/20/02	36.82	001648 STEVE'S UNION	80846	NOV FUEL	36.82	
541	12/20/02	2,293.84	001800 THERMO KING OF SALINAS, INC	80847	CUT REPAIR/#8302	2,293.84	
542	12/20/02	450.00	001930 STATE BAR OF CALIFORNIA	80992	2003 MEMBERSHIP	450.00	
543	12/20/02	1,984.67	001A PACIFIC BELL/WORLDCOM	80848	NOV PHONE LINE	92.15	
				80849	NOV PHONES	1,892.52	
544	12/20/02	335.02	002005 TRANSIT RESOURCES, INC.	80850	REV VEH PARTS	335.02	
545	12/20/02	435.46	002063 COSTCO	80851	PHOTO PROCESS/OPS	34.85	
				80852	PHOTO PROCESS/RISK	28.00	
				80853	LOCAL MEETING EXP	6.59	
				80854	WINTER BID CHANGE	366.02	
546	12/20/02	400.07	002069 A TOOL SHED, INC.	80855	EQUIPMENT RENTAL	79.42	
				80856	EQUIPMENT RENTAL	320.65	
547	12/20/02	29,768.12	002116 HINSHAW, EDWARD & BARBARA	80857	JAN - 120 DUBOIS	6,066.33	
				80858	JAN - 370 ENCINAL	23,701.79	
548	12/20/02	10,529.37	002117 IULIANO, NICK	80859	JAN - 111 DUBOIS	10,529.37	

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549	12/20/02	125.00 002130	AUTOMOTIVE ENVIRONMENTAL &	80860	UPDATE SERVICE 02/03	125.00
550	12/20/02	140.56 002240	KLEEN-RITE	80861	OUT REPAIR EQUIPMENT	140.56
551	12/20/02	2,000.00 002267	SHAW & YODER, INC.	80862	OCT LEGISLATIVE SVCS	2,000.00
552	12/20/02	569.89 002278	CHEMSEARCH	80863	PUREWASH SYSTEMS	569.89
553	12/20/02	8,828.47 002287	CALIFORNIA SERVICE EMPLOYEES	80864	DEC MEDICAL	8,828.47
554	12/20/02	94.21 002307	EWING IRRIGATION PRODUCTS	80865	REPAIRS/MAINTENANCE	94.21
555	12/20/02	3,750.00 002346	CHANEY, CAROLYN & ASSOC., INC.	80866	DEC LEGISLATIVE SVCS	3,750.00
556	12/20/02	135.00 002380	MOBILE STORAGE GROUP, INC.	80867	11/18-12/16 CONTAINR	135.00
557	12/20/02	2,420.78 002610	FREDERICK ELECTRONICS CORP.	80868	JAN - 375 ENCINAL	2,420.78
558	12/20/02	145.90 002627	CDW GOVERNMENT, INC.	80869	OFFICE SUPPLIES/OPS	145.90
559	12/20/02	216.46 002639	NEXTEL COMMUNICATIONS	80870	10/26-11/25 BUREAU	216.46
560	12/20/02	253.80 002643	IDS CAPITAL	80871	12/22-1/21 CANON RNT	253.80
561	12/20/02	135.00 002674	WESTERN HIGHWAY PRODUCTS, INC.	80872	REPAIRS/MAINTENANCE	135.00
562	12/20/02	207.00 002675	WEST GROUP	80873	MOTOR VEHICLES US	207.00
563	12/20/02	54.19 002689	B & B SMALL ENGINE REPAIR	80874	REPAIR STIHL BLOWER	54.19
564	12/20/02	1,414.51 002713	SANTA CRUZ AUTO TECH, INC	80875	OUT REPAIR/#8016	188.60
				80876	OUT REPAIR/#8110	1,225.91
565	12/20/02	10.68 004	NORTH BAY FORD LINC-MERCURY	80877	REV VEH PARTS	10.68
566	12/20/02	246.78 007	UNITED PARCEL SERVICE	80878	FREIGHT OUT	246.78
567	12/20/02	6,955.09 018	SALINAS VALLEY FORD SALES	80879	REV VEH PARTS	4,685.45
				80880	REV VEH PARTS	2,269.64
568	12/20/02	341.48 020	ADT SECURITY SYSTEMS	80881	DEC ALARMS	341.48
569	12/20/02	33.33 036	KELLY-MOORE PAINT CO INC.	80882	MISC PAINT SUPPLY	33.33
570	12/20/02	1,296.99 039	KINKO'S INC.	80883	NOV PRINTING	1,296.99
571	12/20/02	3,452.47 041	MISSION UNIFORM	80884	NOV UNIFORMS/LAUNDRY	487.44
				80885	NOV UNIFORMS/LAUNDRY	2,963.03
572	12/20/02	37.19 042	ORCHARD SUPPLY HARDWARE	80886	REPAIRS/MAINTENANCE	37.19
573	12/20/02	1,041.83 043	PALACE ART & OFFICE SUPPLY	80887	OFFICE SUPPLIES	1,041.83
574	12/20/02	138.62 045	ROYAL WHOLESALE ELECTRIC	80888	REPAIRS/MAINTENANCE	138.62
575	12/20/02	614.00 056	GREEN LINE	80889	HAZ WASTE DISPOSAL	614.00
576	12/20/02	362.16 061	REGISTER FAJARDONIAN	80893	DISPLAY AD	362.16
577	12/20/02	127.50 067	ROTO-ROOTER SEWER/PLUMBING	80890	OUT REPAIR BLDGS/IMP	127.50
578	12/20/02	540.83 074	KENVILLE & EONS LOCKSMITH	80891	NOV LOCKS/KEYS	540.83
579	12/20/02	345.51 075	COAST PAPER & SUPPLY INC.	80892	CLEANING SUPPLIES	345.51
580	12/20/02	11.40 079	SANTA CRUZ MUNICIPAL UTILITY	80893	NOV LANDFILL	11.40
581	12/20/02	1,261.00 080	STATE BOARD OF EQUALIZATION	80894	NOVEMBER USE TAX	1,261.00
582	12/20/02	8,812.23 085	DIXON & SON TIRE INC.	80895	OUT REPAIR REV VEH	364.44
				80896	NOV TIRES/TUBES	8,447.79
583	12/20/02	175.50 090	CRYSTAL SPRINGS WATER CO	80897	NOV WATER FLEET	175.50
584	12/20/02	1,695.58 107	SAN LORENZO LUMBER CO., INC.	80898	REPAIRS/MAINTENANCE	1,695.58
585	12/20/02	2,305.76 110	JESSICA GROCERY STORE, INC.	80899	JAN CUSTODIAN SVCS	2,305.76
				80900	CHANGE FUND REFUNDS	10.00
586	12/20/02	248.76 120	OFFICE DYNAMICS INC.	80901	OFFICE SUPPLIES/ADM	8.40
				80902	OUT REPAIR EQUIPMENT	234.36
587	12/20/02	93.63 130	WATSONVILLE CITY WATER DEPT.	80903	11/1-12/1 SAKATA LN	13.09
				80904	11/1-12/1 RODRIGUEZ	9.25
				80905	11/1-12/2 SAKATA LN	71.29
588	12/20/02	3,519.49 134	DAY WIRELESS SYSTEMS	80906	OUT REPAIR EQUIPMENT	3,519.49
589	12/20/02	642.29 135	SANTA CRUZ AUTO PARTS, INC.	80907	REV VEH PARTS/SUPPLY	642.29
590	12/20/02	185.17 147	ZEE MEDICAL SERVICE	80908	SAFETY SUPPLIES	185.17

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591	12/20/02	535.68 148	ZEP MANUFACTURING COMPANY	80909	REV VEH PARTS	535.68
592	12/20/02	787.76 149	SANTA CRUZ SENTINEL	80910	NOV ADVERTISING	787.76
593	12/20/02	12,294.82 157	DELL MARKETING L.P.	80911	QTY 2 DELL COMPUTERS	12,294.82
594	12/20/02	2,604.23 166	HOSE SHOP, INC.,THE	80912	REPAIRS/MAINTENANCE	172.79
				80913	REV VEH PARTS/SUPPLY	2,431.44
595	12/20/02	485.75 70	TOWNSEND'S AUTO PARTS	80914	REV VEH PARTS/SUPPLY	485.75
596	12/20/02	40.50 72	CENTRAL WELDER'S SUPPLY, INC	80915	PARTS & SUPPLIES	40.50
597	12/20/02	25.00 188	PACIFIC BUS MUSEUM	80916	ANNUAL MEMBERSHIP	25.00
598	12/20/02	1,509.47 191	GOLDEN GATE PETROLEUM	80917	NOV FUEL - FLEET	1,509.47
599	12/20/02	914.50 227	VEHICLE MAINTENANCE PROGRAM	80918	REV VEH PARTS 915	914.50
600	12/20/02	60.65 257	B&R MANUFACTURING, INC.	80919	REV VEH PARTS 47	60.65
601	12/20/02	240.00 271	CARLSON, BRENT D., M.D., INC.	80920	JUN-NOV DRUG TEST	240.00
602	12/20/02	545.30 294	ANDY'S AUTO SUPPLY	80921	REV VEH PARTS/SUPPLY	545.30
603	12/20/02	762.00 309	GOOD TIMES	80922	11/7 AD ENV IMP RPT	762.00
604	12/20/02	40.00 347	HAMM, SCOTT	80923	PROF/TECH SVCS	40.00
605	12/20/02	4,917.27 378	STEWART & STEVENSON	80924	OUT REPAIR REV VEH	572.30
				80925	OUT REPAIR REV VEH	5,807.17
606	12/20/02	265.77 395	APPL ED GRAPHICS, INC.	80926	OUT REPAIR REV VEH	6,537.80
				80927	EMPLOYEE INCENTIVE	132.82
				80928	EMP INTEREST CARD	132.95
607	12/20/02	2,171.24 433	AMPAC BUILDING MAINTENANCE	80929	NOV CUSTODIAL SVCS	2,171.24
608	12/20/02	109.08 436	WEST GROUP PAYMENT CTR	80930	LIABILITY UPDATE	109.08
609	12/20/02	85.58 469	VULTRON INC.	80931	REV VEH PARTS	985.58
610	12/20/02	1,873.80 480	DIESEL MARINE ELECTRIC	80932	REV VEH PARTS	1,873.80
611	12/20/02	160.00 481	PIED PIPER EXTERMINATORS, INC.	80933	NOV PEST CONTROL	160.00
612	12/20/02	20,475.73 500	PAIGE'S SECURITY SERVICES, INC	80934	NOV SECURITY	20,475.73
613	12/20/02	1,488.07 504	CUMMINS WEST, INC.	80935	REV VEH PARTS	44.85
				80936	REV VEH PARTS	143.22
614	12/20/02	191.92 510	ASCOM HASLER LEASING	80937	JAN EQUIP RENTAL	191.92
615	12/20/02	43.20 524	JIM'S BUSINESS MACHINES CO	80938	OUT REPAIR EQUIPMENT	43.20
616	12/20/02	94.47 546	GRANITE ROCK COMPANY	80939	REPAIRS/MAINTENANCE	94.47
617	12/20/02	232.73 566	CALISTOGA SPRING WATER CO.	80940	NOV WATER ADMIN	134.98
				80941	NOV WATER PLANG	97.75
618	12/20/02	480.00 571	MONTEREY INFORMATION TECH.	80942	PROF/TECH SVCS	480.00
619	12/20/02	126.51 580	BLOCK AND COMPANY, INC.	80943	OFFICE SUPPLIES/OPS	126.51
620	12/20/02	6,264.00 599	SOUTHWEST OFFSET PRINTING	80944	PRINTING HEADWAYS	6,264.00
621	12/20/02	105.50 639	72 DEGREES	80945	RESET HVAC METRO	105.50
622	12/20/02	687.74 655	RANKIN, LANDSNESS, LAHDE.	80946	LEGAL SERVICES	687.74
623	12/20/02	688.18 664	BAY COUNTIES PITCOCK PETROLEUM	80947	FUEL - FLEET	688.18
624	12/20/02	327.50 691	EAGLE AUTOMOTIVE	80948	OUT REPAIR OTH VEH	327.50
625	12/20/02	80,823.60 705	BUSTICHI CONSTRUCTION, INC.	80949	MMF CONST/RETROFIT	80,823.60
626	12/20/02	15.00 716	ROSE PRINTING	80950	RULES UPDATE	15.00
627	12/20/02	1,730.00 728	TRITON CONSTRUCTION	80951	PROF/TECH SVCS	1,730.00
628	12/20/02	4,340.00 734	THE SIEBELS BRUCE GROUP, INC.	80994	FLOOD INSURANCE	4,340.00
629	12/20/02	521.52 782	BLMYER ENGINEERS, INC.	80952	MMF CONST/RETROFIT	521.52
630	12/20/02	238.83 788	SCMTD PETTY CASH - FINANCE	80953	PETTY CASH/FINANCE	238.83
631	12/20/02	34,205.17 800	DELTA DENTAL PLAN	80954	DEC DENTAL	34,205.17
632	12/20/02	80.25 806	CHANCE COACH, INC.	80955	REV VEH PARTS 54	80.25
633	12/20/02	900.00 840	BOUCHARD, BRENT	80956	JAN - VERNON LOT	900.00
634	12/20/02	1,048.02 851	I.M.P.A.C. GOVERNMENT SERVICES	80957	4055019201231122	1,048.02

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3635	12/20/02	616.53	950 PARADISE LANDSCAPE	80958	IRRIGATIONSVC	46.55	
				80959	NOV MAINTENANCE	570.00	
3636	12/20/02	102,897.85	975 TRISTAR RISK MANAGEMENT NO. 2	80960	NOV TRUST ACCOUNT	86,867.85	
				80961	SPECIAL REPLEISHMNT	16,030.00	
3637	12/20/02	124.50	E002 STICKEL, TOM	80962	EMPLOYEE INCENTIVE	124.50	
3638	12/20/02	44.00	E075 WOODBRIDGE, ELIZABETH	80963	DMV/VTT FEES	44.00	
3639	12/20/02	62.10	E185 DANIEL, REBECCA	80964	OFFICE SUPPLIES	62.10	
3640	12/20/02	6.13	E205 CILIBERTO, ANTHONY	80965	DENTAL PREMIUM	6.13	
3641	12/20/02	44.00	E403 HILL, ANDREW	80966	DMV/VTT FEES	44.00	
3642	12/20/02	3.00	E418 SANCHEZ,FELIX	80967	DENTAL PREMIUM	3.00	
3643	12/20/02	44.00	E420 DERWING, CAROLYN	80969	DMV/VTT FEES	44.00	
3644	12/20/02	179.43	E495 WHITE, LES	80970	EMPLOYEE TRAVEL	31.50	
				80971	APTA 12/5-12/8	147.93	
3645	12/20/02	504.00	M001 HORTON, JOSEPH	80972	JAN MEDICAL PREMIUM	504.00	
3646	12/20/02	504.00	M002 RACKL BY EARL	80973	JAN MEDICAL PREMIUM	504.00	
3647	12/20/02	252.00	M003 WYANT, JUDI	80974	JAN MEDICAL PREMIUM	252.00	
3648	12/20/02	252.00	M005 ROSS, EMERY	80975	JAN MEDICAL PREMIUM	252.00	
3649	12/20/02	655.00	M006 VAN DER ZANDE, ED	80976	JAN MEDICAL PREMIUM	655.00	
3650	12/20/02	496.00	M007 BLAIR-ALWARD, GREGORY	80977	JAN MEDICAL PREMIUM	496.00	
3651	12/20/02	496.00	M008 CAMPOS, ARVILLA	80978	JAN MEDICAL PREMIUM	496.00	
3652	12/20/02	825.00	M009 FREEMAN, MARY	80979	JAN MEDICAL PREMIUM	825.00	
3653	12/20/02	288.00	M010 SHORT, SLOAN	80980	JAN MEDICAL PREMIUM	288.00	
3654	12/20/02	296.00	M011 LAWSON, LOIS	80981	JAN MEDICAL PREMIUM	296.00	
3655	12/20/02	88.00	M012 ROSE, JACK	80982	JAN MEDICAL PREMIUM	88.00	
3656	12/20/02	288.00	M013 JAHNKE, EILEEN	80983	JAN MEDICAL PREMIUM	288.00	
3657	12/20/02	88.00	M015 HETH, KATHRYN	80984	JAN MEDICAL PREMIUM	88.00	
3658	12/20/02	44.00	M016 HICKLIN, DONALD KENT	80985	JAN MEDICAL PREMIUM	44.00	
3659	12/20/02	44.00	M017 FORTILLA, EARLENE	80986	JAN MEDICAL PREMIUM	44.00	
3660	12/20/02	44.00	M018 SANDRETTI, ALFRED	80987	JAN MEDICAL PREMIUM	44.00	
3661	12/20/02	80.00	M019 WILLIAMS, ROBERT	80988	JAN MEDICAL PREMIUM	80.00	
3662	12/20/02	28.00	M021 BAKER,DALE	80989	JAN MEDICAL PREMIUM	28.00	
3663	12/20/02	94.86	M022 CAPELLA, KATHLEEN	80990	JAN MEDICAL PREMIUM	94.86	
3664	12/27/02	479.89	001936 WORLDCOM TECHNOLOGIES, INC.	81014	NOV LONG DISTANCE	479.89	
3665	12/27/02	11,130.07	009 PACIFIC GAS & ELECTRIC	80995	11/28-12/30 BEACH ST	14,185.85	
				80996	11/27-12/27 RODRIGZ	22.81	
				80997	11/27-12/27 RODRIGZ	1,488.80	
				80998	10/31-12/2 370 ENC	131.78	
				80999	10/31-12/2 HARVEY	39.66	
				81000	10/31-12/2 111 DUBOI	389.54	
				81001	10/31-12/2 RIVER ST	57.96	
				81002	10/31-12/2 GOLF CLUB	209.26	
				81003	11/5-12/5 PACIFIC	1,216.33	
				81004	11/5-12/5 PACIFIC	505.26	
				81005	11/5-12/5 PACIFIC	178.04	
				81006	10/31-12/2 RIVER ST	1,738.23	
				81007	10/31-12/2 111 DUBOI	612.03	
				81008	10/31-12/2 GOLF CLUB	1,554.24	
				81009	10/31-12/2 370 ENC	2,030.04	
				81010	11/9-12/11 KINGS VLB	570.74	
				81011	11/9-12/11 KINGS VLB	127.50	

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

DATE: 12/01/02 THRU 12/31/02

CHECK EF	CHECK DATE	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
					81012	11/9-12/11 KINGS VLE	63.85	
					81013	11/15-12/13 PAUL SWT	69.63	
		1,422,317.99	COAST COMMERCIAL BANK			TOTAL CHECKS	237	1,422,317.99

**Santa Cruz METRO
November 2002 Ridership Report**

FAREBOX REVENUE AND RIDERSHIP SUMMARY BY ROUTE

ROUTE	REVENUE	RIDERSHIP	UC			S/D		S/D			Monthly Pass
			Student	Faculty	Day Pass	Riders	W/C	Day Pass	Cabrillo	Bike	
10	\$ 1,661.23	26,807	21,847	1,579	40	27	12	11	289	582	1,518
13	\$ 3.50	12,045	10,516	671	10	17	2	2	88	215	278
15	\$ 509.87	37,580	32,506	2,057	40	29	9	15	320	791	1,067
16	\$ 1,715.52	82,038	69,853	3,079	105	94	29	29	842	1,725	3,037
19	\$ 5,456.83	24,881	20,859	1,040	32	70	8	44	235	544	1,296
2	\$ 1,502.47	7,021	2,444	276	86	46	13	20	361	165	1,948
3A	\$ 2,201.34	3,526	446	136	52	100	7	27	252	64	1,602
3B	\$ 1,188.39	4,856	711	111	99	107	9	20	299	129	1,897
3N	\$ 2,022.41	498	90	14	1	6	-	-	22	39	200
4	\$ 173.50	4,053	204	15	40	152	27	48	126	56	2,865
7	\$ 876.24	2,070	98	17	32	69	10	54	177	18	1,255
7N	\$ 588.14	3,653	424	40	4	29	8	3	346	121	1,184
8	\$ 1,671.70	3,823	503	39	37	79	2	40	222	43	2,086
9	\$ 1,037.81	79	3	-	2	1	-	-	5	5	47
12A	\$ 28.28	4,899	4,097	377	23	5	1	3	35	121	146
12B	\$ 289.46	4,099	3,450	275	3	7	1	-	25	52	129
20	\$ 225.74	6,120	5,422	333	2	1	-	1	25	93	137
22	\$ 11,343.81	4,400	3,889	206	2	8	-	2	21	143	105
31	\$ 209.36	4,392	146	41	60	65	14	51	310	196	1,967
32	\$ 182.67	1,320	32	16	3	25	14	5	63	27	427
33	\$ 284.06	544	1	-	12	2	-	-	1	9	287
34	\$ 308.46	585	2	-	-	3	-	1	1	1	279
35	\$ 23,160.20	42,910	1,034	257	638	540	62	302	2,220	1,406	17,742
36	\$ 308.02	828	26	38	17	21	-	2	147	40	338
40	\$ 1,472.12	2,492	164	18	107	21	4	20	61	87	1,038
41	\$ 990.61	1,831	261	47	31	32	7	14	112	187	495
42	\$ 571.19	1,025	105	13	9	26	4	2	56	97	298
52	\$ 823.66	1,800	35	5	23	67	13	36	186	8	789
54	\$ 2,032.95	5,384	52	21	76	108	41	93	1,370	214	2,044
55	\$ 531.34	1,948	21	3	22	37	26	12	651	59	773
58	\$ 126.96	341	5	-	-	2	1	1	21	2	187
59	\$ 118.65	364	-	3	4	19	6	8	47	5	200
60	\$ 239.60	457	1	1	2	9	6	-	40	2	212
63	\$ 614.38	1,450	7	3	19	85	84	44	132	4	714
65	\$ 3,506.15	8,331	604	104	99	154	85	105	495	175	3,827
66	\$ 9,072.05	17,894	1,074	185	350	243	104	147	984	430	7,366
67	\$ 5,168.49	10,977	985	104	196	180	72	71	593	346	4,537
69	\$ 6,473.71	15,128	1,669	302	222	277	67	110	996	410	6,115
69A	\$ 12,512.57	23,278	1,305	292	370	349	97	205	1,246	588	8,697
69N	\$ 1,524.43	3,712	451	96	5	29	15	2	555	111	1,102
69W	\$ 14,106.69	28,775	1,401	318	252	386	174	190	3,959	695	9,531
70	\$ 2,203.83	6,920	221	41	45	81	48	48	2,563	190	1,988
71	\$ 45,673.40	85,574	2,182	745	932	1,410	389	667	11,170	2,272	27,799
72	\$ 5,116.16	7,727	21	17	126	165	16	103	319	115	2,546
73	\$ 4,954.54	7,160	1	9	79	267	60	111	171	49	2,153
75	\$ 6,408.05	9,473	9	47	132	224	6	106	349	99	2,945
78	\$ 117.08	176	-	-	3	19	4	7	5	1	55
79	\$ 1,705.31	2,708	13	1	33	174	20	64	97	31	928
91	\$ 3,869.13	8,139	902	238	182	44	6	31	1,531	298	2,009
Unknown	419.41	988	102	3	2	1	3	3	65	14	412
TOTAL	\$187,301.47	537,079	190,194	13,233	4,661	5,912	1,586	2,880	34,206	13,074	130,597

ROUTE	REVENUE	RIDERSHIP	VTA/SC		17		S/D Riders	W/C	None	ECO Pass	Bike	Monthly Pass
			Day Pass	CalTrain	Day Pass	Day Pass						
17	\$ 11,343.81	14,243	18	21	158	412	16	77	181	443	10,217	

RIDERSHIP	
Night Owl	3,630
TOTAL	3,630

October Ridership	554,952
October Revenue	\$ 198,645.28

**Santa Cruz METRO
December 2002 Ridership Report**

FAREBOX REVENUE AND RIDERSHIP SUMMARY BY ROUTE

ROUTE	REVENUE	RIDERSHIP	UC Student	UC Staff Faculty	Day Pass	S/D Riders	W/C	S/D Day Pass	Cabrillo	Bike	Monthly Pass
10	\$ 1,176.31	9,000	4,950	1,710	30	30	10	12	154	224	1,106
13	\$ 125.10	2,022	1,671	128	2	4	-	2	26	51	76
15	\$ 401.68	6,586	5,494	440	7	8	1	4	61	171	210
16	\$ 3,120.66	23,600	15,516	2,682	92	71	13	21	453	747	2,014
19	\$ 937.65	7,318	4,437	850	20	34	3	29	162	229	979
2	\$ 2,059.27	4,813	824	209	77	37	6	28	256	126	1,640
3A	\$ 1,441.42	3,847	294	185	84	147	6	47	243	79	1,829
3B	\$ 2,104.31	4,502	364	100	95	120	6	42	280	86	1,848
3N	\$ 181.93	441	44	14	-	4	-	-	40	24	160
4	\$ 926.32	3,905	66	20	38	140	29	52	103	74	2,835
7	\$ 561.48	1,736	59	40	42	59	11	43	85	10	1,090
7N	\$ 1,851.12	3,401	158	47	12	37	7	6	235	85	1,136
8	\$ 1,112.24	3,390	172	26	53	84	6	55	163	62	2,015
9	\$ 109.50	236	9	1	4	2	1	1	10	-	116
12A	\$ 79.95	730	550	91	6	-	-	-	5	20	18
12B	\$ 59.60	545	393	64	-	1	-	2	7	7	26
20	\$ 41.65	684	530	83	1	-	-	-	6	20	27
22	\$ 37.60	564	472	39	2	1	-	1	2	23	17
31	\$ 2,014.62	3,922	88	24	51	40	16	49	231	126	1,690
32	\$ 653.74	962	12	7	4	13	6	1	18	8	281
33	\$ 319.87	451	2	1	22	1	-	-	1	1	180
34	\$ 324.80	524	2	3	2	-	-	1	-	4	200
35	\$ 22,137.24	38,157	478	265	640	541	58	285	1,489	1,065	15,205
36	\$ 291.82	650	17	13	15	26	-	1	83	18	264
40	\$ 1,205.50	1,867	25	10	63	6	1	21	50	64	735
41	\$ 824.48	1,413	85	53	26	18	-	8	77	108	433
42	\$ 470.27	804	37	12	9	15	1	3	42	54	265
52	\$ 760.13	1,652	10	14	14	65	14	23	120	7	758
54	\$ 2,104.86	4,821	32	16	100	169	30	54	1,072	213	1,745
55	\$ 622.89	1,832	15	7	19	50	9	14	541	58	680
58	\$ 148.70	337	3	-	2	1	1	1	14	-	176
59	\$ 115.66	327	-	4	4	17	1	11	28	4	182
60	\$ 184.55	422	2	2	7	13	5	3	33	8	209
63	\$ 705.20	1,544	8	2	23	98	91	38	129	20	719
65	\$ 3,450.59	7,430	235	103	89	161	54	108	365	159	3,453
66	\$ 9,248.33	16,606	425	197	381	285	102	154	801	414	6,747
67	\$ 4,995.60	9,734	463	159	191	156	62	83	424	244	4,095
69	\$ 6,887.00	14,431	731	325	218	264	71	147	841	313	6,093
69A	\$ 12,239.17	21,204	546	264	307	329	89	180	910	520	7,890
69N	\$ 1,383.69	2,769	132	49	13	21	12	2	332	98	907
69W	\$ 14,454.81	26,426	580	292	300	375	143	159	2,961	667	8,766
70	\$ 1,863.11	5,229	154	72	40	78	37	34	1,727	148	1,493
71	\$ 40,050.47	69,819	1,095	530	807	1,305	262	523	7,045	1,860	22,743
72	\$ 4,133.80	6,418	9	25	125	143	17	81	225	72	2,315
73	\$ 3,887.72	5,687	5	4	62	199	40	100	104	27	1,814
75	\$ 5,301.82	7,605	4	25	131	161	5	88	213	89	2,365
78	\$ 68.22	106	1	-	1	7	-	1	1	2	37
79	\$ 1,394.05	2,313	4	4	51	118	32	59	89	25	906
91	\$ 3,670.75	6,679	383	204	190	42	5	31	1,131	269	1,717
Unknown	156.83	702	32	3	4	7	5	2	8	9	545
TOTAL	\$ 162,398.08	340,163	41,618	9,418	4,476	5,503	1,268	2,610	23,396	8,712	112,750

ROUTE	REVENUE	RIDERSHIP	VTA/SC Day Pass	CalTrain	17 Day Pass	S/D Riders	W/C	None	ECO Pass	Bike	Monthly Pass
17	\$ 10,484.40	10,686	18	32	171	375	5	56	236	335	7,356

RIDERSHIP	
Night Owl	200
Holiday Shuttle	4,125
TOTAL	4,325

October Ridership	355,174
October Revenue	\$ 172,882.48

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

PASSENGER LIFT PROBLEMS

MONTH OF DECEMBER, 2002

BUS #	DATE	DAY	REASON
8077F	12/21/02	SATURDAY	Lift does not stow
8078F	12/13/02	FRIDAY	Lift won't stow
8080F	12/16/02	MONDAY	Lift will not stow without help
8080F	12/17/02	TUESDAY	Lift will not stow without help
8080F	12/18/02	WEDNESDAY	Lift will not stow without help
8080F	12/20/02	FRIDAY	Lift doesn't stow on it's own
8081 F	12/27/02	FRIDAY	Barrier would not raise
8081 F	12/30/02	MONDAY	Lift barrier not working
8082F	12/30/02	MONDAY	Lift not working
8086F	12/27/02	FRIDAY	Passenger lift is not working
8089F	12/18/02	WEDNESDAY	W/C lift had to be pushed in to complete cycle
8091 F	12/10/02	TUESDAY	Lift needs physical assistance
8093F	12/10/02	TUESDAY	Must use sensor override to retract lift
8093F	12/21/02	SATURDAY	Outer barrier doesn't deploy, lift not useable
8093F	12/27/02	FRIDAY	Outside barrier doesn't work
8093F	12/29/02	SUNDAY	Lift won't stow
8093F	12/31/02	TUESDAY	Lift failed to operate
8095F	12/02/02	MONDAY	Lift gets stuck when trying to stow
8095F	12/27/02	FRIDAY	Lift jammed while stowing
8099F	12/07/02	SATURDAY	Lift comes up on it's own 1/2 the time
8100F	12/11/02	WEDNESDAY	Had to use sensor override to stow, lost air pressure when in kneel
8105F	12/06/02	FRIDAY	Kneel takes forever to raise up
8109C	12/09/02	MONDAY	Can't get lift to work
8111C	12/11/02	WEDNESDAY	Lift not working
89126	12/06/02	FRIDAY	Kneel doesn't work
8916G	12/20/02	FRIDAY	Had trouble coming out of kneel
9833G	12/06/02	FRIDAY	Passenger lift out
9834G	12/06/02	FRIDAY	Lift won't extend
98386	12/23/02	MONDAY	Lift won't go out

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

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

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/HIGHWAY 17 - 40'	7	2	5	4	1	4	100%
FLYER/LOW FLOOR - 40'	12	2	10	10	0	10	100%
FLYER/LOW FLOOR - 35'	18	2	16	15	1	15	100%
FLYER/HIGH FLOOR - 35'	25	5	20	18	2	18	100%
GILLIG/SAM TRANS - 40'	10	2	8	6	2	6	100%
GILLIG/FOOTHILL - 40'	20	6	14	5	9	5	100%
GMC/HIGHWAY 17 - 40'	8	1	7	3	4	3	100%
CHAMPION	4	1	3	2	1	2	100%
TROLLEY	1						100%



GOVERNMENT TORT CLAIM

RECOMMENDED ACTION

TO: Board of Directors
FROM: District Counsel
RE: Claim of: Henry Gamble #02-0036 & Carolyn Gamble #02-0037
Received: 12/26/02 Date of Incident: 12/05/02
Occurrence Report No.: SC 12-02-03A&B

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: January 2, 2003

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 January 24, 2002.

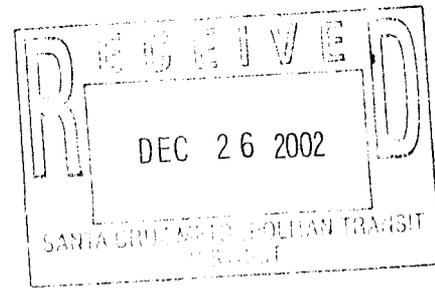
Dale Carr
Recording Secretary

Date

MG/hp

370 Encinal Street, Suite 100, Santa Cruz, CA 95060 (831) 426-6080 FAX (831) 426-6117
METRO OnLine at <http://www.scmttd.com>

Tab Mitchell, Esq. (SBN 118749)
THE MITCHELL LAW FIRM
321 First Street, Second Floor
Hollister, CA 95023
(83 1) 636-6100



Attorney for Claimant
HENRY GAMBLE and CAROLYN GAMBLE

Santa Cruz Metropolitan Transit
District's Board of Directors
370 Encinal Street, Suite 100
Santa Cruz, CA 95060

**NOTICE OF CLAIM
(Government Code Section 910)**

HENRY GAMBLE and CAROLYN GAMBLE (hereinafter referred to as "Claimants")
hereby make a claim against THE SANTA CRUZ METOPOLITAN TRANSIT DISTRICT.
Jurisdiction rests in the Superior Court of the State of California in and for the County of Santa
Cruz. Claimant makes the following statements in support of her claim:

1. Claimants' address is PO Box 8529 Watsonville, CA 93943.
2. Notices concerning the instant claim should be forwarded to Claimant's attorney, Tab Mitchell, Attorney at Law, at The Mitchell Law Firm, 321 First St., Hollister, CA 95023, telephone number (831) 636-6100.
3. The date and place of the occurrence giving rise to this claim was on December 5, 2002, at 2:45 p.m. in route from Santa Cruz to Watsonville, County of Santa Cruz, State Of California.
4. The circumstances giving rise to this claim are as follows: At the above time and place, claimants were passengers on a bus that was exiting State Route 1 onto Airport Boulevard at a high rate of speed when the bus swerved out of control causing claimants to be thrown from their seats and land in the isle. The unsafe operation of a Santa Cruz Metropolitan Transit District has caused serious injuries and damages to Claimants.

1 5. Claimants' injuries and damages were the result of the negligence of THE SANTA
2 CRUZ METROPOLITAN TRANSIT DISTRICT, and its respective agents, servants and/or
3 employees in the careless and negligent ownership and operation of the subject vehicle.

4 6. As a result of the above-described negligence of THE SANTA CRUZ
5 METROPOLITAN TRANSIT DISTRICT, the amount of the current claim is in excess of
6 \$1 0,000.00 and therefore rests in the jurisdiction of the Superior Court of the County of Santa Cruz.

7
8
9 Date: 12/24/02



TAB MITCHELL

Attorney for Claimant

HENRY GAMBLE and CAROLYN GAMBLE

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GOVERNMENT TORT CLAIM



RECOMMENDED ACTION

TO: Board of Directors
FROM: District Counsel
RE: Claim of: Mary V. Walsh Received: 12/24/02 Claim #: 02-0035
Date of Incident: 10/30/02 Occurrence Report No.: MISC 02-21

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 a n u a r y 7, 2003
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 January 24, 2003.

Dale Carr
Recording Secretary

Date

MG/hp

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

TO: BOARD OF DIRECTORS, Santa Cruz Metropolitan Transit District

DEC 24 2002

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

1. Claimant's Name: MARY V. WALSH

Claimant's Address/Post Office Box: 371 Seventh Ave. Apt. 1
Santa Cruz, CA 95062

Claimant's Phone Number: 831. 475. 3305

2. Address to which notices are to be sent: same

3. Occurrence: Brown paint on bench. No wet paint sign.
Wet paint on back London Fog coat. Was wool made in USA.
Date: 10/30/02 Time: 3pm Place: Whaler's Bar Wash Soquel
Circumstances of occurrence or transaction giving rise to claim:

If there was even posted a wet paint sign it was gone. I thought it was dry and got wet paint on coat and purse.

4. General description of indebtedness, obligation, injury, damage, or loss incurred so far as is known: London Fog wool purchased at the Wardrobe
Used this summer for \$50 made in USA. purse 17 pairs
Replacement coat, Gitchulks polyester
London Fog 200 - \$120 on sale purse \$40 \$20 on sale total \$140.

5. Name or names of public employees or employees causing injury, damage, or loss, if known: unknown I lost purse receipt.

6. Amount claimed now..... \$ 140⁰⁰

Estimated amount of future loss, if known \$ _____

TOTAL..... \$ 140⁰⁰

7. Basis of above computations: Coat 120 sale purse 20 sale
Gitchulks paint damage.

Mary V. Walsh

12/1/02
DATE

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

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

DE SUTHERLAND
1925 41ST AVENUE
CAPITOLA, CA 95010

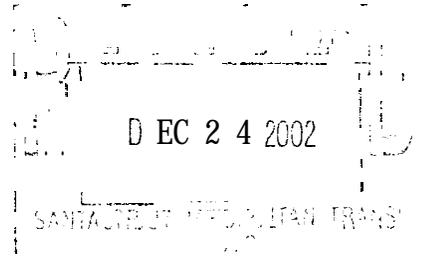
500127 0054 0025 046
GOTTSCHALKS 448E 11/22/02 15:23

64-73 LONDON FOG 1 200.00
U-054403395317 DISCOUNT 80.00-
SUBTOTAL 120.00
CALIF. 8.00% TAX 9.60

AMOUNT DUE 129.60
TC-ACCOUNT NUMBER 121000358/ **
T0176201046
1 CHECK 129.60
CHANGE .00
CASH-1 TOTAL 129.60

THANK YOU
GOTTSCHALKS - WE'RE YOUR STORE

LOTS OF RECEIPTS



GOVERNMENT TORT CLAIM



RECOMMENDED ACTION

TO: Board of Directors

FROM: District Counsel

RE: Claim of: Mary Bruggeman Received: 01/08/03 Claim #: 03-0001
Date of Incident: 12/12/02 Occurrence Report No.: SC 12-02-13

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 tiled.
- 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
DISTRICT COUNSEL

Date: January 14, 2003

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 January 24, 2003.

Dale Carr
Recording Secretary

Date

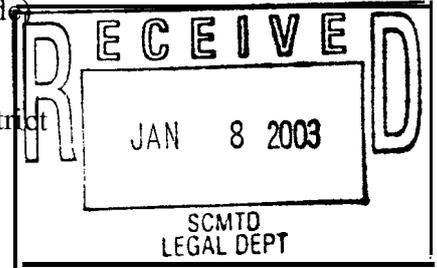
MG/hp

370 Encinal Street, Suite 100, Santa Cruz, CA 95060 (831) 426-6080 FAX (831) 426-6117
METRO OnLine at <http://www.scmtd.com>

CLAIM AGAINST THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

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

Claim # _____



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: MARY BRUGGEMAN DANIEL

Claimant's Address/Post Office Box: 2065 SEASCAPE BLVD #A
APTOS CA. 95003

Claimant's Phone Number: C. (707) 322-1441 W. (408) 298-8789 x17

2. Address to which notices are to be sent: 2065 SEASCAPE BLVD
APTOS, CA. 95003

3. Occurrence: BUS / CAR ACCIDENT

Date: 12/12/02 Time: APPROX. 5:30 Place: MORRISEY / WATER

Circumstances of occurrence or transaction giving rise to claim:

I WAS STOPPED AT A YIELD SIGN ABOUT TO TURN
RT. ONTO WATER F R O M MORRISEY. I WAS YIELDING
TO TRAFFIC ON WATER WHEN BUS # 8084, DRIVEN
BY JOSE HERRERA REARENDED MY CAR.

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

SEE ATTACHED ESTIMATES

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

JOSE HERRERA

6. Amount claimed now \$ APPROX. \$ 700⁰⁰-725

Estimated amount of future loss, if known \$ UNKNOWN

TOTAL \$ 725.00

7. Basis of above computations: SEE ATTACHED ESTIMATES

Mary Bruggeman Daniel

1/8/03
DATE

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

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

ADVANCED COLLISION CENTERS

122 HUBBARD STREET SANTA CRUZ, CA 95060
 (831) 426-7170
 Fax: (831) 426-7197
 Tax ID: 77-0434540

Damage Assessed By: PETE MACIEL

Condition Code: **Excellent**
 Arrival Date: **11 4/03**
 Deductible: **UNKNOWN**

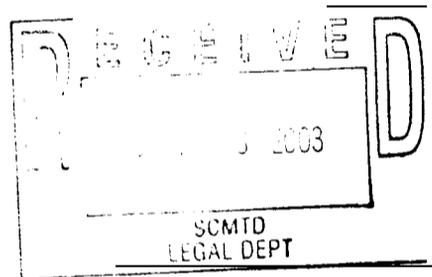
Insured: **MARY DANIEL BRUGGEMAN**
 Address: **2065 SEASCAPE BLVD #A APTOS, CA 95003**
 Telephone: **Home Phone: (707) 322-1441**

Mitchell Service: 914186

Description: 2001 Subaru Outback Vehicle Production Date: **6/01**
 Body style: **4D Wgn** Drive Train: **2.5L Inj 4 Cyl 4A AWD**
VIN: 4S3BH665517630967 License: **WA0906MCN CA**
Mileage: 45,000
 Color: **BLUE/GREY MET.**
 Options: **AIR CONDITIONING, POWER STEERING, ELECTRIC DEFOGGER, AM-FM STEREO
 AUTOMATIC TRANSMISSION**

Line	Entry	Labor		Line Item	Part Type/ Part Number	Dollar Amount	Labor Units
Item	Number	Type	Operation	Description			
	401956	MCH	ALIGN	REAR SUSPENSION			1.1
2	AUTO	BDY	OVERHAUL	REAR BUMPER ASSY			1.6
3	402285	BDY	REMOVE/REPLACE	REAR BUMPER COVER	57704AE11A	229.95	INC
4	AUTO	REF	REFINISH	REAR BUMPER COVER			c 2.0
5	936014		ADD'L COST	FLEX ADDITIVE		10.00	.
6	AUTO	REF	ADD'L OPR	CLEAR COAT			□□□
7	633003	REF	ADD'L OPR	TINT COLOR			□□□
8	AUTO		ADD'L COST	PAINT/MATERIALS			□□□□□
9	AUTO		ADD'L COST	HAZARDOUS WASTE DISPOSAL			□□□□□

* - Judgement item
 C - Included in Clear Coat Calc



ESTIMATE RECALL NUMBER: 11 4/03 10:55:22 3594

Mitchell Data Version: DEC_02_A
 UltraMate Version: 4.8.012

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I. Labor Subtotals						II. Part Replacement Summary		Amount
	Units	Rate	Add'l Labor Amount	Sublet Amount	Totals			
Body	1.8	58.00	0.00	0.00	92.80	Taxable Parts		229.95
Refinish	3.3	58.00	0.00	0.00	191.40	Sales Tax @ 8.000%		18.40
Mechanical	1.1	75.00	0.00	0.00	82.50			
Non-Taxable Labor					366.70	Total Replacement Parts Amount		249.35
Labor Summary	6.0				366.70			
III. Additional Costs						IV. Adjustments		Amount
Taxable Costs					94.20	Customer Responsibility		0.00
Sales Tax @ 8.000%					7.54			
Total Additional Costs					101.74			
						I. Total Labor:		366.70
						II. Total Rep&cement Parts:		248.35
						III. Total Additional Costs:		101.74
						Gross Total:		716.79
						IV. Total Adjustments:		0.00
						Net Total:		716.79

This is a preliminary estimate.
Additional changes to the estimate may be required for the actual repair.

Point(s) of Impact

6 Rear Center(P)

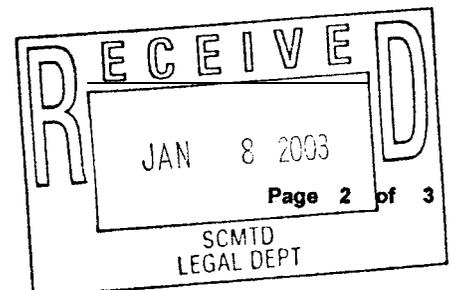
THIS IS AN APPRAISAL OF THE DAMAGES BASED ON THE VISUAL INSPECTION ONLY. ALL COST OF REPAIRS ARE THE SOLE RESPONSIBILITY OF THE OWNER WHO ULTIMATELY MUST AUTHORIZE REPAIRS AND GUARANTEE OF PAYMENT. ALL SUPPLEMENT AND CHANGES MUST BE APPROVED BY THE OWNER PRIOR TO REPAIRS ARE STARTED. IF YOU HAVE AN INSURANCE COVERAGE ON YOUR VEHICLE, PRESENT THIS ESTIMATE TO THE INSURANCE COMPANY FOR THEIR INSPECTION OF THE VEHICLE AND REVIEW AND APPROVAL FOR REPAIRS. I HEREBY GRANT YOU AND/OR YOUR EMPLOYEES PERMISSION TO OPERATE THE ABOVE DESCRIBED VEHICLE ON STREETS, HIGHWAYS, OR ELSEWHERE FOR THE PURPOSE OF TESTING AND/OR INSPECTION. WE WILL NOT BE HELD RESPONSIBLE FOR LOSS OR DAMAGE TO THE VEHICLE OR ARTICLES LEFT IN VEHICLE IN CASE OF FIRE, THEFT, ACCIDENT OR ANY OTHER CAUSE. OLD PARTS REMOVED FROM VEHICLE WILL BE DISPOSED UNLESS OTHERWISE INSTRUCTED.

BAR #: AL192012

ESTIMATE RECALL NUMBER: 11/4/03 10:55:22 3594

Mitchell Data Version: DEC_02_A
 UltraMate Version: 4.8.012

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Data: 11/4/03 10:58 AM
Estimate ID: 3594
Estimate Version: 0
Preliminary
Profile ID: Mitchell

THANK YOU VERY MUCH FOR CHOOSING ADVANCED COLLISION CENTERS!!!

WARNING: Accidental air bag deployment is possible. Personal injury may result. Avoid area near steering wheel and instrument panel even if air bags have deployed. Dual-stage air bag modules may be present that could contain an undeployed stage. When disposing of a deployed dual-stage air bag, always treat it as a "live" module. See appropriate MITCHELL® AIR BAG SERVICE & REPAIR MANUAL, or OEM information.

ESTIMATE RECALL NUMBER: 1/ 4/03 10:55:22 3694

Mitchell Data Version:
UltraMate Version:

DEC_02_A
4.8.012

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Page 3 of 3

Estimate

1/4/2003

AA AUTO COLLISION CENTER
1240 THOMPSON AVENUE
SANTA CRUZ, CA. 95062
(831)476-7725/FAX (831)476-4485
BAR#AB193212

Customer No: 290
Report No: 271
Claim #:
Assign No:

Vehicle Information

2001 Subaru Legacy
Style: WGN OUTBACK AWD
Color:
Color Code: 8Y8
Production Date: 10100
License: 096-MCN State: WA
VIN: 4S3BH665517630967
Miles In: 45523
Miles Out: 0
Condition:
Estimator: Brian

Owner - MARY BRUGGEMAN

2065 SEASCAPE BLVD #A
Aptos, CA 95003
Work Phone: (707) 322-1441
Work Phone: (631) -
Fax#: (831) -

Accident Location

Phone #1: -
Phone #2: -

Insurance Company

Phone #: -
Fax #: -
Date Assigned: 1/4/2003
Options: *W*/ AC, Automatic, Subaru, All Wheel Drive

Insured -

Home Phone: (831) -
Work Phone: (631) -
Fax#: (831) -

Claimant -

Home Phone: (831) -
Work Phone: (631) -
Fax#: (831) -

Insurance Information

Adjuster:
Claim #:
Policy #:
Deductible: \$0.00
Claim Rep:
Date of Loss: 1/4/2003

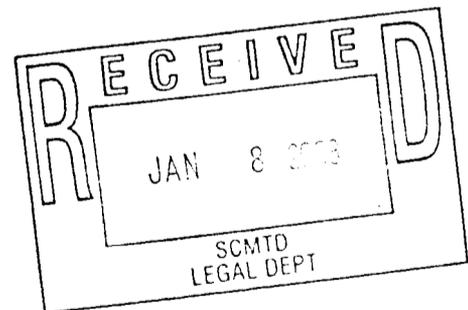
Appraisal Company

Phone #: -
Fax #: -
Date of Inspection: 1/4/2003

Description of Work	Part Number	Price	Labor	Paint	Other
REAR BUMPER. STATION WAGON - BUMPER & COMPONENTS					
1 Replace Rear Bumper cover, w/Outback +Clearcoat (1.2)	57704AE11A	\$229.95	1.8 body	3.0 1.2	
Other operations					
2 Flex Additive					\$5.00' taxed
3 Hazardous Waste Disposal					\$3.00' nortaxed
Sub Totals		\$229.95	1.8	4.2	

THANK YOU FOR LETTING US SERVE YOU!!

	Hours	Rate	Total
Body Labor	1.8hrs	\$56.00/hr	\$100.80
Paint Labor	3.0hrs	\$56.00/hr	\$168.00
Clearcoat Labor	1.2hrs	\$56.00/hr	\$67.20
OEM Parts			\$229.95 †
Paint Supplies	3.0hrs	\$24.00/hr	\$72.00 †
Clearcoat	1.2hrs	\$24.00/hr	\$28.80 †
Misc Taxed			\$5.00 †
Misc Non-Taxed			\$3.00
Tax		\$335.75 @ 8.0000%	\$26.86
Grand Total			\$701.61



Estimate based on MOTOR CRASH GUIDE (ARL7522).10/02
. Indicates Estimator's Judgment
† Indicates Taxed Item

GOVERNMENT TORT CLAIM



RECOMMENDED ACTION

TO: Board of Directors
FROM: District Counsel
RE: Claim of: Cristobal Fernandez Rocha Received: 01/13/03 Claim #: 03-0002
Date of Incident: 12/29/02 Occurrence Report No.: SC 12-02-27

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: January 14, 2003

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 January 24, 2003.

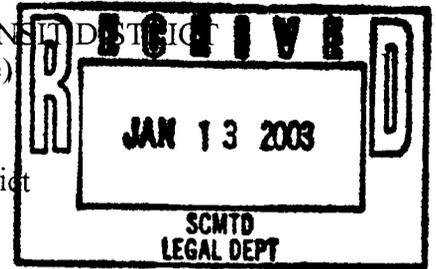
Dale Carr
Recording Secretary

Date

MG/hp

370 Encinul Street, Suite 100, Santa Cruz, CA 95060 (831) 426-6080 FAX (831) 426-6117
METRO OnLine at <http://www.scmttd.com>

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



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: C R I STOBAL FERNANDEZ R.

Claimant's Address/Post Office Box: 171 MONTEBELLO DR.
WATSONVILLE, CA. 95076

Claimant's Phone Number: 761-2070 or 524-0823

2. Address to which notices are to be sent: _____

3. Occurrence: _____

Date: 12-29-02 Time: 8:00 p.m Place: MAIN ST. WATSONVILLE *one square ahead of San Patricio Church*

Circumstances of occurrence or transaction giving rise to claim: _____

I was parked and suddenly the vehicle 9829 with license plate 1019720 from Santa Cruz hit my New Kia Sporter 2000 and broke the left mirror. The driver is MICHAEL LELAND REYNOLDS living in 3320 DEL MONTE BLVD. APT 61 MARINA, CA. 93933 His Drivers Licence is A0121603 Class: B.M.D

4. General description of indebtedness, obligation, injury, damage, or loss incurred so far as is known: The paint on left side of wheel (tire) & The mirror

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

6. Amount claimed now \$ 200.00 for the mirror
Estimated amount of future loss, if known \$: 300.00 for the paint
TOTAL \$ 500.00 with labor

7. Basis of above computations: _____

Cristobal Fernandez R.
CLAIMANT'S SIGNATURE OR
COMPANY REPRESENTATIVE'S SIGNATURE OR
PARENT OF MINOR CLAIMANT'S SIGNATURE

1-11-03
DATE

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

Metro Accessible Services Transit Forum (MASTF)*
(*An official Advisory group to the Metro Board of Directors
and the ADA Paratransit Program)
Thursday January 16, 2003 2:00-4:00 p.m.
The NIAC Building in the Board Room
333 Front Street, Santa Cruz, CA.

“AGENDA”

ELIGIBLE VOTING MEMBERS FOR THIS MEETING:

April Axton, Sharon Barbour, Jim Bosso, Ted Chatterton, Connie Day, Shelley Day Michael Doern, Dianna Dunn, Kanoa Dynek, Michael Edwards, Kasandra Fox, Norm Hagen, Michelle Hinkle, Ed Kramer, Deborah Lane, Fahmy Ma’Awad, Brad Neily, Rhianan Neily, Thom Onan, Pop Papadopulo, Gary Peterson, Barbie Schaller, Patricia Spence, Devon Swedmark, David Taylor, John Wood and Lesley Wright.

“Public participation in MASTF meeting discussions is encouraged and greatly appreciated.”

- I. Call to Order and Introductions
- II. Approval of the December 19, 2002 MASTF Minutes
- III. Amendments to this Agenda
- IV. Oral Communication and Correspondence

MASTF will receive oral and written communications during this time on items NOT on this meeting agenda. Topics presented must be within the jurisdiction of MASTF. Presentations may be limited in time at the discretion of the Chair. MASTF members will not take action or respond immediately to any presentation, but may choose to follow up at a later time.

- V. Ongoing Business
 - 5.1 Weekend Bus Service in South County (Norm Hagen)
- VI. New Business
 - 6.1 Formation of Ad Hoc MASTF By Laws Review and Revision Committee (Sharon Barbour)
 - 6.2 Presentation on Designs for New Santa Cruz Metro Center
 - 6.3 METRO Fare Structure Changes
 - 6.4 Use of Discount Fare Convenience Cards for Paratransit Fare (Sharon Barbour)
 - 6.5 MASTF Calendar Layout
 - MASTF COMMITTEE REPORTS**
 - 6.6 Training and Procedures Committee Report (Lesley Wright)
 - 6.7 Bus Service Committee Report (Connie Day)
 - a) Metro Users Group (MUG) Report
 - b) Service Planning and Review Committee (SPARC) Report – Action Item
 - 6.8 Bus Stop Improvement Committee Report (Ed Kramer)
 - 6.9 Paratransit Services Committee Report (Kasandra Fox)

MASTF Agenda
January 16, 2003
Page Two

OTHER REPORTS

- 6.10 Paratransit Update
 - a) Paratransit Report (April Axton or Link Spooner)
 - b) CCCIL Transportation Advocacy (Thom Onan)
- 6.11 UTU Report (Pete Legorreta)
- 6.12 SEIU/SEA Report (Eileen Hiltner)
- 6.13 Next Month's Agenda Items

VII. Adjournment

Note: This meeting is held at a location that is accessible to persons using wheelchairs. If you have questions about MASTF, please phone John Daugherty at (831) 423-3868.

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 December 19, 2002 in the Board Room of the NIAC Building, 333 Front Street, Santa Cruz CA.

MASTF MEMBERS PRESENT: April Axton, Sharon Barbour, Ted Chatterton, Connie Day, Shelley Day, Dianna Dunn, Michelle Hinkle, Deborah Lane, Brad Neily, Rhianan Neily, Thom Onan, Pop Papadopulo, Gary Peterson, Patricia Spence, Devon Swedmark, John Wood and Lesley Wright.

METRO STAFF PRESENT:

Bryant Baehr, Operations Department Manager
A. John Daugherty, Accessible Services Coordinator
Pete Legorreta, UTU Representative
Tom Stickel, Fleet Maintenance Department Manager

BOARD MEMBERS PRESENT:

Michelle Hinkle
Patricia Spence

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

None.

RELEVANT ATTACHMENTS FORWARDED TO THE BOARD: F, G, H, I, J and K

***MASTF MOTIONS RELATED TO METRO MANAGEMENT**

None.

I. CALL TO ORDER AND INTRODUCTIONS

Chairperson Sharon Barbour called the meeting to order at 2:07 p.m.

II. APPROVAL OF THE OCTOBER 17, 2002 MASTF MINUTES AND THE NOVEMBER 14, 2002 MASTF MINUTES

Ms. Barbour presented the Minutes of the November 14, 2002 MASTF meeting for discussion first.

Patricia Spence requested clarification on whether the "committee" noted in the section on "MASTF Review and Vote on Metro ADA/504 Policy" was created by MASTF or Metro. Ms. Spence noted that previous MASTF Minutes had not shown MASTF taking action to create a committee. John Daugherty noted that Bryant Baehr had asked him to join the committee.

The following Motion emerged from discussion:

**MASTF Motion: To approve the November 14, 2002 MASTF Minutes as clarified.
M/S/C: B. Neily, C. Day (By affirmative voice vote: no votes opposed, one abstention)**

Ms. Spence offered two observations on the October 17, 2002 MASTF Minutes:

- 1) There was a typing error on Page Four, Item #2: The comment from Bryant Baehr on a Sentinel article states that a phrase was put forward by the Sentinel "bus not METRO." Ms. Spence noted that the words should read "but not METRO."
- 2) Ms. Spence noted that her October letter to MASTF was not part of her packet. She referred to the letter described as "Attachment A" on Page Three of the Minutes.

The following Motion emerged from discussion:

**MASTF Motion: To approve the October 17, 2002 MASTF Minutes as corrected.
M/S/C: (By affirmative voice vote: one vote opposed, four abstentions)**

III. AMENDMENTS TO THE AGENDA

No amendments to the Agenda were proposed.

IV. ORAL COMMUNICATION AND CORRESPONDENCE

Ms. Barbour read aloud a letter (Attachment A) recently published in the *Santa Cruz Sentinel*. Santa Cruz resident Paul Marcelin-Sampson wrote the letter and it explains why he offers a "Bravo to the *Sentinel* for covering transit facility consolidation."

Mr. Daugherty described the following correspondence and other items of interest that he has received since the last MASTF meeting:

- 1) The December 2002 issue of the *Central Coast Reporter*, a newsletter published by the Association of Monterey Bay Area Governments (AMBAG).
- 2) The Agenda for the December 5th meeting of the Santa Cruz County Regional Transportation Commission (SCCRTC).
- 3) Two Calendars for 2003: The Calendar for MASTF meetings at the NIAC Building (Attachment B) and the Calendar for METRO Board meetings (Attachment C).
- 4) One photocopy of the colorful invitation designed by Kasandra Fox that was sent out to the five individuals and one group receiving MASTF Certificates of Appreciation today.

Mr. Daugherty placed those items into a folder that was circulated to the group.

Ted Chatterton noted that MASTF might benefit from a calendar like the one available to members of the Metro Users Group (MUG). Mr. Chatterton noted that the MUG design included METRO Board meeting dates circled on the calendar. Ms. Barbour noted that the calendar issue could be placed on the Agenda for the MASTF meeting next month.

Bryant Baehr shared that Joe Hall, a member of the City of Santa Cruz Redevelopment Agency, has asked for time on the next MASTF Agenda. Mr. Hall is working on a new design for the Santa Cruz Metro Center that includes use of the Greyhound property. Mr. Baehr explained that Mr. Hall wanted feedback on the conceptual designs from the MASTF group.

Discussion of this topic included the suggestion from Ms. Barbour to create a contact list of email addresses and phone numbers so that interested persons could find out about such opportunities for feedback. Mr. Daugherty circulated a page for interested persons to provide information. Mr. Baehr noted that he and Mr. Daugherty could work with the developing list behind the scenes. Barbie Schaller offered to contact interested persons by phone from the list.

Gary Peterson asked Mr. Daugherty if the SCCRTC Agenda and the AMBAG newsletter mentioned earlier are available on line. Mr. Daugherty responded that the SCCRTC Agenda was available on line and that he could check on the AMBAG newsletter.

Ms. Spence shared that the period for public comment on the Environmental Impact Report (EIR) for the Metrobase project closed last Friday. She noted that the METRO Board would consider approval of the EIR on February 28, 2003.

Ms Spence also shared: "So I would suggest that anybody who has a vested interest in the Transit District, which is everybody in this room, write a letter to the Board or a letter to the editor of our local newspapers letting them know how important the Transit District is ... Because if you could imagine the county without a bus system, it would be pretty bad."

Discussion of this topic included Mr. Baehr's responses to questions on what the next steps are for the project. He noted that the "best case" scenario, if the Board approves the EIR, includes breaking ground on a new facility during next year.

Ms. Barbour reported that the MASTF Executive Committee had authorized her to write a letter last week. The letter would be sent to the METRO Board to express "concern" about proposed changes to METRO's fare structure. The letter (Attachment D) also notes that the issue of fare structure changes would be placed on the next MASTF Agenda. Proposed changes, Ms. Barbour also reported, include changes to Convenience Cards.

Note: After the meeting Ms. Barbour requested that the report on proposed fare structure changes recently discussed by the Board (Attachment E) be included in the packet for the next MASTF meeting.

V. ONGOING BUSINESS

Note: Agenda items under the headings Ongoing Business, MASTF Committee Reports and Other Reports are tabled until the January 16, 2003 MASTF meeting.

VI. NEW BUSINESS

6.1 Presentation of MASTF Certificates of Appreciation (Sharon Barbour)

Ms. Barbour presented and then read aloud the six Certificates of Appreciation (Attachments F-K) bestowed to five individuals and one group. She described the following Certificates as “six awards of Thank You”:

- 1) Bryant Baehr “Marathon Manager of the Year!”
- 2) Mickey Booton New Bus Operator and “exemplary employee”
- 3) Coco Conklin Bus Operator “loved by her passengers”
- 4) Dianna Dunn “Representing Metro employees ... with integrity”
- 5) Metro Fleet Maintenance “you’ve kept Metro rolling all these years”
- 6) Brad Neily “For long time service to the disability community”

6.2 Next Month’s Agenda Items

Mr. Daugherty noted the following Agenda items: Presentation on Metro Center design, expansion of MASTF Calendar and Formation of a MASTF By- Laws Committee.

Ms. Barbour added one Agenda item: Discussion of changes to bus fare rates and Convenience Cards.

VII ADJOURNMENT

The meeting was adjourned at 2:38 p.m.

M/S/PU: B. Neily, C. Day

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

NOTE: NEXT REGULAR MASTF MEETING IS: Thursday January 16, 2003 from 2:00-4:00 p.m., in the Board Room of the NIAC Building, 333 Front Street, Santa Cruz, CA.

NOTE: NEXT S.C.M.T.D. BOARD OF DIRECTORS MEETING IS: Friday January 10, 2003 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 January 24, 2003 at 9:00 a.m. in the Santa Cruz City Council Chambers, 809 Center Street, Santa Cruz, CA.

Santa Cruz Metropolitan Transit District

Minutes-METRO Users Group

December 18, 2002

The METRO Users Group met at 2:10 p.m., Wednesday, December 18, 2002, at the METRO Center Conference Room, 920 Pacific Avenue, Santa Cruz.

MEMBERS PRESENT

Ted Chatterton, Transit User
Sandra Coley, Pajaro TMA
Connie Day, Transit User
Shelley Day, Transit User
Michelle Hinkle, Chair, Board Member
Virginia Kirby, Transit User
Paul Marcelin, Transit User
Barbie Schaller, Seniors Commission

SCMTD STAFF PRESENT

Bryant Baehr, Operations Manager

VISITORS PRESENT

Bruce Gabriel
Bonnie Morr, Chair, UTU Local 23
Stuart Rosenstein
Jim Taylor, Vice Chair, UTU Local 23

MUG MOTIONS TO METRO BOARD OF DIRECTORS

1. MUG recommends that the Board move to complete the MetroBase project as soon as possible in order to preserve bus service.

MUG MOTIONS TO METRO MANAGEMENT

None

1. CALL TO ORDER AND INTRODUCTION

Chair Michelle Hinkle called the meeting to order at 2:12 p.m.

2. ORAL AND WRITTEN COMMUNICATIONS AND ANNOUNCEMENTS

Sandra Coley reported that the Watsonville Shoppers Shuttle started running on December 1st and has been well received. Bryant Baehr added that there have been 1,900 riders so far from December 1 – 15th, which is a little more than last year. Mr. Baehr also confirmed with Ms. Coley that Carolyn O'Donnell (Executive Director, Santa Cruz Area TMA) has not been replaced yet.

3. ADDITIONS AND DELETIONS TO THE AGENDA

There was a request to move item 7c - Meeting Dates & Times, to follow the Consent Agenda.

4. CONSENT AGENDA

Receive and Accept:

- a) Minutes of November MUG Meeting
- b) Monthly Attendance Report
- c) Minutes of November Board of Directors Meeting
- d) October Ridership Report

Paul Marcelin pointed out an error on page 4a.6 of the November MUG minutes. In the sentence regarding student revenue, the word "majority" should have been "large part of."

**ACTION: MOTION: Connie Day SECOND: Barbie Schaller
APPROVE CONSENT AGENDA WITH THE CORRECTION TO THE NOVEMBER MUG
MINUTES**

Motion passed unanimously

ITEM 7c WAS TAKEN OUT OF ORDER

7. NEW BUSINESS

7c) Meeting Dates & Times

Extensive discussion on this item included: consistency of the meeting schedule, morning vs. afternoon, day meetings vs. night meetings, the inability of the current membership to attend night meetings, the fact that the current membership does not adequately represent all transit users, experimenting with night meetings to see if students and those who work during the day are interested in attending, transportation and staff support issues for night meetings, and advertising the meetings in several newspapers. Bryant Baehr reminded the committee of the current budget situation and stated the District is not able pay for any advertising, but that he could look into having a newspaper article written as opposed to placing an ad. Mr. Baehr went on to say that if the District provided special transportation for a night meeting, it might be considered a gift of public funds, and providing staff support at night was an issue but he offered to look into these things. Out of the discussion came the following motions:

**ACTION: MOTION: Paul Marcelin SECOND: Sandra Coley
MUG MEETINGS WILL BE HELD THE THIRD WEDNESDAY OF EACH MONTH.**

Motion passed unanimously

**ACTION: MOTION: Paul Marcelin SECOND: Barbie Schaller
MUG WILL HOLD ONE EXPERIMENTAL NIGHT MEETING IN MARCH, APRIL, OR MAY
2003, SUBJECT TO THE PROVISION OF TRANSPORTATION BEING PROVIDED TO
THOSE WHO DO NOT HAVE FIXED ROUTE SERVICE AVAILABLE TO ATTEND THE
MEETING.**

Motion passed with one abstention

**ACTION: MOTION: Paul Marcelin SECOND: Connie Day
REGULAR MUG MEETINGS WILL CONTINUE TO BE HELD AT 2:10 P.M.**

Motion passed unanimously

5. ON-GOING ITEMS

5a) Review of Current Board Agenda Items

Bryant Baehr reported that there would be no second Board meeting in December and that all action was taken at the December 13, 2002 meeting. Mr. Baehr also reported that the Call Stop Audit indicated 100% compliance for last quarter, meaning that all 232 stops audited were called. Regarding call stops, Connie Day commented on the low volume of the exterior speakers. Mr. Baehr replied there is only one small external speaker and that the volume is turned up all the way. Staff is currently investigating larger speakers and more information is expected next month.

5b) Review of *Headways* Redesign Issues

Bryant Baehr reported that the distribution of the current *Headways* was one week and two days late due to printing errors. Mr. Baehr stated that the current issue remains in effect through June 4, 2003 with no service changes planned in the meantime. Bryant also reported that the District is changing vendors for the printing of *Headways* and said his next big project, which will begin in January, is working with the graphics and overall design. Paul Marcelin asked about his suggestion to separate the informational rules, policies and regulations section and the schedules section into two documents. Bryant replied that he would look into this along with the graphics in January.

Bryant said that March 2003 is when discussion should take place for any ideas the committee may have to improve the next *Headways*.

Bruce Gabriel reported that *Headways* had been much larger and contained a lot of unnecessary information in the past and he congratulated MUG for all their improvements.

5c) Service and Planning Update

Bryant Baehr reported that there are no service changes planned at this time.

5d) Bus Procurement

Bryant Baehr reported that the 29 low-floors are now in production and are expected to arrive January-February 2003 and the 11 Highway 17 buses are expected to arrive in June 2003. Paul Marcelin asked if funding had been found for the purchase of these buses. Bryant replied that a funding source had not been found yet, but must be before the buses arrive.

6. UPDATES

6a) Paratransit Issues

Nothing to report.

6b) MetroBase

Bryant Baehr reported that the EIR is in the public review stages and will go to the Board in February. Paul Marcelin added that he had recently toured the District facilities and proposed MetroBase sites with General Manager, Les White. Mr. Marcelin reported that the MetroBase project is at least 7 years behind schedule due to community

opposition and that if it is delayed further, buses will have to be parked due to new pollution restrictions. CARB (California Air Resources Board) rules require that the buses be converted to CNG within 2 ½ years. MetroBase includes a CNG fueling facility, which is necessary in order to be in compliance with the CARB requirements. Mr. Marcelin urged MUG to support the Board in adopting the EIR and completing the project as soon as possible to preserve bus service, even if it is an unpopular decision with the community.

ACTION: MOTION: Paul Marcelin SECOND: Connie Day
MUG RECOMMENDS THAT THE BOARD MOVE TO COMPLETE THE METROBASE PROJECT AS SOON AS POSSIBLE IN ORDER TO PRESERVE BUS SERVICE.
Motion passed unanimously

7. NEW BUSINESS

7a) Talking Bus

Bryant Baehr reported that the system was not announcing "Corralitos Road" which was a programming error that has been corrected. Mr. Baehr also said that previously, Dominican and Sutter Hospitals were announced as one stop and now they are announced separately. Mr. Marcelin congratulated Bryant for all the effort put into getting this complicated system operating.

7b) Membership in MUG

Mr. Marcelin inquired about the status of his proposed bus posters advertising MUG. Mr. Baehr replied that the General Manager had approved posters but wants to see the final language. Bryant said he would change the first line to "Have a bus idea?" and change "management" to "decision makers" then have them posted inside the buses and other locations in both English and Spanish.

8. ITEMS FOR NEXT AGENDA

Paul Marcelin asked about Mark Dorfman, Assistant General Manager, being invited to this meeting to give a presentation on his Staff Report regarding ideas for a fare increase. Chair Michelle Hinkle replied by saying that the Board has made several changes to Mr. Dorfman's report and asked for additional information. Ms. Hinkle said that he would give a presentation to both MUG and MASTF closer to when the Board would be taking any action, so information will be accurate and not be duplicated.

Bryant Baehr reported there was a request by Joe Hall, Assistant Director of the City of Santa Cruz Redevelopment Agency, to give a presentation and get the committee's input on the Metro Center renovation project at next month's MUG meeting.

9. OPEN DISCUSSION

Virginia Kirby asked about the claims against the District that are on the Board agendas. Bryant Baehr reported that being a public agency, claims are expected and that the District Counsel's office investigates all claims - some are justified and some are not. Paul Marcelin said that claims against the District are public documents available in the

Board packets, the Administration office and online.

10. ADJOURMENT

Chair Michelle Hinkle adjourned the meeting at 3:34 p.m.

Respectfully submitted,

CINDI THOMAS
Administrative Secretary

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 24, 2003
TO: Board of Directors
FROM: Elisabeth Ross, Finance Manager
SUBJECT: MONTHLY BUDGET STATUS REPORT FOR NOVEMBER 2002, AND APPROVAL OF BUDGET TRANSFERS

I. RECOMMENDED ACTION

Staff recommends that the Board of Directors approve the budget transfers for the period of December 1 – 31, 2002.

II. SUMMARY OF ISSUES

- Operating revenue for the year to date totals \$11,768,391 or \$30,524 under the amount of revenue expected to be received during the first five months of the fiscal year, based on the budget revised in October.
- Total operating expenses for the year to date, in the amount of \$11,556,316, are at 37.2% of the revised budget.
- A total of \$4,175,025 has been expended through November 30th for the FY 02-03 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 02-03 budget as of November 30, 2002. The fiscal year is 41.7% elapsed.

A. Operating Revenues

Revenues are \$30,524 under the amount projected to be received for the period. Passenger revenue is \$32,281 below budget projections due to lower ridership. Sales tax revenue is on budget since the expected revenue was reduced in the October budget revision. Variances are explained in the notes following the report.

B. Operating Expenses

Operating expenses for the year to date total \$11,556,316 or 37.2% of the revised budget, with 41.7% 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 \$4,175,025 has been expended on the Capital Improvement Program. The largest expenditure was for the purchase of buses in the amount of \$3,226,319.

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 November 2002, and Budget Transfers

MONTHLY REVENUE AND EXPENSE REPORT
 OPERATING REVENUE - NOVEMBER 2002

Operating Revenue	FY 02-03 Budgeted for Month	FY 02-03 Actual for Month	FY 02-03 Budgeted MD	FY 01-02 Actual MD	FY 02-03 Actual MD	YTD Variance from Budgeted
Passenger Fares	\$ 243,172	\$ 236,781	\$ 1,303,815	\$ 1,356,315	\$ 1,292,379	\$ (11,436)
Paratransit Fares	\$ 21,696	\$ 17,962	\$ 79,588	\$ 72,603	\$ 77,006	\$ (2,582)
Special Transit Fares	\$ 192,165	\$ 204,390	\$ 647,704	\$ 671,631	\$ 677,500	\$ 30,296
Highway 17 Revenue	\$ 82,754	\$ 66,235	\$ 386,328	\$ 374,670	\$ 337,769	\$ (48,559)
Subtotal Passenger Rev	\$ 539,787	\$ 525,368	\$ 2,416,935	\$ 2,475,219	\$ 2,384,654	\$ (32,281) See Note 1
Advertising Income	\$ 15,000	\$ 15,060	\$ 75,000	\$ 70,000	\$ 75,000	\$ -
Other Aux Transp Rev	\$ 833	\$ 744	\$ 4,167	\$ 4,687	\$ 4,369	\$ 202
Rent Income	\$ 12,209	\$ 12,457	\$ 60,707	\$ 60,968	\$ 63,242	\$ 2,535
Interest - General Fund	\$ 33,452	\$ 37,207	\$ 204,525	\$ 402,663	\$ 201,282	\$ (3,243) See Note 2
Non-Transportation Rev	\$ 175	\$ 159	\$ 875	\$ 50,718	\$ 991	\$ 116
Sales Tax Income	\$ 1,431,300	\$ 1,502,300	\$ 6,385,600	\$ 6,266,727	\$ 6,387,746	\$ 2,146 See Note 3
TDA Funds	\$ -	\$ -	\$ 1,374,472	\$ 3,023,206	\$ 1,374,472	\$ -
Other Local Funding						
Other State Funding						
FTA Op Asst - Sec 5307	\$ 1,229,934	\$ 1,229,934	\$ 1,229,934	\$ 505,614	\$ 1,229,934	\$ -
FTA Op Asst - Sec 5311	\$ -	\$ -	\$ 46,701		\$ 46,701	\$ -
Other Federal Grants						
Other Revenue						
Total Operating Revenue	\$ 3,268,690	\$ 3,323,169	\$ 11,798,915	\$ 12,859,802	\$ 11,768,391	\$ (30,524)

**MONTHLYREVENUEANDEXPENSEREPORT
OPERATING EXPENSE SUMMARY - NOVEMBER 2002**

	FY 02-03 Final Budget	FY 02-03 Revised Budget	FY 01-02 Expended YTD	FY 02-03 Expended YTD	Percent Expended of Budget
PERSONNEL ACCOUNTS					
Administration	\$ 617,973	\$ 618,414	\$ 213,720	\$ 235,832	38.1%
Finance	\$ 526,788	\$ 526,979	\$ 195,075	\$ 197,988	37.6%
Planning & Marketing	710,601	\$ 688,996	\$ 330,503	\$ 251,852	36.6%
Human Resources	\$ 325,478	\$ 312,111	\$ 136,051	\$ 119,589	38.3%
Information Technology	\$ 382,753	\$ 382,870	\$ 137,247	\$ 157,870	41.2%
District Counsel	\$ 307,569	\$ 338,053	\$ 109,412	\$ 124,359	36.8%
Risk Management	\$ -	\$ -	\$ -	\$ -	0.0%
Facilities Maintenance	\$ 1,020,801	\$ 982,981	\$ 386,267	\$ 379,847	38.6%
Paratransit Program	\$ 224,893	\$ 224,981	\$ -	\$ 74,677	33.2%
Operations	\$ 1,873,101	\$ 1,864,430	\$ 731,508	\$ 730,708	39.2%
Bus Operators	\$ 11,615,995	\$ 11,538,432	\$ 4,537,513	\$ 4,859,847	42.1% See Note 4
Fleet Maintenance	\$ 3,935,369	\$ 3,884,577	\$ 1,385,945	\$ 1,423,125	36.6%
Retired Employees/COBRA	\$ 518,615	\$ 626,788	\$ 161,331	\$ 252,370	40.3%
Total Personnel	\$ 22,059,937	\$ 21,989,613	\$ 8,324,571	\$ 8,808,063	40.1%
NON-PERSONNEL ACCOUNTS					
Administration	\$ 546,487	\$ 539,527	\$ 225,816	\$ 214,043	39.7%
Finance	\$ 728,785	\$ 707,015	\$ 229,527	\$ 240,630	34.0%
Planning & Marketing	\$ 174,080	\$ 146,076	\$ 96,163	\$ 49,970	34.2%
Human Resources	\$ 97,500	\$ 90,500	\$ 62,240	\$ 8,181	9.0%
Information Technology	\$ 113,025	\$ 106,875	\$ 67,341	\$ 20,046	18.8%
District Counsel	\$ 26,007	\$ 24,707	\$ 66,834	\$ 4,645	18.8%
Risk Management	\$ 269,455	\$ 255,982	\$ -	\$ 78,705	30.7%
Facilities Maintenance	\$ 464,382	\$ 448,177	\$ 187,250	\$ 142,172	31.7%
Paratransit Program	\$ 3,704,585	\$ 3,519,356	\$ 954,834	\$ 998,729	28.4% See Note 5
Operations	\$ 470,079	\$ 459,779	\$ 148,989	\$ 149,464	32.5%
Bus Operators	\$ 6,400	\$ 6,080	\$ 2,402	\$ 178	2.9%
Fleet Maintenance	\$ 2,936,353	\$ 2,789,535	\$ 975,441	\$ 841,436	30.2%
Op Prog/SCCIC	\$ 2,925	\$ 2,778	\$ 375	\$ 53	1.9%
Prepaid Expense			\$ (87,020)	\$ -	0.0% See Note 6
Total Non-Personnel	\$ 9,540,063	\$ 9,096,387	\$ 2,930,192	\$ 2,748,253	30.2%
Subtotal Operating Expense	\$ 31,600,000	\$ 31,086,000	\$ 11,254,763	\$ 11,556,316	37.2%
Grant Funded Studies/Programs	\$ -	\$ -		\$ -	0.0%
Transfer to/from Cap Program	\$ -	\$ -		\$ -	0.0%
Pass Through Programs	\$ -	\$ -		\$ -	0.0%
Total Operating Expense	\$ 31,600,000	\$ 31,086,000	\$ 11,254,763	\$ 11,556,316	37.2%
YTD Operating Revenue Over YTD Expense				\$ 212,075	

**CONSOLIDATED OPERATING EXPENSE
NOVEMBER 2002**

	FY 02-03 Final Budget	FY 02-03 Revised Budget	FY 01-02 Expended YTD	FY 02-03 Expended YTD	% Exp YTD of Budget	
LABOR						
Operators Wages	6259873	\$ 6,211,208	\$ 2,493,106	\$ 2,357,868	38.0%	
Operators Overtime	\$ 968,512	\$ 968,512	\$ 423,195	\$ 435,984	45.0%	See Note 7
Other Salaries & Wages	\$ 6,153,470	\$ 6,057,082	\$ 2,237,381	\$ 2,186,043	36.1%	
Other Overtime	\$ 245,893	\$ 245,893	\$ 139,327	\$ 92,583	37.7%	
	\$ 13,627,748	\$ 13,482,695	\$ 5,293,009	\$ 5,072,478	37.6%	
FRINGE BENEFITS						
Medicare/Soc Sec	\$ 130,765	\$ 135,062	\$ 52,964	\$ 53,883	39.9%	
PERS Retirement	\$ 970,685	\$ 958,135	\$ 357,484	\$ 355,428	37.1%	
Medical insurance	\$ 2,270,455	\$ 2,360,163	\$ 784,099	\$ 862,442	36.5%	
Dental Plan	\$ 414,391	\$ 431,387	\$ 195,832	\$ 172,168	39.9%	
Vision Insurance	\$ 113,077	\$ 128,401	\$ 46,709	\$ 49,291	38.4%	
Life Insurance	\$ 56,570	\$ 59,726	\$ 21,809	\$ 21,630	36.2%	
State Disability Ins	\$ 131,089	\$ 131,516	\$ 44,713	\$ 41,025	31.2%	
Long Term Disability Ins	\$ 509,251	\$ 508,264	\$ 175,786	\$ 182,742	36.0%	
Unemployment Insurance	\$ 26,316	\$ 26,402	\$ 1,907	\$ 277	1.0%	
Workers Comp	\$ 1,248,362	\$ 1,248,434	\$ 375,205	\$ 793,301	63.5%	See Note 8
Absence w/ Pay	\$ 2,532,354	\$ 2,488,830	\$ 966,753	\$ 1,197,248	48.1%	See Note 9
Other Fringe Benefits	\$ 28,874	\$ 30,598	\$ 8,301	\$ 6,151	20.1%	
	\$ 8,432,189	\$ 8,506,918	\$ 3,031,562	\$ 3,735,585	43.9%	
SERVICES						
Acctng/Admin/Bank Fees	\$ 289,500	\$ 285,500	\$ 79,476	\$ 82,468	28.9%	
Prof/Legis/Legal Services	\$ 479,720	\$ 460,920	\$ 87,098	\$ 154,154	33.4%	
Temporary Help	\$ -	\$ -	\$ 82,480	\$ -	0.0%	
Uniforms & Laundry	\$ 35,300	\$ 34,980	\$ 11,203	\$ 11,424	32.7%	
Security Services	\$ 283,419	\$ 283,119	\$ 90,000	\$ 89,447	31.6%	
Outside Repair - Bldgs/Eqmt	\$ 174,450	\$ 163,495	\$ 77,702	\$ 56,707	34.7%	
Outside Repair - Vehicles	\$ 270,140	\$ 270,140	\$ 108,237	\$ 99,226	36.7%	
Waste Disp/Ads/Other	\$ 226,240	\$ 217,740	\$ 70,928	\$ 49,259	22.6%	
	\$ 1,758,769	\$ 1,715,894	\$ 606,807	\$ 542,685	31.6%	
CONTRACT TRANSPORTATION						
Contract Transportation	\$ 50	\$ 50	\$ -	\$ -	0.0%	
Paratransit Service	\$ 3,474,485	\$ 3,289,256	\$ 906,209	\$ 924,654	28.1%	See Note 5
	\$ 3,474,535	\$ 3,289,306	\$ 906,209	\$ 924,654	28.1%	
MOBILE MATERIALS						
Fuels & Lubricants	\$ 1,357,168	\$ 1,275,283	\$ 405,894	\$ 438,518	34.4%	
Tires & Tubes	\$ 150,000	\$ 113,182	\$ 57,258	\$ 47,757	42.2%	See Note 10
Other Mobile Supplies	\$ 6,500	\$ 6,500	\$ 3,109	\$ 552	8.5%	
Revenue Vehicle Parts	\$ 645,000	\$ 615,000	\$ 195,611	\$ 65,042	10.6%	See Note 11
	\$ 2,158,668	\$ 2,009,965	\$ 661,872	\$ 551,869	27.5%	

**CONSOLIDATED OPERATING EXPENSE
NOVEMBER 2002**

	FY 01-03 Final Budget	FY 02-03 Revised Budget	FY 01-02 Expended YTD	FY 02-03 Expended YTD	% Exp YTD of Budget	
OTHER MATERIALS						
Postage & Mailing/Freight	\$ 21,990	\$ 25,447	\$ 8,241	\$ 9,833	38.6%	
Printing	\$ 100,729	\$ 95,352	\$ 31,963	\$ 19,600	20.6%	
Office/Computer Supplies	\$ 66,686	\$ 64,682	\$ 22,341	\$ 15,359	23.7%	
Safety Supplies	\$ 23,175	\$ 20,175	\$ 10,056	\$ 4,988	24.7%	
Cleaning Supplies	\$ 65,000	\$ 62,000	\$ 19,443	\$ 15,152	24.4%	
Repair/Maint Supplies	\$ 37,700	\$ 341,700	\$ 28,431	\$ 17,277	49.8%	See Note 12
Parts, Non-Inventory	\$ 50,000	\$ 50,000	\$ 21,061	\$ 19,033	38.1%	
Tools/Tool Allowance	\$ 11,207	\$ 11,207	\$ 7,789	\$ 2,432	21.7%	
Promo/Photo Supplies	\$ 22,247	\$ 22,247	\$ 8,127	\$ 734	3.3%	
	\$ 428,734	\$ 385,810	\$ 157,452	\$ 104,408	27.1%	
UTILITIES	\$ 328,084	\$ 328,084	\$ 133,002	\$ 125,017	38.1%	
CASUALTY & LIABILITY						
Insurance - Prop/PL & PD	\$ 429,000	\$ 415,000	\$ 74,281	\$ 157,811	38.0%	
Settlement Costs	\$ 100,000	\$ 100,000	\$ 14,996	\$ 42,290	42.3%	See Note 13
Repairs to Prop	\$ -	\$ -	\$ (463)	\$ (11,448)	0.0%	See Note 14
Prof/Other Services	\$ 55,000	\$ 49,527	\$ 46,416	\$ 72	0.1%	
	\$ 584,000	\$ 564,527	\$ 135,229	\$ 188,725	33.4%	
TAXES	\$ 44,667	\$ 44,667	\$ 20,095	\$ 18,423	41.2%	
MISC EXPENSES						
Dues & Subscriptions	\$ 55,505	\$ 54,720	\$ 26,747	\$ 35,704	65.2%	See Note 15
Media Advertising	\$ 5,000	\$ 5,000	\$ 18,077	\$ 129	2.6%	
Employee Incentive Program	\$ 11,450	\$ 11,450	\$ 4,664	\$ 2,108	18.4%	
Training	\$ 45,290	\$ 45,090	\$ 8,546	\$ 2,584	5.7%	
Travel & Local Meetings	\$ 42,225	\$ 40,888	\$ 13,804	\$ 6,718	16.4%	
Other Misc Expenses	\$ 13,500	\$ 12,850	\$ 4,064	\$ 4,435	34.5%	
	\$ 172,970	\$ 169,998	\$ 75,902	\$ 51,678	30.4%	
OTHER EXPENSES						
Leases & Rentals	\$ 589,636	\$ 588,136	\$ 233,624	\$ 240,794	40.9%	
Repower Project Reserve	\$ -	\$ -	\$ -	\$ -	0.0%	
Transfer to Capital	\$ -	\$ -	\$ -	\$ -	0.0%	
Pass Through Programs	\$ -	\$ -	\$ -	\$ -	0.0%	
	\$ 589,636	\$ 588,136	\$ 233,624	\$ 240,794	40.9%	
Total Operating Expense	\$ 31,600,000	\$ 31,086,000	\$ 11,254,763	\$ 11,556,316	37.2%	

**MONTHLY REVENUE AND EXPENSE REPORT
FY 02-03 CAPITAL IMPROVEMENT PROGRAM**

CAPITAL PROJECTS	Program Budget	Expended in	
		November	YTD Expended
Grant Funded Projects			
Consolidated Operating Facility	\$ 7,948,083	\$ 18,295	\$ 183,388
Urban Bus Replacement	\$ 7,546,472	\$ 317,954	\$ 3,226,319
Talking Bus Equipment	\$ 700,000		\$ 512,919
CNG Facilities for SCM, Ops	\$ 802,574	\$ 329	\$ 136,468
Metro Center Renovation Project	\$ 200,000	\$ 26,094	\$ 61,920
Engine Repower Project (carryover)	\$ 125,000		
ADA Paratransit Vehicle (carryover)	\$ 35,809		\$ 35,809
USL Financials Software (carryover)	\$ -		\$ 6,250
	\$ 17,357,938		
District Funded Projects			
Bus Stop Improvements	\$ 475,750		\$ 1,740
ADA Recertification Program	\$ 5,000		
IT - Giro Rostering Module	\$ 61,000		
IT - Servers	\$ 16,000	\$ 2,001	\$ 2,001
Automated Telephone Info System	\$ 35,000		
Facilities Repairs & Improvements	\$ 89,712		\$ 7,212
Machinery/Equip Repair & Improvements	\$ 24,000		
Non-revenue Vehicle Replacement	\$ 145,000		
Office Equipment	\$ 30,000		\$ 999
Transfer to Operating Budget	\$ 1,200,000		
	\$ 2,081,462		
TOTAL CAPITAL PROJECTS	\$ 19,439,400	\$ 364,673	\$ 4,175,025
CAPITAL FUNDING SOURCES			
	Budget	Received in	YTD Received
		November	
Federal Capital Grants	\$ 13,553,939	\$ -	\$ 2,655,419
State/Local Capital Grants	\$ 907,631	\$ -	\$ 342,990
STA Funding	\$ 807,150	\$ 205,353	\$ 205,353
District Reserves	\$ 3,770,680	\$ -	\$ 971,263
Transfer from Bus Stop Imp Reserve	\$ 400,000	\$ -	\$ -
TOTAL CAPITAL FUNDING	\$ 19,439,400	\$ 205,353	\$ 4,175,025

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

1. Passenger fares (farebox and pass sales) are \$11,436 or 0.9% under the revised budget amount for the year to date. Further, this revenue source is \$63,936 under the amount received for the same period in FY 01-02. Paratransit fares are \$2,582 under budget for the period since ridership is lower than expected. Special transit fares (contracts) are \$30,296 or 4.7% over the budgeted amount. Highway 17 Express revenue is \$48,559 or 12.6% under the year to date budgeted amount. Together, all four passenger revenue accounts are under the budgeted amount for the first five months of the fiscal year by a net \$32,281 or 1.3%.
2. Interest income is \$3,243 below budget for the year-to-date due to continued low interest rates. It should be noted that interest income for the first five months is only half the amount received for the same period in FY 01-02.
3. Sales tax income is at budget for the first five months since the budgeted revenue was reduced in the October budget revision.
4. Bus operator personnel expense is at 42.1% of the revised budget due to high workers' compensation expenses.
5. Paratransit program expense is only at 28.4% of the budget because the November billing was not submitted by the contractor by the report deadline.
6. 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.
7. Operators overtime is at 45.0% of the budget due to more operators than anticipated on medical leaves of absence.
8. Workers Compensation insurance is at 63.5% of the budget due to higher claims paid out during the period than projected. The claims amount varies from month to month because the District is self-insured and there is no set premium amount.
9. Absence with pay is at 48.1% of the budget since more vacation time is taken in the summer months and many retirees were paid off for their accrued time when they separated from the District. Total payroll is within budget.
10. Tires and tubes expense is at 42.2% of the budget due to volume purchases.
11. Revenue vehicle parts expense is only at 10.6% of the budget due to an October credit in the amount of \$124,777 for sale of excess inventory for the Gillig buses.
12. Repair and maintenance supplies are at 49.8% of the budget due to purchase of supplies for bus stop repairs.

13. Settlement costs are at 42.3% of the budget since lump sum settlements are occasionally paid out. These payments fluctuate from month to month.
14. 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 exceed expenses so far this year because some payments were received in August for expenses incurred in the last fiscal year.
15. Dues and subscriptions are at 65.2% of the budget due to the annual payment of APTA dues, and other subscription renewals.

FY 02-03 BUDGET TRANSFERS
12/1/02-12/31/02

	ACCOUNT #	ACCOUNT TITLE	AMOUNT
<hr/>			
TRANSFER # 03-011			
TRANSFER FROM:	502081-1200	Workers Comp	\$ (500)
TRANSFER TO:	502081-I 500	Workers Comp	\$ 500
REASON:	To reallocate workers comp premium costs.		
<hr/>			

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 24, 2003
TO: Board of Directors
FROM: Steve Paulson, Paratransit Administrator
SUBJECT: METRO PARACRUZ STATUS MONTHLY UPDATE

I. RECOMMENDED ACTION

This report is for information only- no action requested

II. SUMMARY OF ISSUES

- Eligibility/Recertification Statistics through December 27th, 2002
- Operating Statistics are for the Month of October, 2002

III. DISCUSSION

CERTIFICATION UPDATE

Recertification

As of December 27th, 638 recertification assessments have been completed. The percentage of persons seeking recertification who were denied eligibility remains at 4%. Other categories of eligibility determination also remain virtually unchanged.

Of the 1120 most frequent riders, 555 have been assessed.

New Applicants

As of December 27th, 421 new applicants have been assessed for eligibility. The percentage of persons seeking new certification who were denied eligibility remains at 11%.

Appeals

Four appeals were heard in November. The original determination was upheld in every case. The cumulative total for appeals heard: fifteen. Eligibility has been increased in three of those fifteen appeals.

Appeals pending: five

Operating Statistics

	This Oct	Last Oct	Change	YTD	Last YTD	Change
Cost	\$242,911.15	\$191,612.19	+ \$51,298.96	\$924,653.58	\$725,142.86	+\$196,510.72
Revenue	\$16,920.00	\$19,542.00	<\$2,622.00>	\$75,924.00	\$71,688.00	+\$4,236.00
Subsidy	\$226,727.15	\$172,070.19	+53,920.96	\$848,729.58	\$656,454.86	+\$192,274.72
Rides performed	9,585	9,771	< 186 >	37,962	35,844	+2118
Number of Riders	1218	Data not available	Data not available	1574	Data not available	Data not available
Cost/ Ride	\$25.35	\$19.61	+\$5.74	\$24.36	\$20.34	+4.02
Program Registrants	7125	9173	< 2048 >	New riders 332	New riders 383	<51>
Productivity	1.995	Data not available	Data not available	2.01	Data not available	Data not available
On-time performance	95.1%	Data not available	Data not available	95.2%	Data not available	Data not available

October 2002 areas on contract non-compliance:

- 2 out-of-service area rides billed
- 4 documented cases of District vehicles used for non-METRO ParaCruz trips
- 25 missed trips
- 22 excessively late trips
- 27 excessively late will calls (over 100 minutes)
- 387 pick ups earlier than contractually allowed
- 903 (9.42%) rides on non-compliant vehicles (excessive age). Payment for these rides was deducted from the final invoice, as allowed for in our contract.

IV. FINANCIAL CONSIDERATIONS

None

V. ATTACHMENTS

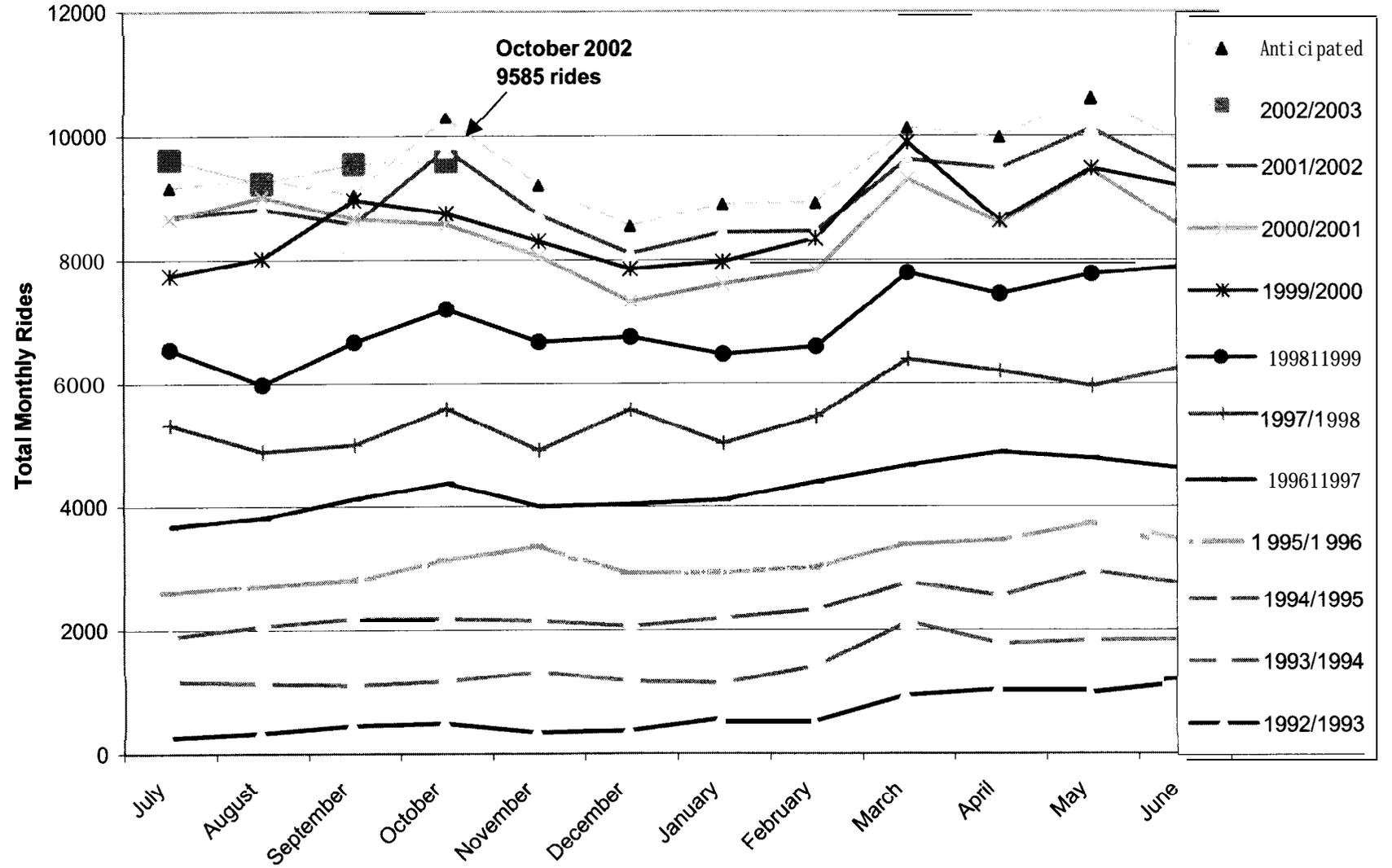
ATTACHMENT A METRO ParaCruz Rides by Month

ATTACHMENT B METRO ParaCruz Cost by Month

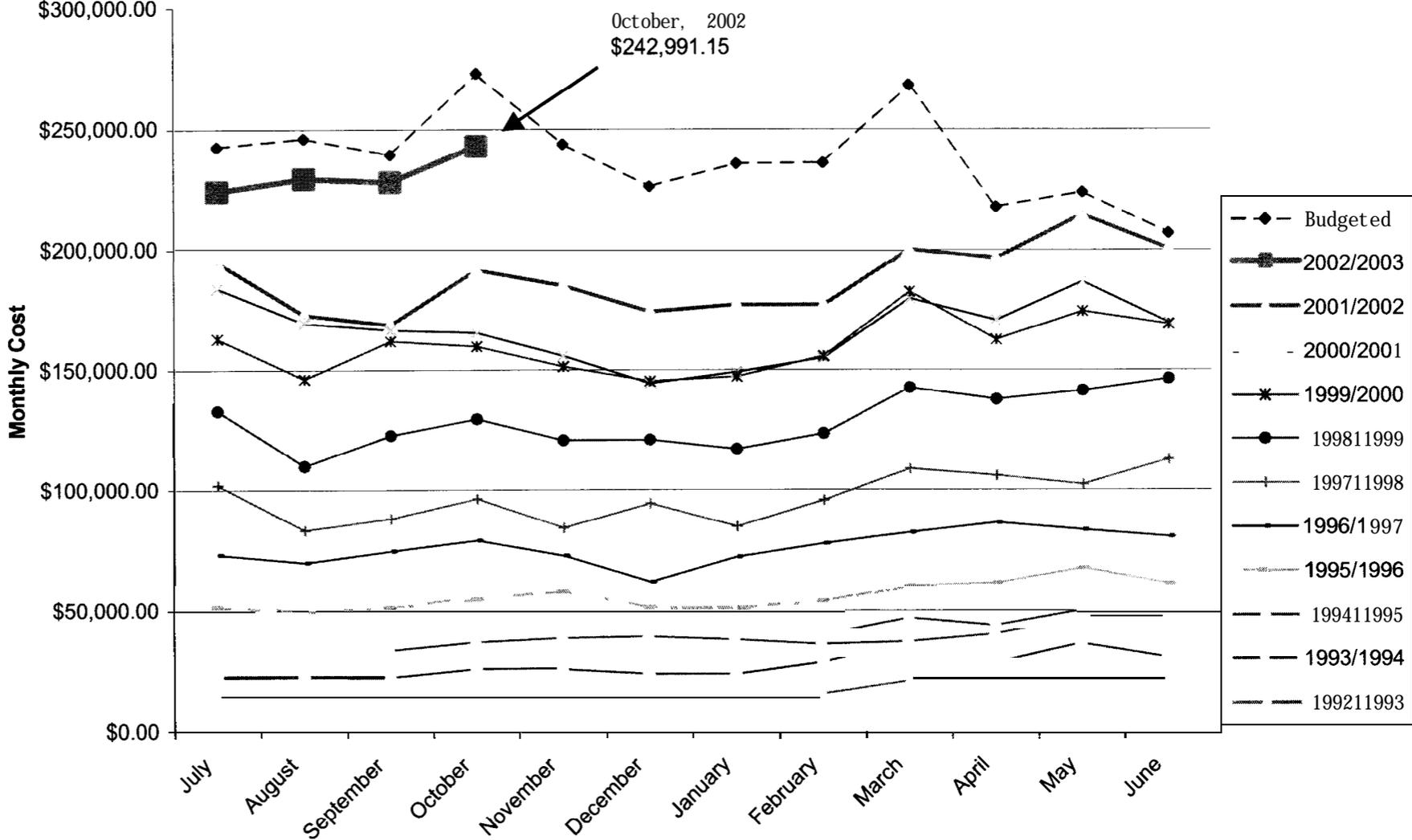
ATTACHMENT C Recertification and New Applicant Eligibility Determination

ATTACHMENT D METRO ParaCruz Registered Participants by Month

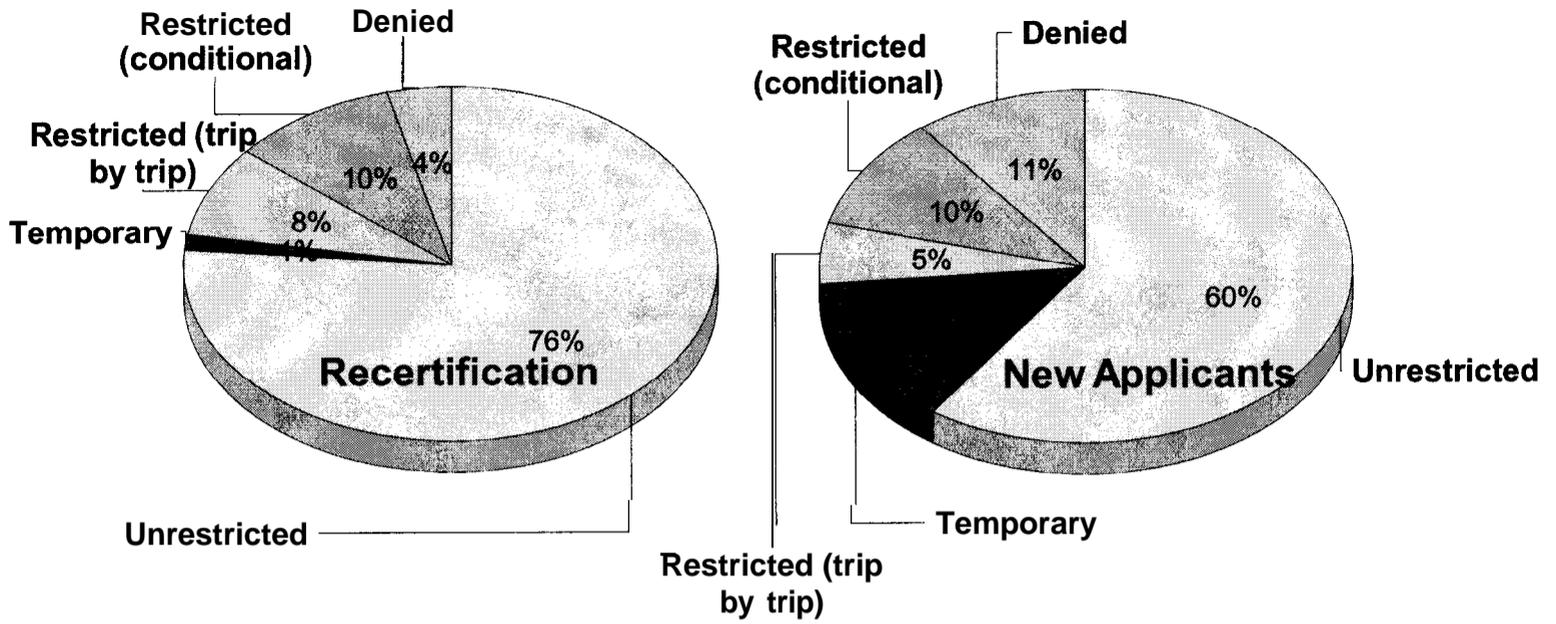
METRO ParaCruz Rides by Month



METRO ParaCruz Cost By Month



METRO ParaCruz Eligibility Determinations - Aug 1 02 through Dec 27 02 Attachment C



Recertification

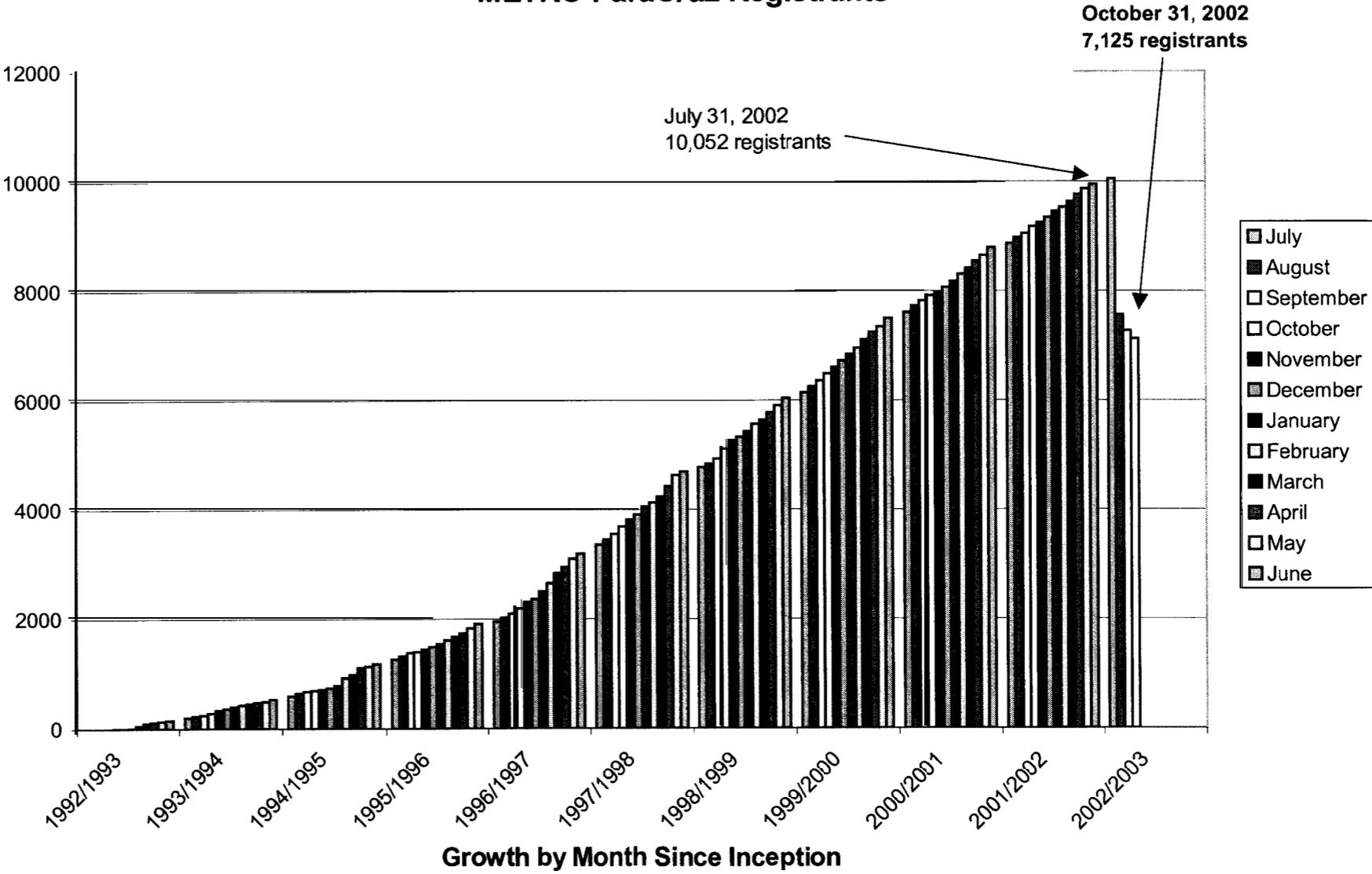
Unrestricted	488
Temporary	9
Restricted (Trip by Trip)	52
Restricted (conditional)	64
Denied	25
Group Total:	638

New Applicant

Unrestricted	251
Temporary	59
Restricted (trip by trip)	23
Restricted (conditional)	43
Denied	45
Group Total:	421

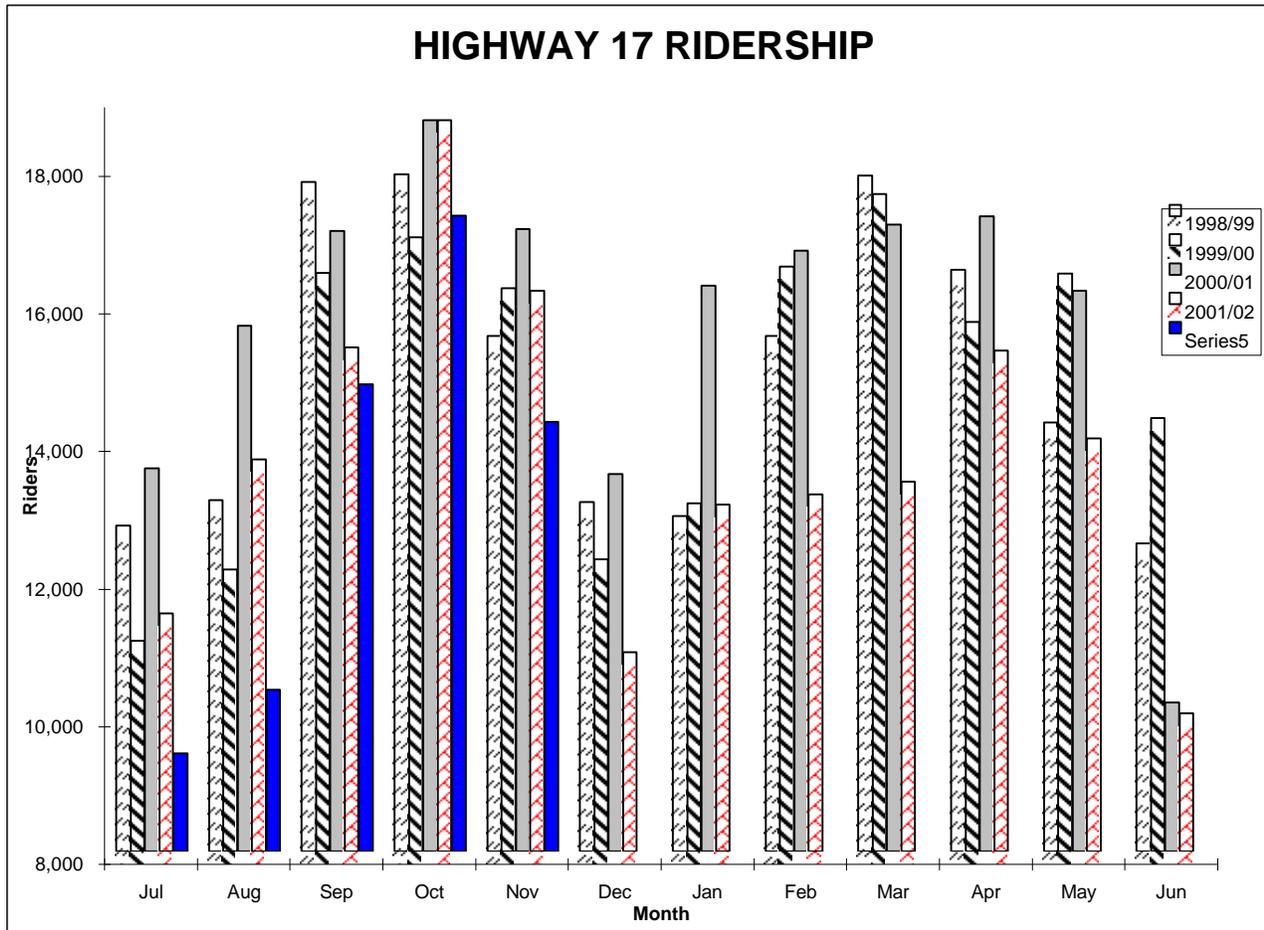
Grand Total: 1059

METRO ParaCruz Registrants



HIGHWAY 17 - NOVEMBER 2002

	October			YTD		
	2002/03	2001/02	%	2002/03	2001/02	%
FINANCIAL						
Cost	\$ 95,666	\$ 111,211	(14.0%)	\$ 511,812	\$ 566,647	(9.7%)
Farebox	\$ 32,419	\$ 36,432	(11.0%)	\$ 158,520	\$ 168,464	(5.9%)
Operating Deficit	\$ 58,861	\$ 71,446	(17.6%)	\$ 339,374	\$ 387,206	(12.4%)
Santa Clara Subsidy	\$ 29,431	\$ 35,723	(17.6%)	\$ 169,687	\$ 193,603	(12.4%)
METRO Subsidy	\$ 29,431	\$ 35,723	(17.6%)	\$ 169,687	\$ 193,603	(12.4%)
San Jose State Subsidy	\$ 4,385	\$ 3,332	31.6%	\$ 13,918	\$ 10,977	26.8%
STATISTICS						
Passengers	14,243	16,146	(11.8%)	66,056	75,261	(12.2%)
Revenue Miles	29,925	31,421	(4.8%)	160,099	161,595	(0.9%)
Revenue Hours	1,164	1,222	(4.8%)	6,226	6,285	(0.9%)
PRODUCTIVITY						
Cost/Passenger	\$ 6.72	\$ 6.89	(2.5%)	\$ 7.75	\$ 7.53	2.9%
Revenue/Passenger	\$ 2.28	\$ 2.26	0.9%	\$ 2.40	\$ 2.24	7.2%
Subsidy/Passenger	\$ 4.44	\$ 4.63	(4.1%)	\$ 5.35	\$ 5.29	1.1%
Passengers/Mile	0.48	0.51	(7.4%)	0.41	0.47	(11.4%)
Passengers/Hour	12.24	13.21	(7.4%)	10.61	11.98	(11.4%)
Recovery Ratio	33.9%	32.8%	3.4%	31.0%	29.7%	4.2%



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 24, 2002
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 November 2002 decreased by (6.69%) versus November 2001. Year to date student billable trips have decreased by (1.8).
- Faculty / staff billable trips for November 2002 decreased by (1.76%) versus November 2001. Year to date faculty / staff billable trips have increased by 5.5%.
- Revenue received from UCSC for November 2002 was \$165,708 versus \$168,615 a decrease of (1.7%).

III. DISCUSSION

Full school-term transit service to the University of California – Santa Cruz started on September 16, 2002. Attached are charts detailing student and faculty / staff billable trips. A summary of the results is:

- Student billable trips for the month of November 2002 were 155,559 vs. 166,718 for November 2002 a decrease of (6.69%).
- Faculty / staff billable trips for the month of November 2002 were 10,146 vs. 10,328 for November 2002 a decrease of (1.76%).
- Year to date Student billable trips decreased by (1.8%) and faculty / staff billable trips increased by 5.5%.
- In November 2002 the charge for service was \$165,708. The charge for November 2001 was \$168,615. This represents a (1.7%) decrease in revenue for November 2002 versus November 2001.

IV. FINANCIAL CONSIDERATIONS

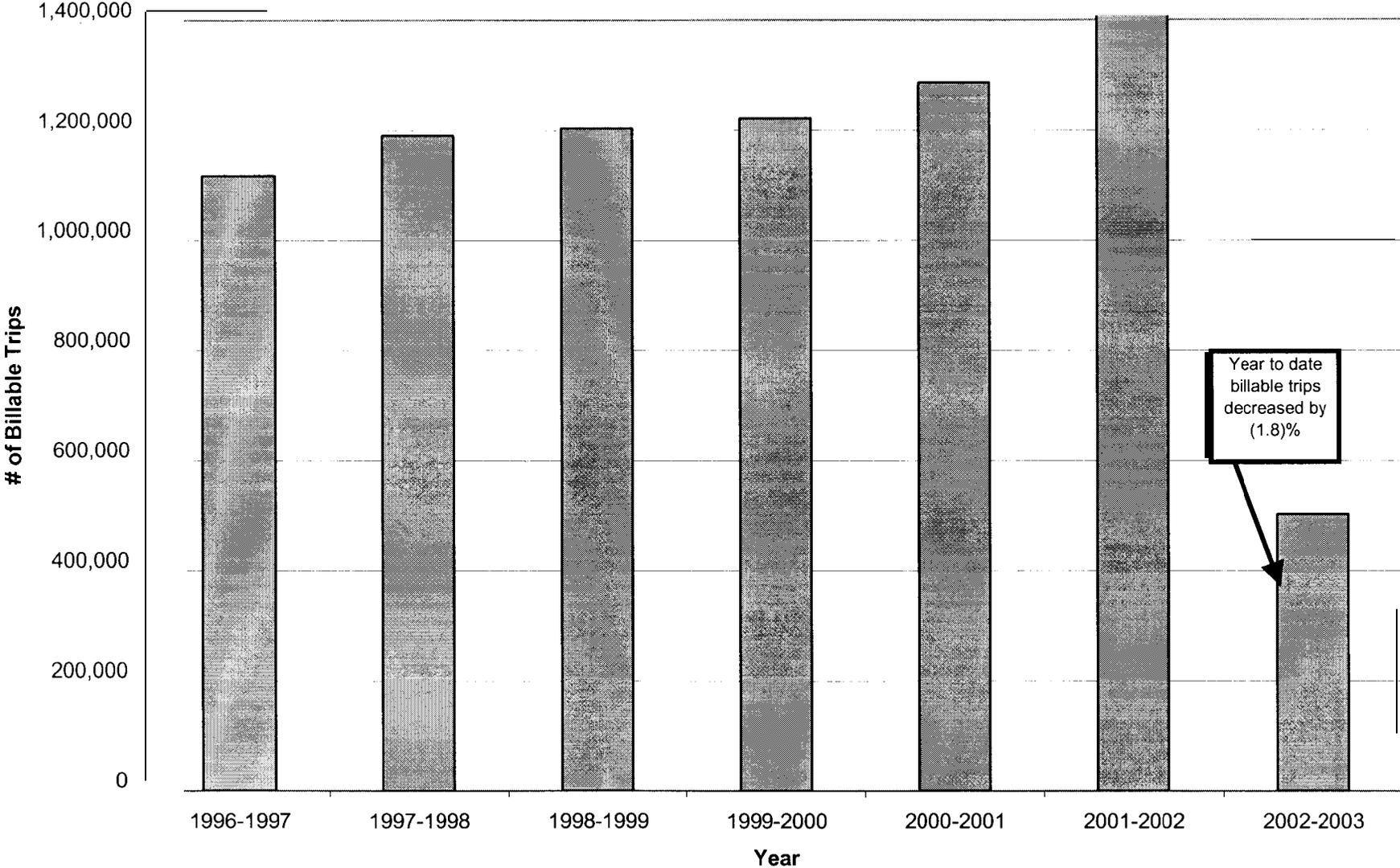
NONE

V. ATTACHMENTS

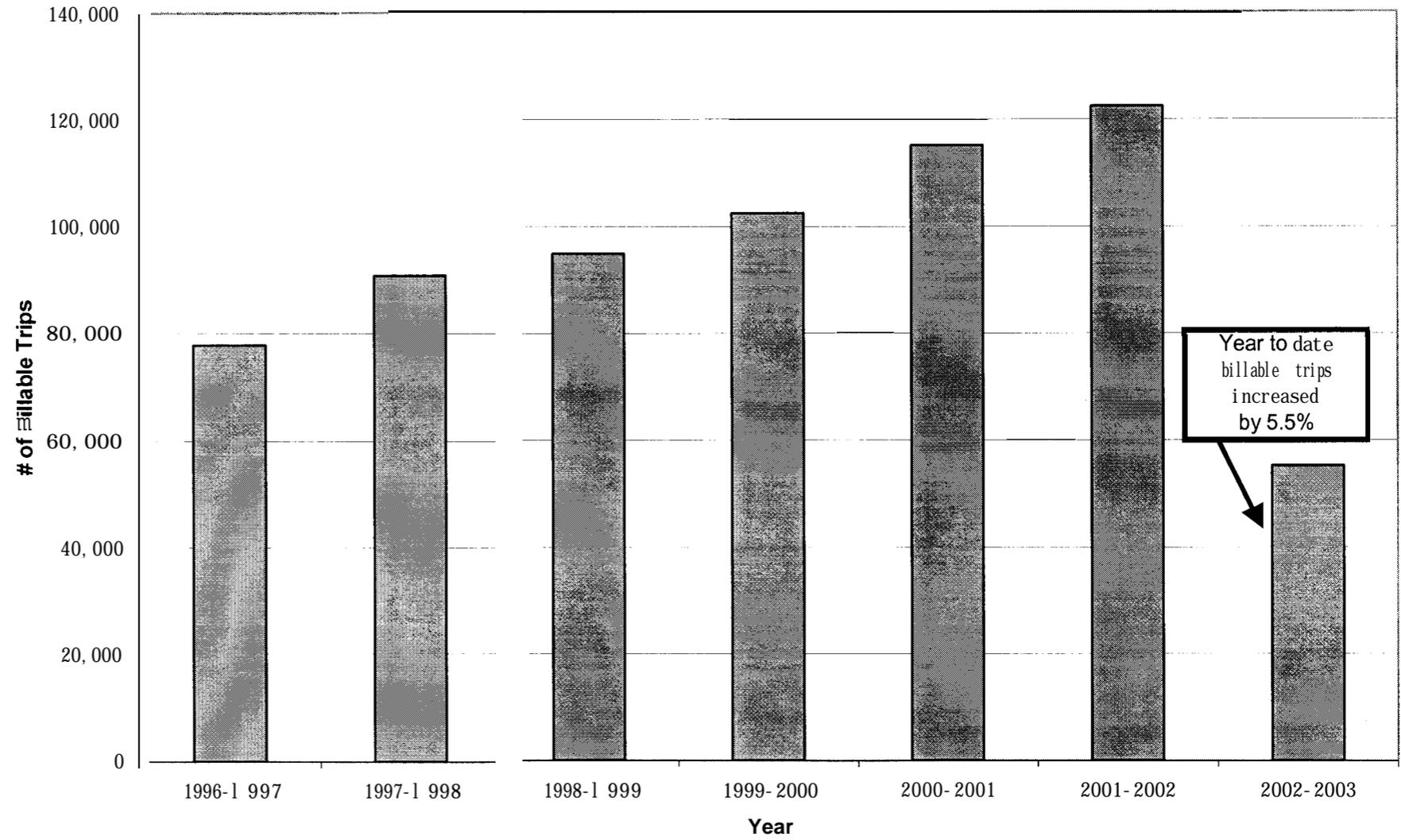
Attachment A: UCSC Student Billable Trips

Attachment B: UCSC Faculty / Staff Billable Trips

UCSC Student Billable Trips



UCSC Faculty / Staff Billable Trips



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 24, 2003
TO: Board of Directors
FROM: Leslie R. White, General Manager
SUBJECT: METROBASE PROJECT STATUS REPORT

I. RECOMMENDED ACTION

That the Board of Directors accept the status report on the MetroBase project.

II. SUMMARY OF ISSUES

- The MetroBase project is currently approximately seven (7) years behind schedule for implementation.
- On April 19, 2002, the Board of Directors selected the Harvey West Cluster No. 1 Option as the preferred alternative for the Environmental Impact Report. This was the third site to receive such designation.
- On May 17, 2002, the Board of Directors adopted a revised project schedule and requested that the project status report be included in the Board packet each month.
- Currently, the project schedule has been revised three times to allow additional time for the completion and circulation of the Draft EIR. The project schedule revision does not change the proposed construction schedule.

III. DISCUSSION

The 1989 Loma Prieta earthquake severely damaged the operating facilities at METRO. The Watsonville operating base was damaged to the degree that it became inoperable and the Santa Cruz operating base lost all fueling capabilities. From that time to the present, METRO has pursued the goal of constructing replacement facilities, which would restore cost effective maintenance and operations functions. METRO has pursued a consolidated facility approach in order to achieve the maximum amount of operating efficiency on a long-term basis. The use of a consolidated or closely clustered approach will achieve significant savings for METRO which can be used to restore service levels. The original schedule, developed for the construction of replacement facilities, identified 1995 as the target year for implementation. Unfortunately, the MetroBase project has suffered a number of setbacks over the past few years and is currently approximately seven (7) years behind schedule.

On April 19, 2002, the Board of Directors adopted a designation of the Harvey West Cluster No. 1 Option as the preferred alternative for the purposes of continuing the Environmental Impact

Report process on the MetroBase project. This is the third site to be designated as the preferred alternative.

On May 17, 2002, the Board of Directors adopted a revised project schedule (Attachment A) and requested that a status report be provided to the Board at each meeting so that any schedule slippage would be apparent immediately.

During the reference period certain tasks which were to be completed have been delayed and a revised schedule has been developed. The revised schedule is attached to this Staff Report. The Notice of Preparation/Notice of Intent was circulated on April 30, 2002 and the comment period concluded on May 30, 2002. On May 22, 2002, the scoping meeting was held to solicit comments from the public with regard to the revised project scope. In order to proceed with the Environmental Impact Report process, it was necessary to receive a revised site plan as well as other information from both METRO and Waterleaf Interiors, Inc. The information required to be submitted to Duffy & Associates on June 1, 2002 was delivered. METRO staff received the Administrative Draft EIR on August 5, 2002. Comments from METRO staff and consultants were transmitted to Denise Duffy and Associates on September 4, 2002. The next time point on the schedule was the delivery of the Screen-Check of the EIR to METRO by September 27, 2002. This date was modified for a third time to reflect a new date of October 17, 2002. The attached schedule has been adjusted to reflect the delay. The impact of this action was to delay the certification of the EIR to February 28, 2002. The beginning of ROW acquisition and Design activities has been moved to March 3, 2003. During the current reporting period the EIR circulation was completed. The comments that were received and the responses to those comments will be presented at the January 24, 2003 Board of directors Meeting. The current schedule continues to identify February 28, 2003 as the date for the Board to certify the EIR. No actions have occurred during the reporting period that changed the schedule that is attached to this Staff Report.

METRO staff will continue to monitor the progress of the MetroBase project with regard to the items contained on the project schedule that address the Harvey West Cluster No. 1 Option.

IV. FINANCIAL CONSIDERATIONS

No actions have taken place during the reporting period that change the financial status of the MetroBase project.

V. ATTACHMENTS

Attachment A: MetroBase Project Schedule

MetroBase Project Schedule

MetroBase HW 1 Cluster Alternative Revised Schedule				
Task	Adopted Schedule	Revision #1	Revision #2	Revision #3
FFIR Completed and Accepted by Board of Directors	04/19/02			
Board of Directors Amends Preferred Alternative Designation	04/19/02			
Circulate Notice of Preparation/Notice of Intent (30 days)	04/30/02			
Scoping Meeting	05/22/02			
NOP/NOI Circulation Period Ends	05/30/02			
Receive All Project Information from SCMTD & Architect	05/01/02			
Submit Administrative Draft EIR/EIS	07/15/02	08/05/02		
Review of ADEIR/EIS by SCMTD Complete	08/09/02	08/30/02		
Submit Screen-Check ADEIR/EIS to SCMTD	08/16/02	09/27/02	10/11/02	10/17/02
Review of Screen-Check ADEIR/EIS Complete	08/19/02	10/04/02	10/18/02	10/25/02
Start 45-Day Review Period	08/20/02	10/07/02	10/21/02	10/31/02
DEIR Review Period Ends	10/11/02	11/20/02	12/06/02	12/15/02
Submit Administrative Responses to Comments to SCMTD	11/04/02	12/13/02	12/27/02	01/13/03
Review of Admin Responses Complete	11/25/02	01/03/03	01/17/03	01/31/03
Circulate Responses (10 days)	12/09/02	01/13/03	01/31/03	02/07/03
End Circulation Period	12/19/02	01/23/03	02/10/03	02/19/03
Certify Final EIR	12/20/02	01/24/03	02/14/03	02/28/03
ROW Acquisition Actions Commence	01/01/03	01/27/03	02/17/03	03/03/03
Final Design and Engineering Activities Commence	01/01/03	01/27/03	02/17/03	03/03/03
Draft Construction Specifications Circulated	05/01/03		06/01/03	
Board of Directors Approves Construction Specifications	06/20/03			
Request for Construction Bids Issued	06/20/03			
Pre Bid Meeting Held	07/15/03			
Final Bid Documents Issued	08/01/03			
Construction Bid Received	10/01/03			
Construction Bids Evaluated	10/01/03 thru 11/01/03			
ROW Acquisition Completed	11/01/03			

MetroBase Project Schedule

MetroBase HW 1 Cluster Alternative Revised Schedule				
Task	Adopted Schedule	Revision #1	Revision #2	Revision #3
Board of Directors Award Construction Contracts	11/21/03			
Groundbreaking	01/09/04			
Construction Begins	01/12/04			
Fueling System Operational and online	07/01/05			
Fleet Maintenance Function Complete and online	09/30/05			
Operations Function Complete and online	11/30/05			
Facility Maintenance Complete and online	12/31/05			
Phase I Construction Complete	02/28/06			
Grand Opening & Celebration	03/15/06			

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

OFFICE OF THE DISTRICT COUNSEL

DATE: January 24, 2003
TO: Board of Directors
FROM: Margaret Gallagher, District Counsel
SUBJECT: CONSIDERATION OF NAME CHANGE FOR TENANT'S BUSINESS AT WATSONVILLE TRANSIT CENTER

I. RECOMMENDED ACTION

Consider authorizing the General Manager to execute an Amendment to the Lease allowing Juan Valdivia, Maria de Lourdes Valdivia and Maria Uribe to change the name of their business from Taqueria El Dandy to Taqueria El Torito, currently doing business at the Watsonville Transit Center.

II. SUMMARY OF ISSUES

- Juan Valdivia, Maria de Lourdes Valdivia and Maria Uribe, dba Taqueria El Dandy recently requested that the Transit District allow them to change the name of their business to Taqueria El Torito.

III. DISCUSSION

Juan Valdivia, Maria de Lourdes Valdivia and Maria Uribe have been leasing property at the Watsonville Transit Center since November 1, 2000, from the Santa Cruz Metropolitan Transit District. Recently they requested permission to change their name to Taqueria El Torito.

IV. FINANCIAL CONSIDERATIONS

None

V. ATTACHMENTS

Attachment A: Amendment to Lease effecting name change for business

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT is made effective February 1, 2003, between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California, hereinafter called "District", and **Juan Valdivia, Maria de Lourdes Valdivia and Maria Uribe** dba Taqueria El Dandy, hereinafter called "Tenant", whose address is 475 Rodriguez Street, Watsonville, CA 95076, who agree as follows:

I. RECITALS

- 1.1 On November 1, 2000, **Juan Valdivia, Maria de Lourdes Valdivia and Maria Uribe** dba Taqueria El Dandy, leased the space located at the Watsonville Transit Center from the District. The lease was for a five (5) year term, commencing on November 1, 2000, terminating on October 31, 2005.
- 1.2 On January 24, 2003, District authorized its General Manager to execute a Lease Amendment to allow tenant to change the name of their business from Taqueria El Dandy to Taqueria El Torito, currently doing business at the Watsonville Transit Center.
- 1.3 The purpose of this First Amendment is to change the business name from Taqueria El Dandy to Taqueria El Torito.
- 1.4 Article 20.1.18 of the Lease requires that any amendment to the Agreement be in writing and signed by the duly authorized representatives of both parties.

II. NAME OF TENANT'S BUSINESS

- 2.1 The first paragraph of the Lease is changed to reflect the following:

THIS LEASE is made on November 1, 2000, between the **SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**, a political subdivision of the State of California ("Landlord"), whose address is 370 Encinal, Suite 100, Santa Cruz, California, 95060, and, **Juan Valdivia, Maria de Lourdes Valdivia and Maria Uribe** dba Taqueria El Torito ("Tenant"), whose business address is 475 Rodriguez Street, Watsonville, CA 95076, who agree as follows:

III. NOTICE

- 3.1 Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally by depositing the same in the United States Postal Service, registered or certified mail, return receipt requested with the postage prepaid, addressed to the other party at the address set forth below. Either party may change its address by notifying the other party of the change of address by compliance with this section. Notice shall be deemed communicated within forty-eight (48) hours from the time of mailing if mailed as provided in this Article.

DISTRICT:

Santa Cruz Metropolitan Transit District
370 Encinal Street, Suite 100
Santa Cruz, CA 95060
ATTN: Secretary/General Manager

TENANT:

Tenant:
Juan Valdivia, Maria de Lourdes Valdivia and Maria Uribe
31-B Jonathan Street
Watsonville, CA 95076

IV. REMAINING TERMS AND CONDITIONS.

- 4.1 All other provisions of the Agreement that are not affected by this amendment shall remain unchanged and in full force and effect.

V. AUTHORITY

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

IN WITNESS THEREOF, this First Amendment to the Lease Agreement is executed by District and Tenant has affixed their signature(s) the day and year first hereinabove written.

TENANT-
TAQUERIA EL TORITO:

BY: _____
Juan Valdivia

DATE: _____

BY: _____
Maria de Lourdes Valdivia

DATE: _____

BY: _____
Maria Uribe

DATE: _____

DISTRICT-
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT:

BY: _____
Les White
General Manager

DATE: _____

Approved as to form:

BY: _____
Margaret Gallagher
District Counsel

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

STAFF REPORT

DATE: January 24, 2003

TO: Board of Directors

FROM: Margaret Gallagher, District Counsel

SUBJECT: CONSIDER REVISIONS OF ADA/504 POLICY AND PROCEDURE

I. RECOMMENDED ACTION

Revise the attached ADA/504 Policy and Procedure, which includes a Grievance Procedure

II. SUMMARY OF ISSUES

- Last month the ADA/504 policy was reviewed and approved. Certain modifications of the policy were requested. These modifications are bolded in the attached policy, recommended for adoption.

III. DISCUSSION

At the last Board Meeting, the Board of Directors approved adoption of the ADA/504 Policy. Certain modifications were requested. At that time I advised the Board of Directors that I would prepare language for the policy and would return to the Board with specific language for approval.

I provided copies of the modifications to the policy to representatives of both Unions, SEIU and UTU. I invited both Unions to meet with me if anyone felt the need to discuss the proposed modifications. To date I have not heard from anyone regarding the modifications.

The modifications include adding a new Section 3.03 wherein employees are encouraged to report any non-compliance with the ADA/504 and Section 6.01 is modified to add the word "authorized" which modifies "representative" and examples are given for whom would be thought of as an authorized representative of a potential complainant.

IV. FINANCIAL CONSIDERATIONS

None

V. ATTACHMENTS

Attachment A: ADA/504 Complaint Procedure with revisions bolded

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Regulation Number: AR-1002

Computer Title: adacmplt.doc

Effective Date: 01-24-03

Pages: 10

TITLE: ADA Complaint Procedure

Procedure History

NEW POLICY

1-24-03

SUMMARY OF POLICY

NEW policy and procedure re accessibility of Santa Cruz METRO services, programs, and activities and grievance procedures

APPROVED

I. POLICY

- 1.01 It is the policy of the Santa Cruz Metropolitan Transit District (hereinafter Santa Cruz METRO) that all its services, programs, and activities when viewed in their entirety, are readily accessible in accordance with the Americans with Disabilities Act and Section 504 of the Rehabilitation Act of 1973 (hereinafter ADA/504).
- 1.02 It is the policy of the Santa Cruz METRO that in accordance with ADA/504, no qualified individual with a disability shall, on the basis of disability be excluded from participation in or be denied the benefits of the services, programs, or activities of Santa Cruz METRO or be subjected to discrimination. A qualified individual with a disability shall be afforded an opportunity to participate in or benefit from the aid, benefit or service that is equal to and as effective as that afforded to others.
- 1.03 Santa Cruz METRO is adopting this policy in order to affirm its commitment to the ADA/504 statutes and regulations with regard to its services, programs, and activities.
- 1.04 Neither Santa Cruz METRO nor its employees or contractors shall retaliate, coerce, intimidate, threaten or interfere with any individual in the exercise of his/her rights pursuant to ADA/504 statutes and regulations or because that individual aided or encouraged any other individual in the exercise or enjoyment of any right granted or protected by the ADA/504 statutes and regulations.
- 1.05 Neither Santa Cruz METRO nor its employees or contractors shall discriminate against any individual because that individual has opposed any act or practice made unlawful by the ADA/504 statutes or regulations or because that individual made a charge, testified, assisted, or participated in any manner in an investigation, proceeding or hearing under the ADA/504 statutes or regulations.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

II. APPLICABILITY

- 2.01 Every Santa Cruz METRO employee and contractor must adhere to this policy and procedures.
- 2.02 Following this policy and procedures does not relieve a Santa Cruz METRO employee or contractor of complying with applicable Federal and California laws and regulations.
- 2.03 Members of the public may utilize this policy and procedures.

III. DESIGNATION OF RESPONSIBLE EMPLOYEE, COMMUNICATION AND AUXILIARY AIDS

- 3.01 The General Manager or his/her designee shall coordinate Santa Cruz METRO's efforts to comply with and carry out its responsibilities pursuant to the ADA/504, including any investigation of any complaint alleging Santa Cruz METRO's noncompliance with the ADA/504 or actions on the part of Santa Cruz METRO that are prohibited by the ADA/504.
- 3.02 The General Manager or his/her designee shall ensure that all Santa Cruz METRO's services, programs, and activities when viewed in their entirety, are readily accessible to those individuals with disabilities as defined in the ADA/504 statutes and regulations.
- 3.03 **Should an employee become aware that a Santa Cruz METRO service, program, or activity is out of compliance with the ADA/504, he/she is strongly encouraged to immediately inform his/her supervisor, manager, the General Manager or the Chair of the Board of Directors of the noncompliance. Upon receipt of such notification, the investigative procedure set forth in Section VI shall be followed.**
- 3.04 The General Manager or his/her designee shall make information available to individuals including individuals with disabilities, concerning Santa Cruz Metro's duties under the ADA/504 and how the ADA/504 applies to Santa Cruz METRO's services, programs and activities.
- 3.05 The General Manager or his/her designee shall take steps to ensure that Santa Cruz METRO can effectively communicate with individuals with disabilities (including applicants, participants and members of the public) as it does with others. Auxiliary aids and services where necessary to afford an individual with a disability an equal opportunity to participate in and enjoy the benefits of a service, program or activity conducted by Santa Cruz METRO shall be provided in accordance with the ADA/504 statutes and regulations. In determining the type of auxiliary aid and service necessary, Santa Cruz METRO will give primary consideration to the requests of the individual with disabilities.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

- 3.06 The General Manager or his/her designee shall ensure that when Santa Cruz METRO employees communicate with individuals with impaired hearing or speech by telephone that telecommunication devices for the deaf or equally effective telecommunications systems are in place in accordance with ADA/504.
- 3.07 The General Manager or his/her designee shall ensure that interested persons including persons with impaired vision or hearing can obtain information as to the existence and location of accessible services, activities and facilities in accordance with ADA/504.
- 3.08 Santa Cruz METRO shall provide signage at all inaccessible entrances to each of its facilities, directing users to an accessible entrance or to a location at which they can obtain information about accessible facilities. The international symbol for accessibility shall be used at each accessible entrance of a facility.
- 3.09 The General Manager or his/her designee shall ensure that information concerning Santa Cruz METRO's services, programs and activities are made available to individuals with disabilities.
- 3.10 The General Manager or his/her designee shall utilize appropriate Santa Cruz Metro employees or consultants necessary to fulfill Santa Cruz METRO responsibilities pursuant to this policy/procedure.
- 3.11 The General Manager or his/her designee shall ensure that Santa Cruz Metro employees are trained on this policy/procedure in order to ensure compliance.

IV. TRANSPORTATION SERVICE

- 4.01 Neither Santa Cruz METRO nor its employees will discriminate against an individual with a disability in connection with the provision of transportation service.
- 4.02 Neither Santa Cruz METRO nor its employees will on the basis of disability, deny to any individual with a disability the opportunity to use its public transportation service if the individual is capable of using that service.
- 4.03 The General Manager or his/her designee shall ensure that its public transportation service meets the standards and requirements set forth in the ADA/504 statutes and regulations.

V. EVALUATION OF SERVICES, PROGRAMS AND ACTIVITIES

- 5.01 The General Manager or his/her designee shall within 12 months of the implementation of this policy conduct an evaluation of Santa Cruz METRO's current services, programs, and activities and the effects thereof, that may or may not meet the requirements of the ADA/504 statutes and regulations.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

- 5.02 The General Manager or his/her designee shall review the Santa Cruz METRO's services, programs and activities and prepare an evaluation report for the Board of Directors' review.
- 5.03 The General Manager or his/her designee shall provide an opportunity to interested persons, including MASTF, individuals with disabilities and other organizations representing individuals with disabilities, to participate in the self-evaluation process by submitting comments, to a draft evaluation report.
- 5.04 The Evaluation Report for the Board of Directors shall include the following:
1. A list of the interested persons consulted;
 2. A description of areas examined and any problems identified;
 3. If problems are identified, a description of the proposed modification; and
 4. An implementation schedule to ensure that the modifications are made in a timely fashion.
- 5.05 Once the Board of Directors has accepted the Evaluation Report, the General Manager or his/her designee shall ensure that the implementation schedule for the necessary modifications is followed in accordance with the adopted schedule.
- 5.06 Upon completion of the modifications, the General Manager or his/her designee shall on a 24 month cycle review all services, programs, and activities of the Santa Cruz METRO in order to ensure that they meet ADA/504 statutes and regulations.
- 5.07 This policy/procedure does not require Santa Cruz METRO to take any action that it can demonstrate would result in a fundamental alteration in the nature of its service, program, or activity or in undue financial and administrative burdens. The General Manager or his/her designee shall make the decision that compliance would result in such alteration or burdens after considering all resources available for use in the funding and operation of the service, program, or activity and such decision must be accompanied by a written statement of the reasons for reaching that conclusion. If an action would result in such an alteration or such burdens, Santa Cruz METRO shall take any other action that would not result in such an alteration or such burdens but would nevertheless ensure that, to the maximum extent possible, individuals with disabilities receive the benefits or services provided by the Santa Cruz METRO.

VI. GRIEVANCE PROCEDURE

- 6.01 Any person with a disability or his/her **authorized** representative (**family member, caregiver, disability advocate, or disability organization, i.e. Central Coast Center for Independent Living, Community Bridges, Senior Network Services, or the like**) who believes that Santa Cruz METRO's programs, activities or services are not in compliance with the ADA/504 statutes or regulations shall put his/her concerns in writing, with the complainant signing the document to attest to the accuracy of the

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

complaint (if possible)¹. The complaint can then be directed to any of the following individuals who are required to keep the information contained in the complaint confidential:

1. Santa Cruz METRO
370 Encinal Street, Suite 100
Santa Cruz, California 95060
Attention: General Manager/Assistant General Manager
(831) 426-6080-phone (TDD 711 (TTY/Voice))
(831) 426-6117-facsimile
mdorfman@scmttd.com
2. Santa Cruz Metro Center
920 Pacific Avenue, Suite 21
Santa Cruz, California 95060
Attention: Accessible Services Coordinator
(831) 423-3868-phone (TDD 711 (TTY/Voice))
(831) 423-1024-facsimile
jdaugher@scmttd.com
3. Customer Service
Santa Cruz Metro Center
920 Pacific Avenue
Santa Cruz, CA 95060
Attention: Customer Services Coordinator
(831) 425-8600-phone (TDD 711 (TTY/Voice))
(831) 423-1024-facsimile
dcanales@scmttd.com

6.02 If an individual is unable to utilize a written complaint format, because of a disability, he/she may contact Santa Cruz Metro's Claims Investigator at (831) 426-6080 extension 120, who will tape record the conversation with the individual's knowledge and consent. The individual making the complaint must identify himself/herself (for verification purposes only) and provide all other necessary information in order for the complaint to be processed. The complaint will be mailed to the individual for verification and signature (if possible). The complaint will not be processed until the complaint is received back by Santa Cruz Metro, signed by the individual or, if unable because of a disability to sign the form, by the representative, as verification of its accuracy.

6.03 The complaint shall identify the service, program or activity, which is alleged to be out of compliance with ADA/504 statutes or regulations. The complaint shall set forth the time, date, place and the circumstances giving rise to the alleged violation and shall identify those individuals who are believed to have information regarding the alleged violation. .

¹ **Representative may sign on behalf of a complainant whose disabilities prevent him/her from being able to execute the document.**

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

A complaint must be filed no later than 90 days from the date of the alleged discrimination unless the time for filing is extended by the General Manager or his/her designee for good cause.

- 6.04 A complaint form², which is attached to this policy and procedure, can be used for this grievance procedure. Complaint forms shall be made available in accessible formats upon request. A complaint form can be obtained under the following circumstances:
- a. At the Santa Cruz METRO Website, www.scmtd.com;
 - b. By calling Santa Cruz METRO's Administrative Services Coordinator at (831) 426-6080, (TDD 711 (TTY/ voice)) a complaint form can be mailed;
 - c. By calling Santa Cruz METRO's Accessible Services Coordinator at (831) 423-3868, (TDD 711 (TTY/voice)) a complaint form can be mailed;
 - d. Complaint forms can be picked up at the Information Windows/Booths/Counters at each of Santa Cruz METRO's Centers (Santa Cruz, Watsonville and Scotts Valley), the Administrative Offices, 370 Encinal, Suite 100, Santa Cruz, California 95060 or from the Accessible Services Coordinator, Santa Cruz Metro Center, 920 Front Street, Suite 21, Santa Cruz, California, 95060.
- 6.05 If the complaint is received by anyone besides the General Manager, the individual in receipt of the complaint shall forward it to the General Manager or his/her designee within 2 working days of receipt. The General Manager shall immediately provide a copy to the Chair of the Board of Directors and the Santa Cruz METRO Manager who is responsible for the program, service or activity that is identified as being out of compliance.
- 6.06 The identity of complainants shall be kept confidential, at their election, during the conduct of an investigation, hearing or proceeding conducted pursuant to this grievance procedure. However, when such confidentiality is likely to hinder the grievance investigation, or proceeding, the complainant will be advised for the purpose of waiving the privilege.
- 6.07 The Santa Cruz METRO Manager who is responsible for the program, service or activity that is alleged to be out of compliance shall promptly investigate the alleged complaint and shall prepare a written response within 10 working days of his/her receipt of the complaint. The Manager may consult with appropriate Santa Cruz METRO staff in the preparation of his/her response to the complaint.
- 6.08 The General Manager or his/her designee shall then speak (meeting or telephone conversation) with the complainant, at which time the complainant may give written or

² The form is not required to process a complaint. Any written format is acceptable or tape recording as provided in Section 6.02.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

oral evidence supporting the allegation that provisions of the ADA/504 have been violated. The General Manager shall review and consider the response prepared by the Manager identified in Section 6.07, all the information provided by the complainant and any other evidence available regarding the allegations in the complaint. The General Manager shall prepare a written report of his/her findings and if corrective action is required a timetable for the completion of such action.

- 6.09 Within 15 working days following receipt of the initial complaint, the General Manager shall inform the complainant of his/her findings and any corrective action to be taken as a result of the complaint together with the timetable for completion of such action.
- 6.10 If the complainant is not satisfied with the findings and/or action of the General Manager or his/her designee, then the complainant may file his/her complaint together with any other supporting documentation within 5 working days of his/her receipt of the results of the General Manager's investigation, with the Chair of the Board of Directors by providing it to the Administrative Services Coordinator, 370 Encinal Street, Suite 100, Santa Cruz, CA, 95060. The Chair of the Board of Directors upon review of the entire file, shall take appropriate action in order to insure ADA/504 compliance. The Complainant shall be notified of what actions, if any, will be taken as a result of the review by the Chair within 10 working days of the Chair's notification that the complainant is not satisfied with the results of the general manager's investigation.
- 6.11 The timelines applicable to this procedure may be waived by the general manager if he/she finds that there is good cause for a waiver.
- 6.12 Santa Cruz METRO shall retain documents arising out of the grievance procedure for at least three (3) years and the General Manager or his/her designee shall maintain relevant information in a database in a confidential manner.
- 6.13 Participation in this Grievance Procedure is voluntary. Nothing contained herein shall preclude a complainant from taking any other appropriate legal or administrative action against Santa Cruz Metro, should its programs, services or activities be out of compliance with the ADA/504.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

COMPLAINT FORM (FOR AMERICANS WITH DISABILITIES ACT (ADA) REHABILITATION ACT OF 1973 (504) COMPLAINTS)

Please indicate by checking the box, if you wish to have your identity kept confidential

Name of Complainant: _____

Address of Complainant: _____

Telephone Number: _____

E-mail Address: * _____

Date of Complaint: _____

Date of Violation: _____

Time of Violation: _____

Place of Violation: _____

Bus Number:** _____

Bus Route:** _____

General physical description of bus operator** _____

Identify service, program or activity out of ADA/504 compliance: _____

Summary of violation: (attach additional sheets as necessary) _____

Identify individuals by name and address that have information relating to the violation:

Signature of Complainant/Representative

Date

*Optional

** if applicable

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

GRIEVANCE PROCEDURE

1. Return completed Grievance form within 90 days of the alleged violation to any of the following:

1. Santa Cruz METRO 370 Encinal Street, Suite 100 Santa Cruz, CA 95060 Attention: General Manager /Assistant General Manager (831) 426-6080-phone (TDD 711 (TTY/Voice)) (831) 426-6117-facsimile mdorfman@scmtd.com	2. Santa Cruz Metro Center 920 Pacific Avenue, Suite 21 Santa Cruz, CA 95060 Attn: Accessible Services Coordinator (831) 423-3868-phone (TDD 711 (TTY/Voice)) (831) 423-1024-facsimile jdaugher@scmtd.com	3. Customer Service Coordinator Santa Cruz Metro Center 920 Pacific Avenue Santa Cruz, CA 95060 Attn: Customer Services (831) 425-8600-phone (TDD 711 (TTY/Voice)) (831)423-1024-facsimile dcanales@scmtd.com
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2. The General Manager/designee shall conduct an investigation into the alleged violation. The complainant may be contacted during the course of the investigation;
3. The General Manager/designee shall notify the complainant of the results of the investigation within 15 working days;
4. If the Complainant is not satisfied with the response from the General Manager/designee, the complainant may file the complaint together with any supporting documentation with the Chair of the Board of Directors by providing it to the Administrative Services Coordinator, 370 Encinal Street, Suite 100, Santa Cruz, California 95060 within 5 working days of receipt of the response from the General Manager/designee; and
5. The Chair shall have 10 working days to review the complaint and the investigation and report prepared by the General Manager/designee and to determine if any additional action needs to occur to ensure compliance with the ADA/504.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

NOTICE UNDER THE AMERICANS WITH DISABILITIES ACT

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 (ADA), and Section 504 of the Rehabilitation Act of 1973 (504) the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) will not discriminate against qualified individuals with disabilities on the basis of disability in the Santa Cruz METRO's services, programs, or activities. Santa Cruz Metro will not tolerate acts of retaliation against anyone exercising his/her rights under the ADA/504.

Santa Cruz METRO does not discriminate on the basis of disability in its hiring or employment practices. Santa Cruz METRO will not ask a job applicant about the existence, nature, or severity of a disability. Applicants may be asked about their ability to perform specific job functions. Medical examinations or inquiries may be made, but only after a conditional offer of employment is made and only if required of all applicants for the position. Santa Cruz METRO will make reasonable accommodations for the known physical or mental limitations of a qualified applicant or employee with a disability upon request unless the accommodation would cause an undue hardship on the operation of Santa Cruz METRO's business. Santa Cruz METRO will make an individualized assessment of whether a qualified individual with a disability meets selection criteria for employment decisions. To the extent its selection criteria for employment decisions have the effect of disqualifying an individual because of disability, those criteria will be job-related and consistent with business necessity.

Santa Cruz METRO will provide transportation services in accordance with the ADA/504 statutes and regulations. Santa Cruz METRO will provide appropriate auxiliary aids and services, including qualified sign language interpreters and assistive listening devices, whenever necessary to ensure effective communication with members of the public who have hearing, sight, or speech impediments, unless to do so would result in a fundamental alteration of its programs or an undue administrative or financial burden. A person who requires an accommodation or an auxiliary aid or service to participate in a Santa Cruz METRO program, service, or activity, should contact Dale Carr, Administrative Services Coordinator, at (831) 426-6080 (TDD 711 (TTY/voice)) for assistance as far in advance as possible but not later than 48 hours before the scheduled event.

Santa Cruz METRO will not place a surcharge on a particular individual with a disability or any group of individuals with disabilities to cover the cost of providing auxiliary aids/services or reasonable modifications of policy.

In order to satisfy itself that it is meeting its obligations under the ADA/504, Santa Cruz METRO has established a grievance procedure for persons with disability who allege that METRO's services, programs or activities are out of compliance. Should you wish a complaint form, to file a grievance or if you have questions or concerns regarding METRO's compliance with the Americans with Disabilities Act or Section 504 of the Rehabilitation Act of 1973 please contact Leslie White, General Manager, at (831) 426-6080 (TDD 711 (TTY/voice)).

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 24, 2003

TO: Board of Directors

FROM: Leslie R. White, General Manager

SUBJECT: CONSIDERATION OF ELECTION OF DIRECTORS TO SERVE AS BOARD OFFICERS FOR THE YEAR 2003, TRANSPORTATION COMMISSION AND METRO USERS GROUP CHAIRPERSON ASSIGNMENTS

I. RECOMMENDED ACTION

That the Board of Directors elect members from the Board to serve in the positions of Chair and Vice-Chair for the Year 2003 and appoint representatives to the Transportation Commission and appoint a Chair for 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.
- Staff recommends that elections be completed on January 24, 2003.
- 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 2003. 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 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 electing nominees for the various offices and appointments identified in this staff report at the January meeting.

IV. FINANCIAL CONSIDERATIONS

Funding support for the positions identified in this memo are contained in the adopted operating budget for 2002/2003.

V. ATTACHMENTS

Attachment A: List of Nominees

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DECEMBER 13, 2002 NOMINATIONS

Chair

Emily Reilly

Vice Chair

Mike Keogh

MUG Chair

Michelle Hinkle

SCCRTC Representatives

Mike Keogh

Emily Reilly

Pat Spence

SCCRTC Alternates

Ana Ventura Phares (1st alternate)

Michelle Hinkle (2nd alternate)

Marcela Tavantzis (3rd alternate)

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 24, 2003
TO: Board of Directors
FROM: Robyn Slater, Interim Human Resources Manager
SUBJECT: PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

I. RECOMMENDED ACTION

Staff recommends that the Board of Directors recognize the anniversaries of those District employees named on the attached list and that the Chairperson present them with awards.

II. SUMMARY OF ISSUES

- None.

III. DISCUSSION

Many employees have provided dedicated and valuable years to the Santa Cruz Metropolitan Transit District. In order to recognize these employees, anniversary awards are presented at five-year increments beginning with the tenth year. In an effort to accommodate those employees that are to be recognized, a limited number will be invited to attend Board meetings from time to time to receive their awards.

IV. FINANCIAL CONSIDERATIONS

None.

V. ATTACHMENTS

Attachment A: Employee Recognition List

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
EMPLOYEE RECOGNITION

TEN YEAR

None

FIFTEEN YEARS

None

TWENTY YEARS

None

TWENTY-FIVE YEARS

Floyd Crawford, Transit Supervisor

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 24, 2002
TO: Board of Directors
FROM: Leslie R. White, General Manager
SUBJECT: CONSIDERATION OF AMERICAN PUBLIC TRANSPORTATION ASSOCIATION REAUTHORIZATION PROPOSAL

I. RECOMMENDED ACTION

That the Board of Directors endorse the Reauthorization Proposal developed by the American Public Transportation Association.

II. SUMMARY OF ISSUES

- In September 2000 the Federal Transit Administration issued a report regarding transit systems operating high levels of service and experiencing high ridership in small urban areas.
- The report indicated that there were systems operating high levels of transit service and having high ridership in small urban areas that were not able to support their capital requirements due the lack of service factors being used in the federal formula program.
- Santa Cruz METRO has actively advocated for the creation of a supplemental tier in the federal formula program to reward system performance for small urban areas similar to the Incentive Tier which is in place for the large areas.
- On September 22, 2002 the American Public Transportation Association (APTA) adopted a proposal for reauthorizing the federal transit program which contains the High Intensity Transit Tier Program that METRO has advocated for.
- APTA is requesting that policy boards for transit systems in the United States endorse the Reauthorization Proposal and begin actively advocating for passage of a Reauthorization Bill.

III. DISCUSSION

Prior to 1982 all federal formula transit funding was distributed on the basis of population (50%) and population weighted by density (50%). In 1982 the formula program for Urbanized Areas having a population greater than 200,000 was changed to include service factors including route miles, service miles, and passenger miles. An incentive tier program was added for these systems that rewarded high performance. Urban Areas with populations of 50,000 to 200,000 continued to be funded on the basis of population/population density.

In the period of time that has passed since the 1982 formula change the population and population density formula has worked well for the majority of systems in areas with a population of 50,000-200,000. However, some systems in this category have experienced a shortfall in capital funding. The lack of a service component in the formula program does not reward systems that provide an atypically high level of service and have an atypically high level of ridership. Santa Cruz METRO is in this category of systems.

The Transportation Equity Act for the 21st Century (TEA-21) included a provision (Section 3303) that required the Federal Transit Administration to undertake a study of systems in areas of 50,000-200,000 where atypical levels of service and ridership occur to see if the current federal formula should be modified to meet the capital needs of these systems. The Study determined that the formula should be modified to meet the needs of high intensity transit systems in areas of 50,000-200,000 but was silent as to what specific changes needed to be made.

The American Public Transportation Association (APTA) Reauthorization Task Force has worked on major issues over the past three years. I serve as a member of the APTA Task Force and have advocated for the inclusion of a High Intensity Transit Tier component in the adopted position on Reauthorization. I have attached relevant excerpts from the adopted APTA position paper to this Staff Report. The APTA position includes the request for a High Intensity Transit Tier.

With the inclusion of a High Intensity Transit Tier in the APTA position it became necessary to develop details as to how the proposed program would operate. Attached to this Staff Report is a list of items which outlines the details of how the new tier will be created and administered. The attached list was adopted by the APTA Legislative Committee on December 6, 2002 and was presented to Joyce Rose who serves as the majority staff member responsible for transit funding for the US House Transportation and Infrastructure Committee.

APTA is requesting that transit policy Boards endorse the Association Reauthorization Position Paper. Staff recommends that the Board of Directors endorse the APTA Reauthorization Position Paper and communicate that endorsement to members of Congress from California.

IV. FINANCIAL CONSIDERATIONS

The 2002/2003 METRO Budget contains funding necessary to communicate the need for the inclusion of the High Intensity Transit Tier in the Federal Reauthorization Bill.

V. ATTACHMENT

Attachment A: Excerpts from APTA Reauthorization Position Paper

Attachment B: High Intensity Transit Tier Consensus Paper

**TEA 21
Reauthorization
Recommendations
An Investment In America**

Adopted by the
American Public Transportation Association
Board of Directors

September 22, 2002



**AMERICAN
PUBLIC
TRANSPORTATION
ASSOCIATION**

OUTLINE OF FUNDING DISTRIBUTION PROPOSAL

- I. Total funds grow at 12 percent per year above the FY 2003 TEA 21 guaranteed level.
- II. All existing programs have a base, held-harmless, funding level at their FY 2003 TEA 21 guaranteed level.
- III. The increase in funding is distributed as follows:
 - A. A new tier is added to the Section 5309 Bus Capital Investment program for Aging Bus Replacement for UZAs of less than one million in population and rural areas, which is funded at \$100 million in FY 2004 and increases at \$11.16 million each subsequent year.
 - B. A new tier is added to the Section 5307 Urbanized Area Formula program for High Intensity Small Urbanized Areas, which is funded at \$35 million in FY 2004 and increases at \$3.72 million each subsequent year.
 - C. Additional funding is provided for the Section 5311 Rural formula program, beginning with \$35 million in FY 2004 and increasing \$3.72 million each subsequent year.
 - D. Additional funding is provided for five research and education programs totaling \$15.6 million in FY 2004 and increasing \$6.3 million each subsequent year. The funds are distributed as follows:

Program	Additional Funds in FY 2004 (Millions)	Subsequent Annual Increase (Millions)
Section 5313 (a) TCRP	5.05	2.04
Section 5315 National Transit Institute	0.91	0.37
Section 5314 National Planning and Research	3.02	1.22
Section 5311 (b)(2) RTAP	2.41	0.97
Section 5317 (b) University Transportation Research	<u>4.21</u>	1.70
Total	15.60	6.30

- E. The sum of funding for Section 5303 Metropolitan Planning and Section 5313 (b) State Planning will be equal to 1.0 percent of the total funding for all programs.
- F. Of the remaining funding increase:
1. 18/95ths (18.9474 percent) goes to additional funding for the Section 5309 Fixed-Guideway Modernization program to be allocated under a new Tier 8 at 60% "old" cities and 40% "new" cities. (This Tier 8 applies to all growth funds above the FY 2003 Fixed Guideway Modernization amount of \$1.214 billion.)
 2. 18/95ths (18.9474 percent) goes to additional funding for the Section 5309 New Starts.
 3. 4/95ths (4.2105 percent) goes to additional funding for the Bus Capital program.
 4. 55/95ths (57.8947 percent) goes to additional funding for all programs in TEA 2.1 during FY 2003 in proportion to their FY 2003 TEA 2.1 guaranteed funding levels.
- G. The ratio of total Formula funds to total Capital Investment funds will be 1.15 to 1.00.

Any resulting increase to Formula funding will be added to Formula growth funding in proportion to each program's FY 2003 TEA 2.1 guaranteed funding level.

Any resulting decrease in Capital Investment funding will be subtracted from Capital Investment growth funding in proportion to each program's FY 2003 TEA 2.1 guaranteed funding level.

D. Specific Program Recommendations

1. Increased Funding for Research Programs

Proposal: Provide increases for five research and planning programs - which did not receive increases under ISTEA or TEA 21 - equal to the growth rates provided for the rest of the transit program with a one-time “catch up” provision in FY 2004.

Background: The transit research program has been invaluable in providing critical industry-driven research to the transit industry; it has reduced costs, increased productivity and enhanced operations. In contrast to the federal highway research program, federal transit research has had the same funding level for a number of years, thereby losing its purchasing power. Funding for the National Transit Institute, National Planning and Research, Rural Transportation Assistance, and University Transportation Research is an important means of improving the delivery of public transportation services. This proposal would provide a one-time adjustment in FY 2004 to restore about half of the growth that these programs would have received if their funding had been increased at the same rate as overall transit funding between FY 1992 and FY 2003. In subsequent years, the research programs are increased so that, over the six-year authorization, about half of the lost funding would be restored.

Action: Provide specific funding increases for the Transportation Cooperative Research Program, the National Transit Institute, National Planning and Research, the Rural Transit Assistance Program, and University Transportation Research equal to the transit program growth rate, and include a one-time “catch up” funding provision in FY 2004.

2. High Intensity Small Urbanized Area Formula Program

Proposal: Establish a High Intensity Small Urbanized Area Formula Program to provide additional capital funding for urbanized areas under 200,000 population that operate a level of service above the average level of service provided in areas of more than 200,000 population.

Background: In response to concerns of small transit intensive communities, Congress mandated a study of the issue of the effectiveness and equity of the formula program in the 1998 Transportation Equity Act for the 21st Century (TEA 21). Section 3033 of the Act required the Federal Transit Administration to report to Congress on the Federal Transit Formula Program and address the needs of small areas with unusually high levels of transit service, both provision and consumption.

In September 2000, FTA released “The Urbanized Area Formula Program and the Needs of Small Transit Intensive Cities” (Report No. FTA-TBPIO-00-04). The study concluded that “sufficient issues exist to suggest the changes to the existing Urbanized Area Formula Grant Program should be considered in 2002-2003 as part of the FY 2004 and beyond reauthorization cycle”. The study defined small transit intensive communities as those that: a) have transit systems or vehicles that are heavily used by the public, measured by passenger miles per vehicle revenue mile and passenger miles per vehicle revenue hour; b) provide a high level of service to the citizenry measured by vehicle revenue

miles per capita and vehicle revenue hours per capita; c) have a high rate of service consumption by the population measured by passenger miles traveled per capita and unlinked passenger trips per capita; d) have service levels that are significantly greater than would be predicted given population and density or those communities whose existing needs (reflected by service levels) are not captured by the potential needs (reflected by population and density).

Funding would be distributed based on meeting or exceeding one or more of six service factors outlined in the FTA study.

Action: Establish new program under 49 USC 5307.

3. Aging Bus Replacement Program

***Proposal:* Establish a new bus replacement program for Urbanized Areas of less than one million and rural areas. Grants would be provided for the replacement of vehicles that exceed 150% of the FTA required age.**

Background: Transit agencies in many communities are unable to obtain sufficient federal funding under the existing Section 5309 Bus and Bus Facility program or under existing federal formula programs to replace vehicles that reach the FTA recommended age for replacement. This program is intended to replace vehicles that exceed 150% of that age and to create a more modern fleet of public transportation vehicles in every community.

Action: Add a new subsection to 49 USC 5309.

4. Bus Rapid Transit Eligibility for New Starts Funding

***Proposal:* Establish eligibility criteria for funding Bus Rapid Transit (BRT) projects under the Fixed-Guideway New Starts and Extensions Program.**

Background: A number of communities are considering development of Bus Rapid Transit (BRT) systems as a way to meet transportation needs. BRT projects are often viewed as an alternative to new fixed-guideway projects, including light or heavy rail systems, and to existing fixed-route bus service. Many proposed BRT projects emulate light rail projects operationally and include the characteristics of light rail projects and could be considered as eligible for funding under the program for Fixed-Guideway New Starts and Extensions. Eligibility of BRT projects under the New Starts program should, however, ensure that such BRT projects can be differentiated from conventional bus service, while still allowing the flexibility of phased implementation that is one of the strengths of the BRT approach.

***Action:* Add statutory language clarifying that BRT projects are eligible for new starts funding if such projects have exclusive rights-of-way or other fixed-guideway design.**

5. Transitional Authority for UZAs Going Over 200,000 Population

Proposal: Permit urbanized areas that grow from less than 200,000 people to more than 200,000 people or which are added to urbanized areas of more than 200,000 people as a result of the 2000 Census, to use an amount of Federal transit funds equal to the amount they were allowed to use for operating purposes in FY 2002 for operating purposes only through FY 2009. APTA also recommends that identical authority be provided in the FY 2003 Transportation and Related Agencies Appropriations Act.

Background: Current law provides transit authorities in urbanized areas (UZAs) of less than 200,000 people the flexibility to use federal funds made available under the Section 5307 Formula program for either capital or operating expenses. Many transit agencies in this category use a significant portion of federal formula funds for operating expenses. With the recent completion of the 2000 Census, there are a number of transit agencies and UZAs that will “transition” from “less than” 200,000 to “more than” 200,000 in population. Absent a change in current law, this transition would eliminate the flexibility that permits these transit agencies to use formula funds as needed.

Action: Add new provision at 49 USC 5307.

High Intensity Transit Tier

- The Federal Transit Administration Study conducted pursuant to Section 3303 of the Transportation Equity Act for the 21st Century shall be the basis for the establishment of a funding tier within the 5307 Formula Program that rewards service/ridership in urbanized areas 50,000-200,000.
- The High Intensity Transit Tier shall be funded at \$35 million in FY 2004 and increase incrementally to a level of \$54 million in 2009.
- The funds made available from the High Intensity Transit Tier shall be distributed on the basis of the following factors:
 - VRM per Capita
 - VRH per Capita
 - PMT per Capita
 - PAX per Capita
- The list of qualifying systems shall be established in the Authorization Bill based upon the latest available data published in the National Transit Data Base (NTD).
- The list of systems receiving funds from the High Intensity Transit Tier shall be updated annually through the duration of the Authorization Bill. This update shall be done at the time that the Incentive Tier apportionments for the systems above 200,000 in population are calculated. The most recent NTD information shall be used for determining the average performance, by factor, of the 200,000-1,000,000 systems. This data shall then be used to-determine the number of factors exceeded by the systems in the 50,000-200,000 category. Any system that exceeds one or more of the factors shall be eligible to receive funds from the high Intensity Transit Tier.
- Distribution of funds to the eligible systems shall be based upon a formula that assigns a dollar value to system factors. One system qualifying for one performance measure shall constitute a system factor. The sum of all the system factors contained in the High Intensity Transit Tier shall annually be divided into the funds appropriated to determine a system factor value. Once a value is established, eligible systems shall receive an apportionment based upon the number of system factors that they meet.

- . Funds apportioned under the High Intensity Transit Tier may be used for the same purposes as funds apportioned under the Section 5307 Program for systems in urbanized areas above 200,000 in size.
- Funds apportioned under the High Intensity Transit Tier shall be allocated directly to the eligible systems as a sub-allocation contained in the Governor's Apportionment, identified by eligible system, in the Federal Register when all other allocations are identified. Funds that are apportioned to eligible recipients may not be reassigned to other recipients by either the Governor or the recipient.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 10, 2003
TO: Board of Directors
FROM: Mark J. Dorfman, Assistant General Manager
SUBJECT: FARE ALTERNATIVES FOR BOARD CONSIDERATION

I. RECOMMENDED ACTION

The purpose of this communication is to solicit direction from the Board of Directors as to what fare structure changes they wish staff to bring before the public for adoption.

II. SUMMARY OF ISSUES

- At the November Board Study Session staff brought some initial ideas before the Board of Directors to gauge the reaction of the Board to potential fare increases as a means of raising additional revenue.
- The last time fares on the local route system were raised was in 1993.
- In February of this year, adjustments were made to the Highway 17 Express Fares, with the base fare increasing 33%.
- Since 1993, the CPI has increased 34.7%.
- With declining revenues and increasing expenses, either fares will need to increase or there will need to be expense reductions in the operating budget.
- At the November Board Meeting Staff was asked to bring back a range of alternatives for the Board's consideration.
- In addition, Staff was requested to look at other Paratransit Services to see what additional charges, if any could be instituted for premium services that are beyond the requirements of the ADA.

III. DISCUSSION

In February of this year, fares were raised for the Highway 17 Express. The base fare was raised to \$3.00 from \$2.25, a 33% increase. The last time local fares were adjusted was in 1993. At that time fares were raised to avoid further service cuts after a major route cut in 1991.

Attachment A shows the current fare structure. At the November Board Workshop staff presented a 25% base fare increase and also introduced some concepts that provided some discounts in other areas. In addition it was proposed that the Convenience Passes be eliminated, and a Weekly Pass be introduced. The Board requested that staff provide a range of alternatives as well as providing information on the number of passes sold. Attachment B shows an annual

total of passes sold by the various fare types. Also at the meeting a mistake was made regarding the Student (below 18) Passes. These passes are good for the entire week and not for Monday through Friday only. Attachment C shows the CPI since the last fare increase on the fixed route service.

FIXED ROUTE SERVICE

Also at the meeting, staff was asked to bring back a range of alternatives for Board consideration. Additionally, the newest member of MUG, Paul Marcelin-Sampson, a transit-dependant METRO user has indicated an interest in working with staff in the development of the fare alternatives and the projections of revenues. This staff report has been prepared jointly with Paul who believes that riders would prefer a reasonable fare increase to service cuts, and he will assist in the presentation of the information to the Board at the January meeting.

The alternatives examined can be described as follows:

- 1) A proposal that approximates the change in the CPI since the last fare increase - (CPI Increase)
- 2) A proposal that is approximately a 25% increase - (25% Increase)
- 3) A proposal that raises the base fare to \$1.50 in response to a Boardmember request - (50% Increase - \$1.50)

In all of these scenarios, the existing fare structure ratios are maintained with the exception of showing the Senior and Disabled fares at 50% of the Base Fares as was requested by the Board at the December Workshop, and a ratio of 5/7 of the Monthly Pass was used for the Student Monthly Pass. This was made to recognize that most youth passes are used during the week only. This represents a discount of 29% from the Monthly Pass. Attachment D is a one-page summary that shows the revenue impacts to the system from the various fare scenarios discussed above. Individual tables are shown in the text below. The first alternative shown is one that adjusts the fare structure by the CPI since the last fare increase. As Attachment C shows, the CPI has increased 34.7% since the last fare increase. This level of increase matches the increase that was made to the Highway 17 Express earlier this year. Under this scenario the base fare would be increased to \$1.35. The entire fare structure is shown below:

CPI INCREASE

Fare Category	Existing	Proposed	Ratio
Base Fare	\$ 1.00	\$ 1.35	-
Adult Day Pass	\$ 3.00	\$ 4.00	3X Base Fare
Adult Monthly Pass	\$40.00	\$54.00	40X Base Fare
Adult Convenience Card	\$15.00	\$20.00	15X Base Fare
Youth Monthly	\$30.00	\$38.00	5/7X Adult Monthly
S/D Fare	\$.40	\$.65	50% of Base Fare
S/D Day Pass	\$ 1.10	\$ 2.00	50% of Adult Day
S/D Monthly Pass	\$14.00	\$27.00	50% of Adult Monthly

Fare Category	Existing	Proposed	Ratio
S/D Convenience Card	\$ 6.00	\$10.00	50% of Adult Convenience
ParaCruz	\$ 2.00	\$ 2.70	Twice Base Fare

The table below shows what the fare structure would look like if the fare increase was held to a 25% level, while maintaining the relationship between the fares.

25% Increase

Fare Category	Existing	Proposed	Ratio
Base Fare	\$ 1.00	\$ 1.25	-
Adult Day Pass	\$ 3.00	\$ 3.75	3X Base Fare
Adult Monthly Pass	\$40.00	\$50.00	40X Base Fare
Adult Convenience Card	\$15.00	\$18.75	15X Base Fare
Youth Monthly	\$30.00	\$35.00	5/7X Adult Monthly
S/D Fare	\$.40	\$.60	50% of Base Fare
S/D Day Pass	\$ 1.10	\$ 1.85	50% of Adult Day
S/D Monthly Pass	\$14.00	\$25.00	50% of Adult Monthly
S/D Convenience Card	\$ 6.00	\$ 9.35	50% of Adult Convenience
ParaCruz	\$ 2.00	\$ 2.50	Twice Base Fare

In addition, one Boardmember asked to see what a fare increase to \$1.50 would look like. The table below shows the resulting fare adjustments if we started with a base fare of \$1.50 and maintaining the relationship between fares.

50% Increase - \$1.50

Fare Category	Existing	Proposed	Ratio
Base Fare	\$ 1.00	\$ 1.50	-
Adult Day Pass	\$ 3.00	\$ 4.50	3X Base Fare
Adult Monthly Pass	\$40.00	\$60.00	40X Base Fare
Adult Convenience Card	\$15.00	\$22.50	15X Base Fare
Youth Monthly	\$30.00	\$42.00	5/7X Adult Monthly
S/D Fare	\$.40	\$.75	50% of Base Fare
S/D Day Pass	\$ 1.10	\$ 2.25	50% of Adult Day
S/D Monthly Pass	\$14.00	\$30.00	50% of Adult Monthly
S/D Convenience Card	\$ 6.00	\$11.25	50% of Adult Convenience
ParaCruz	\$ 2.00	\$ 3.00	Twice Base Fare

Staff will have a computer available at the Workshop Session on January 19th and will be able to provide information on any permutations of the above scenarios.

Additionally, the Board requested that staff provide some fare information for other transit agencies. Attachments E through H represent a survey of fares from other transit agencies in the Bay Area that was compiled by Paul Marcelin. It looks at Single Ride Fares, Monthly Passes, Senior and Disabled Single Fare Discounts and Monthly Pass Discounts.

ADA PARACRUZ

The Board also requested some information regarding potential changes to the ADA ParaCruz fare structure that might include additional charges for those services that could be classified as "Premium", in that they exceed the minimum requirements of the ADA. This very issue was recently up for consideration by the Valley Transportation Authority (VTA) in San Jose. VTA currently charges twice the base fare for its ADA service (\$2.80). VTA has instituted as of January 1, 2003 charges for a variety of services that are "Premium" or exceed that required by the ADA. First, they will be charging 2 times the regular fare, or \$5.60 for will-call trips. The reason these rides have a higher fee is that:

- The ADA requires that rides be scheduled the day prior to the trip. Will call rides are not required and they are left open and then scheduled in real time.
- Will call rides are far more problematic than scheduled rides. Scheduled rides can be grouped (by scheduling software) to increase operating efficiency. Will call rides are more difficult to dispatch efficiently.
- Rides that are not scheduled in advance require additional staff time. They require additional phone calls and radio traffic.
- Because there are additional steps in the handling of these rides, there is increased potential of human error resulting in late or missed rides.

It is estimated that the District provides about 14,000 will call rides on an annual basis. If these rides were charged at double the regular fare, it would raise an additional 13.5% in fares at the current fare structure.

Another area that VTA is charging for premium ADA service is a request for a second vehicle. If a passenger is not ready for their ride at the scheduled appointment, currently the person is then placed on the will call list and a second vehicle is then dispatched for the individual. The problem here is that the first vehicle came prepared to provide the service and it was not available to anyone else, and no trip was taken. Then a second vehicle must be scheduled to get the person. The District is then paying twice to carry the same individual. VTA is implementing on January 1, 2003 a charge of five times (5X) the one way fare when this occurs. Staff estimates that this occurs about 1,000 trips a year. If this type of fee was implemented on ParaCruz the additional revenue generated would amount to 3.8% revenue increase.

VTA also has a five times (5X) fare, or \$14.00 for Same-Day Trips, and a two times (2X) fare or \$5.60 for Same-Day Trip Companions. A copy of the VTA Fare Ordinance for Paratransit is shown in Attachment I.

Another potential premium service that is used by the Orange County Transportation Authority in its Paratransit Service is a fee for door-to-door service. They charge \$.80 if the rider requests an escort from their door to the vehicle. At the other end of the trip, if the service is requested, an additional \$.80 is charged. Therefore if someone requested door-to-door service in both directions, there would be an additional charge of \$3.20 on top of the regular fare. If we were to estimate that 10% of the riders would request this service the revenue increase to the system would amount to a 16% increase in revenues.

With additional fees being charged for premium service, it is only fair that ParaCruz be held accountable to its service policy to the public. Staff would also recommend that if a rider experiences an "excessively late" trip, then the ride shall be free to the passenger. Our contract with Community Bridges already calls for penalties to be assessed in these instances, and it is only fair that the rider shares in the penalty. "Excessively late" defined as:

- for scheduled trips - pick up more than 40 minutes past the "ready window"
- "will call returns" a pick up more than 100 minutes later than the time first call for return is placed.

Staff would recommend that the Board consider whether they wish to seek input from the public on these types of "Premium" fees for possible adoption.

HIGHWAY 17 EXPRESS

Lastly, the Board asked that staff look into rate increases on the Highway 17 Express. In February of this year fares were raised 33%. Staff would not recommend a fare increase at this time. If there were a desire to have an adjustment, the best time to have such an adjustment would be when the new Highway 17 Express buses are introduced in August/September of 2003. If fares were increased \$.25 at that time, riders would see the new equipment and feel that the increase was going towards the new equipment.

OTHER ISSUES

In order to mitigate the impact of the cost increase on riders with limited means, the District can work with any area Social Service agency to establish a payment system to buy monthly passes on an installment process. While the District is not set up to administer such a program, the District can investigate whether there are agencies that are interested in such an arrangement. By being a seller of District Passes, an agency is eligible for two free passes a month. This "reimbursement" could be examined to see if an increase would attract agencies for such a program. Another possibility is for the District to make a one-time advance of passes to an agency that sets up such a program.

IMPACTS

The impact of fare increases is an inexact science. In general, fare increases will tend to reduce ridership, but they also result in revenue increases. Over time, the loss in ridership tends to disappear, and the full impact of the revenue increase is realized. This process can take a few years. In order to assist the Board in seeing the potential impacts from these fare increases, we have shown the impact from various levels of ridership loss, from 2 – 10% in 2% increments. No loss in ridership is projected for the ParaCruz Program, as this ridership is less sensitive to rate adjustments, as the cost for this service is far above the fare. By staying with the existing fare relationships and not introducing new fare products, it is easier to project the impact of the fare adjustments.

Attachment D shows the Revenue Gain for the various scenarios discussed above, with the exception of the premium charges for ParaCruz. It is probably acceptable to assume a 6% ridership loss for the 25% Increase, an 8% ridership loss for the CPI Increase, and a 10% ridership loss for the 50% Increase. Using these levels, the “new revenue” to the District would be as shown in the table below:

Ridership Loss	25% Increase	CPI Increase	50% Increase
2%	\$811,000	\$1,129,000	\$1,621,000
4%	734,000	1,047,000	1,528,000
6%	657,000	964,000	1,436,000
8%	580,000	881,000	1,344,000
10%	504,000	798,000	1,252,000

In whatever fare increase level is chosen, staff recommends that any revenues that are above what is projected be earmarked to replenish the reserves that were depleted in the past year to balance the budget. In this way the District would start to prepare for any future fiscal emergencies that might arise. In the past 12 years, there have been 3 major fiscal emergencies that required revenues beyond what is generated on an annual basis. Having these funds available allows for a more stable agency, and allows as much service as possible to the public.

IV. FINANCIAL CONSIDERATIONS

The fare proposal selected for public input will generate additional revenue to the system. The amount of revenue generated will depend upon the amount of lost ridership. A range of ridership loss is presented in the report for each of the options discussed.

V. ATTACHMENTS

- Attachment A:** Existing Fare Structure
- Attachment B:** Annualized Pass Sales by Product Type
- Attachment C:** Consumer Price Index Increase Since 1992
- Attachment D:** Revenue Gain Versus Ridership Loss Comparison for Fare Increase

- Attachment E:** Adult Single-Ride Fare Survey for the Bay Area
- Attachment F:** Adult Monthly Pass Fare Survey for the Bay Area
- Attachment G:** Senior and Disabled Single-Ride Discount Survey for the Bay Area
- Attachment H:** Senior and Disabled Monthly Pass Discount Survey for the Bay Area
- Attachment I:** VTA Paratransit Fare Ordinance

ATTACHMENT A

Existing Fare Structure

	CURRENT	RATIO
REGULAR		
Cash Fare	\$ 1.00	
Day Pass	\$ 3.00	3X Cash Fare
Convenience Card	\$ 15.00	15X Cash Fare
Monthly Pass	\$ 40.00	40X Cash Fare
YOUTH		
Child (<46 inches)	FREE	
Cash Fare (>46 inches)	\$ 1.00	1X Cash Fare
Day Pass	\$ 3.00	3X Cash Fare
Convenience Card	\$ 15.00	15X Cash Fare
Monthly Pass (<18)	\$ 30.00	¾ of Monthly
SENIOR/DISABLED		
Cash Fare	\$ 0.40	40%
Day Pass	\$ 1.10	2.75X Reduced Fare
Disc.Convenience Card	\$ 6.00	15X Reduced Fare
Monthly Pass	\$ 14.00	35X Reduced Fare
Paratransit	\$ 2.00	2X Cash Fare

ATTACHMENT B

**PASSES SOLD
OCTOBER 2001 – SEPTEMBER 2002**

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	TOTAL
Regular Monthly	637	489	414	517	465	428	577	506	490	601	498	504	6,126
Student Monthly	661	704	620	702	751	669	670	657	413	250	230	693	7,020
Discount Monthly	848	832	735	811	760	818	832	900	729	815	795	807	9,682
Convenience Pass	229	179	89	118	216	202	147	132	124	153	128	235	1,952
Discount Convenience	161	66	90	84	70	220	104	103	77	64	220	88	1,347
ADA Coupons	446	235	242	184	831	371	443	390	567	420	458	1,191	5,778

**Consumer Price Index - All Urban Consumers
San Francisco-Oakland-San Jose, CA**

	CPI October <i>(BLS data)</i>	CPI December <i>(BLS data)</i>	Change Past Years <i>(Calculation)</i>	Change Current YTD <i>(Calculation)</i>	Change 1993 to Present <i>(Calculation)</i>
1992		144.3			
1993		147.0	1.9%		
1994		149.4	1.6%		
1995		152.1	1.8%		
1996		156.0	2.6%		
1997		162.6	4.2%		
1998		167.4	3.0%		
1999		174.5	4.2%		
2000		184.1	5.5%		
2001		190.6	3.5%		
2002	194.3			1.9%	34.7%

Revenue Gain vs Ridership Loss for Various Fare Increase Scenarios
 Paul Marcelin-Sampson, 2002 December 15
 Modifications by Mark J. Dorfman

		current fare annual sales'		5% Increase landated senior/disabled discount	PI increase landated senior/disabled discount	0% increase (\$1 SO base) landated senior/disabled discount
adult	single-ride	\$1.00	2,005,516	\$1.25	\$1.35	\$1.50
	day pass	3.00	99,472	3.75 (3 x single-ride)	4.00 (3 x single-ride)	4.50 (3 x single-ride)
	monthly pass	40.00	6,126	50.00 (40 x single-ride)	54.00 (40 x single-ride)	60.00 (40 x single-ride)
	convenience card	15.00	1,952	18.75 (15 x single-ride)	20.00 (15 x single-ride)	22.50 (15 x single-ride)
youth	monthly pass	30.00	7,020	35.00 (5/7 x adult monthly)	38.00 (5/7 x adult monthly)	42.00 (5/7 x adult monthly)
senior/disabled	single-ride	0.40	76,693	0.60 (50% off)	0.65 (50% off)	0.75 (50% off)
	day pass	1.10	37,405	1.85 (50% off)	2.00 (50% off)	2.25 (50% off)
	monthly pass	14.00	9,682	25.00 (50% off)	27.00 (50% off)	30.00 (50% off)
	convenience card	6.00	1,347	9.35 (50% off)	10.00 (50% off)	11.25 (50% off)
paratransit**	single-ride	2.00	108,000	2.50 (2 x adult single-ride)	2.70 (2 x adult single-ride)	3.00 (2 x adult single-ride)
annual revenue gain***	(2% ridership loss)			\$811,000	\$1,129,000	\$1,621,000
	(4% ridership loss)			\$734,000	\$1,047,000	\$1,528,000
	(6% ridership loss)			\$657,000	\$964,000	\$1,436,000
	(8% ridership loss)			\$580,000	\$881,000	\$1,344,000
	(10% ridership loss)			\$504,000	\$798,000	\$1,252,000

* Sales data supplied by Assistant General Manager

** Ridership loss applies to fixed-route service only; we assume no loss of paratransit riders

*** Gain relative to current annual passenger revenue of about \$3,220,000 (excludes Highway 17, UCSC, Cabrillo, etc.)

Adult single-ride fares vary widely in the San Francisco Bay Area

	<i>single-ride fare</i>	<i>note</i>
benicia transit (local)	\$1.00	
napa vine (local)	\$1.00	
san francisco muni	\$1.00	
santa rosa citybus	\$1.00	
tridelta transit	\$1.00	
Metro charges \$1 per boarding		
bart	\$1.10 – \$4.70	
union city transit	\$1.10	
sonoma county transit (1 zone)	\$1.15	
samtrans (local)	\$1.25	<i>per boarding</i>
vallejo transit (local)	\$1.25	
westcat	\$1.25	
wheels	\$1.25	
santa clara vta (local)	\$1.40	<i>per boarding</i>
ac transit (local)	\$1.50	
caltrain	\$1.50 – 7.25	
county connection	\$1.50	
golden gate transit	\$1.50 – \$6.30	
Monterey-Salinas Transit charges \$1.75 – 5.25 per trip		
benicia transit (zone 2)	\$2.00	
santa clara vta (express)	\$2.25	<i>per boarding</i>
ac transit (transbay basic)	\$3.00	
altamont commuter express	\$3.00 – 11.00	
vallejo transit (zone 2)	\$3.00	
samtrans (peak-hour express)	\$3.50	<i>per boarding</i>

Fares cover a complete one-way trip, including multiple boardings. except where noted

Compiled by R. Paul Marcellin (marcellin@alumni.cmu.edu), 2002 November 20
Data from transit agencies and the Metropolitan Transportation Commission

Some small and/or specialty agencies/services omitted

Adult monthly pass prices vary widely in the San Francisco Bay Area

	<i>month/v pass price</i>	<i>other discount. if no unlimited month/y pass is offered</i>
vallejo transit (local)	\$32.00	
santa rosa citybus	\$32.00	
union city transit	\$33.00	
san francisco muni	\$35.00	
benicia transit (local)	\$37.00	
caltrain	\$39.00 – 195.00	
napa vine	\$40.00	
samtrans (local)	\$40.00	
sonoma county transit (1 zone)	\$44.00	
santa clara vta (local)	\$45.00	
ac transit (local)	\$50.00	
benicia transit (zone 2)	\$56.00	
altamont commuter express	\$65.00 – 307.00	
vallejo transit (zone 2)	\$69.00	
santa clara vta (express)	\$72.00	
ac transit (transbay basic)	\$85.00	
samtrans (peak-hour express)	\$108.00	
bart	<i>no pass</i>	<i>7% off with High-Value Tickets</i>
tridelta transit	<i>no pass</i>	<i>10% off with punch card</i>
golden gate transit	<i>no pass</i>	<i>20% off with tickets</i>
westcat	<i>no pass</i>	<i>20% off with tickets</i>
county connection	<i>no pass</i>	<i>25% off with punch card</i>
wheels	<i>no pass</i>	<i>25% off with punch card</i>

Metro charges \$40

Monterey-Salinas Transit
charges \$53 – 106

Compiled by R. Paul Marcelin (marcelin@alumni.cmu.edu), 2002 November 20
Data from transit agencies and the Metropolitan Transportation Commission

Some small and/or specialty agencies/services omitted

Single-ride discounts for seniors and the disabled vary widely in the San Francisco Bay Area

	<i>seniors and the disabled save:</i>	<i>note</i>
samtrans (peak-hour express)	0%	
altamont commuter express	10%	<i>no off-peak service offered</i>
santa rosa citybus	50%	
benicia transit (local)	50%	
napa vine (local)	50%	<i>seniors 90+ free</i>
tridelta transit	50%	
ac transit (local)	50%	
county connection	50%	<i>seniors free, weekdays 10 - 2</i>
benicia transit (zone 2)	50%	
westcat (long-distance)	50%	
vallejo transit (zone 2)	50%	
ac transit (transbay basic)	50%	
caltrain	50%	
golden gate transit	50%	
sonoma county transit	50%	
vallejo transit (local)	52%	
samtrans (local)	52%	
westcat (local)	60%	
union city transit	64%	
san francisco muni	65%	
santa clara vta (local)	68%	
wheels	68%	<i>seniors free, weekdays 10 - 2</i>
bay area rapid transit district	75%	<i>must obtain ticket in advance</i>
santa clara vta (express)	80%	

Federal law requires a 50% off-peak discount
MST's discount is 51%

Metro's discount is 60%

Compiled by Ft. Paul Marcelin (marcelin@alumni.cmu.edu), 2002 November 20
 Data from transit agencies and the Metropolitan Transportation Commission

Some small and/or specialty agencies/services omitted

Pass discounts for seniors and the disabled vary widely in the San Francisco Bay Area

	<i>seniors and the disabled save:</i>	<i>what we compare if no unlimited monthly pass is offered</i>	
vallejo transit (zone 2)	0%		
ac transit (transbay basic)	0%		
samtrans (peak-hour express)	0%		
altamont commuter express	10%		
caltrain	25%		
golden gate transit	30%	<i>senior/disabled fare, commuter ticket</i>	
county connection	44%	<i>punch cards</i>	
benicia transit (zone 2)	46%		
vallejo transit (local)	50%		
santa rosa citybus	50%		
benicia transit (local)	50%		
napa vine (local)	50%		
sonoma county transit	50%		
westcat (local)	50%	<i>ticket books</i>	
westcat (long-distance)	50%	<i>ticket books</i>	Monterey-Salinas Transit offers a 50% discount
samtrans (local)	55%		
tridelta transit	56%	<i>punch cards or coupon books</i>	
union city transit	67%		Metro's discount is 65%
bay area rapid transit district	68%	<i>senior/disabled ticket, High-Value Ticket</i>	
ac transit (local)	70%		
santa clara vta (local)	76%		
san francisco muni	77%		
santa clara vta (express)	85%		
wheels	*		

There is no federal requirement to offer discounted passes to seniors or the disabled

*The discount cannot be determined. Wheels offers an unlimited-use monthly pass to seniors and the disabled, but only a 40-ride punch card to other riders.

Compiled by Ft. Paul Marcelin (marcelin@alumni.CarnegieMellon.edu), 2002 November 20
Data from transit agencies and the Metropolitan Transportation Commission

Some small and/or specialty agencies/services omitted

VTA FARE ORDINANCE

BE IT RESOLVED by the Santa Clara Valley Transportation Authority Board of Directors, that the Paratransit fares set forth in Section I of Resolution No. 02.05.15, Basic Fare Structure, be amended as follows:

<u>Paratransit:</u>	<u>Fares</u>	<u>Requirements/Restrictions</u>
Same-Day Trip	\$14.00 (5 times a One-Way Trip)	A trip scheduled within the same day.
Same-Day Trip Companion	\$5.60 (2 times a One-Way Trip)	A same-day trip companion is a person accompanying a customer on a same-day trip.
Second Vehicle Sent	\$14.00 (5 times a One-Way Trip)	A second vehicle dispatched because customer was not ready or at pick-up location at the scheduled time for the first vehicle dispatched.
Open Return Trip	\$5.60 (2 times a One-Way Trip)	A return trip not dispatched until customer calls and requests it.

Be it further resolved, that future changes to VTA’s regular One-Way fare shall automatically adjust the above fares as follows: Same-Day Trip and Second Vehicle Sent fares shall be five times the One-Way Trip fare, and Same-Day Trip Companion and Open Return Trip fares shall be two times the One-Way Trip fare.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 24, 2003

TO: Board of Directors

FROM: Elisabeth Ross, Finance Manager

SUBJECT: RESOLUTION AUTHORIZING AN AMENDMENT TO THE CALPERS CONTRACT TO PROVIDE SECTION 21023.5 (PUBLIC SERVICE CREDIT FOR PEACE CORPS OR AMERICORPS: VISTA SERVICE)

I. RECOMMENDED ACTION

Staff recommends that the Board of Directors adopt the resolution to authorize an amendment to the CalPERS contract to provide Section 21023.5 (Public Service Credit for Peace Corps or AmeriCorps: VISTA Service).

II. SUMMARY OF ISSUES

- At the meeting of November 22, 2002, the Board of Directors adopted the resolution of intention to approve an amendment to the CalPERS contract to add public service credit for service in the Peace Corps or AmeriCorps.
- The final step in the process is adoption of the resolution amending the CalPERS contract.
- The amendment will be effective January 25, 2003.

III. DISCUSSION

As the last step in the approval process for offering employees the opportunity to purchase service credit for service in the Peace Corps or AmeriCorps, the Board is required by CalPERS to adopt a resolution amending the contract with CalPERS for the option.

IV. FINANCIAL CONSIDERATIONS

Any employee who wishes to utilize the service credit for service in the Peace Corps or AmeriCorps must purchase the service credit. There is no cost to the District other than a possible minimal incremental increase in monthly pension payments for participating employees.

V. ATTACHMENTS

Attachment A: Resolution Authorizing an Amendment to the CalPERS Contract to Provide Section 21023.5(Public Service Credit for Peace Corps or AmeriCorps: VISTA Service)

SANTA CRUZ METROPOLITAN

RESOLUTION
AUTHORIZING AN AMENDMENT TO THE CONTRACT

No. _____

WHEREAS, the Board of Administration of the California Public Employees' Retirement System and the Board of Directors of the Santa Cruz Metropolitan Transit District entered into a contract effective on March 1, 1976 providing for the participation of said public agency in the California Public Employees' Retirement System; and

WHEREAS, it is now desirable to take advantage of certain benefits provided under said Retirement System and not included in said contract;

NOW, THEREFORE, BE IT RESOLVED, that said governing body authorized, and it does hereby authorize, an amendment to said contract, a copy of said amendment attached hereto and by such reference made a part hereof as though herein set out in full; and

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the presiding officer of said governing body is hereby authorized, empowered and directed to execute said amendment for and on behalf of said public agency.

Adopted this _____ day of _____,

Presiding Officer

Attest:

Clerk/Secretary



California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
Board of Directors
Santa Cruz Metropolitan Transit District

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective March 1, 1976, and witnessed February 20, 1976, and as amended effective September 18, 1976, August 25, 1984, October 28, 1989, December 15, 1990, December 5, 1992, December 1, 1995, October 20, 2001, and July 18, 2002 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 13 are hereby stricken from said contract as executed effective July 18, 2002, and hereby replaced by the following paragraphs numbered 1 through 13 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for local miscellaneous members.
 2. Public Agency shall participate in the Public Employees' Retirement System from and after March 1, 1976 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

3. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
 - a. Employees other than local safety members (herein referred to as local miscellaneous members).
4. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
 - a. **FIRE FIGHTERS;**
 - b. **POLICE OFFICERS; AND**
 - c. **ELECTIVE OFFICIALS.**
5. The percentage of **final** compensation to be provided for local miscellaneous members in employment before and not on or after July 18, 2002 for each year of credited prior service is 0% and the percentage of final compensation to be provided for each year of credited current service is 100% and determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).
6. The percentage of final compensation to be provided for local miscellaneous members in employment on and after July 18, 2002 for each year of credited prior service is 0% and the percentage of final compensation to be provided for each year of credited current service is 100% and determined in accordance with Section 21354.4 of said Retirement Law (2.5% at age 55 Full).
7. No benefit or credit is provided for service of any type rendered prior to March 1, 1976. No benefit or credit is provided for service of any type rendered with Allen Transportation.
8. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 20965 (Credit for Unused Sick Leave).
 - b. Section 21573 (Third Level of 1959 Survivor Benefits).
 - c. Section 20903 (Two **Years Additional** Service Credit).
 - d. Section 20042 (One-Year Final Compensation).

- e. Section 21024 (Military Service Credit as Public Service), Statutes of 1976.
 - f. Section 21022 (Public Service Credit for Periods of Lay-Off).
 - g. Section 21023.5 (Public Service Credit for Peace Corps or AmeriCorps: VISTA Service).
9. Public Agency, in accordance with Government Code Section 20834, shall not be considered an "employer" for purposes of the Public Employees' Retirement Law. Contributions of the Public Agency shall be fixed and determined as provided in Government Code Section 20834, and such contributions hereafter made shall be held by the Board as provided in Government Code Section 20834.
10. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members of said Retirement System.
11. Public Agency shall also contribute to said Retirement System as follows:
- a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21573 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members.
 - b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
 - c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
12. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.

13. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the day of _____,

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF DIRECTORS
SANTA CRUZ METROPOLITAN
TRANSIT DISTRICT

BY _____
KENNETH W. MARZION, CHIEF
ACTUARIAL & EMPLOYER SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 24, 2003
TO: Board of Directors
FROM: Mark J. Dorfman, Assistant General Manager
SUBJECT: CONSIDER REJECTION OF BUS ADVERTISING COUNTER PROPOSAL FROM PRINCETON MEDIA, INC.

I. RECOMMENDED ACTION

Staff is recommending the Board of Directors reject the bus advertising counter proposal from Princeton Media and that staff be directed to return to the Board with a recommended course of action.

II. SUMMARY OF ISSUES

- On August 26, 2002, the District released a Request for Proposals (RFP) for Bus Advertising Services.
- On October 15, 2002, Proposals were due to the District in response to the RFP.
- Both respondents to the proposal were contacted to clarify their proposals to the District.
- At the November 8, 2002 Board Meeting an award was made to Princeton Media, Inc. for Bus Advertising Services.
- A contract per the terms and conditions in the RFP was sent to Princeton Media and a request was made for a delay of the contract effective date to January 1, 2003 was made due to the time it took to finalize the contract.
- This request was scheduled to be acted upon by the Board at the December 13, 2002 Board Meeting.
- A letter was received on December 12, 2002 in which Princeton Media, Inc. indicated it wanted to change the terms and conditions in the contract including the amount to be guaranteed to the District for advertising.

III. DISCUSSION

The District was concluding a five (5) year contract with Obie Media for Bus Advertising in December of 2002. In preparation for this, the District issued an RFP for Bus Advertising Services on August 26, 2002, and sent the RFP to 26 different firms. A Pre-Proposal Meeting was held on September 13, 2002 at the District's offices. No firms showed up at the meeting, but written questions were received from two (2) firms. On October 15, 2002, the District opened the proposals. Two proposals were received. One from the existing vendor, Obie Media

of Eugene, Oregon and one from Princeton Media, Inc. from Princeton, New Jersey. Both firms provided adhesive only proposals for the District's consideration. Letters were sent to both firm's asking them to submit a frames proposal so that the Board would have a clear choice in the direction they wish to pursue.

The adhesive proposal from Princeton Media, Inc., the number one ranked firm, is shown in the table below:

PRINCETON ADHESIVE PROPOSAL

YEAR	Guarantee	Percentage for Above Guarantee
Year One	\$96,000	52%
Year Two	\$110,000	53%
Year Three	\$125,000	55%
OPTION Year Four	\$135,000	55%
OPTION Year Five	\$145,000	55%

After the Board approved the District entering into a contract with Princeton Media, Inc., a request was received from Princeton asking for a delay in the start date of the contract to January 1, 2003. This item was scheduled for the December 13, 2002 Board Meeting. On December 12, 2003, a letter was sent from Princeton Media, Inc. (Attachment A), which requested substantial changes to the terms and conditions of their original proposal. First, they modified their Guarantee under the agreement to be as follows:

REVISED PRINCETON ADHESIVE PROPOSAL

YEAR	Guarantee	Percentage for Above Guarantee
Year One	\$60,000	55%
Year Two	\$70,000	55%
Year Three	\$85,000	55%
OPTION Year Four	\$95,000	55%
OPTION Year Five	\$105,000	55%

In addition, Princeton advised it was unable to provide a Performance Bond or Letter of Credit. It also refuses to hire a person for local sales at this time as was indicated in their proposal. With these changes, their proposal is no longer responsive to the District's RFP. The revenue decrease over the five year period would be 32%.

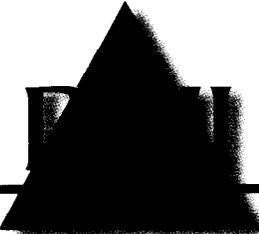
As a result, District Staff recommends that the Board reject the revised proposal from Princeton Media, Inc. Further, allow staff to return to the Board with a potential alternate approach for Bus Advertising at the February Board Meeting for consideration.

IV. FINANCIAL CONSIDERATIONS

The change in the Princeton Media, Inc. proposal totals \$196,000, or a 32% reduction in the original proposal over the five-year life of the contract. If there is no bus advertising contract in place, the impact to this year's budget is a decrease of \$30,000, and \$65,000 for the FY 2003/04 fiscal year.

V. ATTACHMENTS

Attachment A: December 11, 2002 Letter from Princeton Media, Inc.

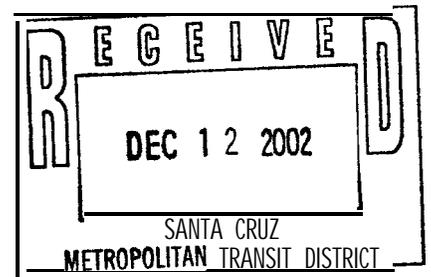


Princeton Media, Inc.

301 North Harrison Street • Suite 133 • Princeton, New Jersey 08540 Phone 609•514•8700 Fax 609•514•8787

December 11, 2002

Mr. Mark J. Doffman, Assistant General Manager
Santa Cruz Metropolitan Transit District
370 Encinal Street
Suite 100
Santa Cruz, California 95640



I had been very much looking forward to meeting with you last week so that we could discuss the contract for transit advertising between Santa Cruz and Princeton Media face to face. There are a number of issues that still need to be resolved between our organizations. I would like to use my letter to you today to make clear these issues.

Performance Bond

After considerable research and numerous discussions with our insurance/bonding agent, our bank, our accountant, and Princeton's investors with regard to obtaining either a performance bond or letter of credit, we have discovered that it is impossible for a company of our size in this particular industry to acquire either without putting up the entire sum of money. Unfortunately, we are not in a position to do so. As you may know, this same problem now faces many organizations as a result of the aftermath of the September 11th attacks and the unwillingness of the underwriting community to provide this coverage. This is a situation, which many companies in the public sector are facing including those companies that provide rail and bus services.

Sales Guarantee

Our accountant reviewed the sales figures regarding Obie's performance submitted by the Santa Cruz Metropolitan Transit District (SCMTD.) Because the previous contractor, Obie Media, combined production and advertising sales, the figures become ambiguous. It is difficult to determine precisely what percentage of the figure is production versus advertising. Our submission was based upon the validity of the data presented to us. Under the circumstances, it became an inaccurate tool on which to base our bid. In that SCMTD was supplied with inaccurate information, we feel that Princeton's guarantee should be based upon accurate data not obviously erroneous data.

Sales Staff

Since the time of our initial proposal, the economy has taken an even further downturn. The worsening of the economy has negatively impacted our ability to hire Ted Maisel as Sales Manager. In these uncertain times, he was not willing to risk cutting loose his safety net to relocate to the Santa Cruz/Monterey area. After interviewing fifteen other applicants for this position, I have not been successful in finding a truly capable

individual who possesses the specialized skills required for this position. I have not given up attempting to hire a qualified sales person and I hope to have good news for you after the New Year.

Sales Activity

Princeton's bid was reflective of the strong interest of customers from Monterey who indicated they would place advertising in Santa Cruz. These customers have been forced to change their advertising budgets based on their own financial concerns. The net result is that we will be operating at a considerable loss for the first several months. I am again confident that the New Year will bring us better opportunities to sell.

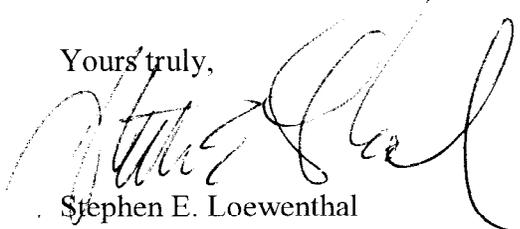
Status of the Fleet

While I was in Santa Cruz, I had the opportunity to personally inspect a good portion of the fleet of buses. Many of the buses, particularly the older ones; have considerable paint damage. Others have ads on them that have been up for so long that they are sure to create paint pulls when they come down. Once there is a paint pull--even a small amount--it will only get worse over time.

Based on the present condition of the Santa Cruz fleet, it is impossible for us to take the responsibility to maintain the condition of the paint on the damaged buses. I suggest that we meet during my next visit to inspect the fleet and to detail the damage to the fleet so that SCMTD may take action to seek damages from Obie for the necessary repairs.

We have outlined our revised proposal on the next page fully cognizant that this puts you in an awkward position. However, we feel that considering all of the circumstances, there is little else we can do. Princeton Media always negotiates in a spirit of trust with our clients, while I do not want to sound pessimistic there are many things, beyond the control of Princeton, that are working against us at the moment. Princeton Media is still optimistic on the potential of the Santa Cruz market and we intend to overcome these initial obstacles to success with the cooperation of SCMTD.

Yours truly,



Stephen E. Loewenthal
President and CEO

**REVENUE SUMMARY SHEET
THREE YEAR BASE CONTRACT**

Direct Application

Proposer identified below will make guaranteed minimum annual payments, payable at monthly intervals, to Santa Cruz Metropolitan Transit District in the amounts shown below:

BASE CONTRACT PERIOD:

YEAR ONE \$60,000 or 55% of Gross Billing (not of collections)

YEAR TWO \$70,000 or 55% of Gross Billing which ever is greater

YEAR THREE \$85,000 or 55% of Gross Billing which ever is greater

OPTION YEARS:

YEAR FOUR \$95,000 or 55% of billing which ever is greater

YEAR FIVE \$105,000 or 55% of billing which ever is greater

CERTIFICATION:

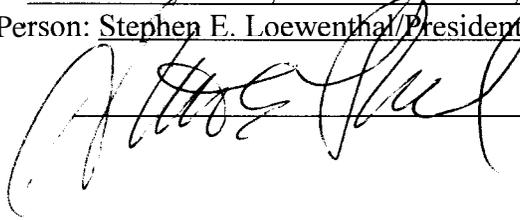
Name of Proposing Firm: Princeton Media Inc.

Mailing Address: 301 N. Harrison St; Ste 133 Princeton, NJ 08540

Name/ Title of Contact Person: Stephen E. Loewenthal/President

Signature:

Date: 12/11/2002

A handwritten signature in black ink, appearing to read "Stephen E. Loewenthal", is written over a horizontal line. The signature is cursive and somewhat stylized.

**REVENUE SUMMARY SHEET
THREE YEAR BASE CONTRACT**

FRAMES

Proposer identified below will make guaranteed minimum annual payments, payable at monthly intervals, to Santa Cruz Metropolitan Transit District in the amounts shown below:

BASE CONTRACT PERIOD:

YEAR ONE 55% of Gross Billing (not of collections) until buses are 60% framed then prorated based on second year guarantee

YEAR TWO \$55,000 or 55% of Gross Billing which ever is greater

YEAR THREE \$75,000 or 55% of Gross Billing which ever is greater

OPTION YEARS:

YEAR FOUR \$85,000 or 55% of billing which ever is greater

YEAR FIVE \$95,000 or 55% of billing which ever is greater

ADVERTISING FORMAT: FRAMES; DISTRICT SUPPLIED

CERTIFICATION:

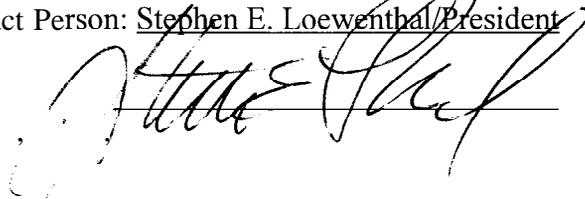
Name of Proposing Firm: Princeton Media Inc.

Mailing Address: 301 N. Harrison St; Ste 133 Princeton, NJ 08540

Name/ Title of Contact Person: Stephen E. Loewenthal/President

Signature:

Date: 12/11/2002



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 24, 2003
TO: Board of Directors
FROM: Mark Dorfman, Assistant General Manager
SUBJECT: CONSIDERATION OF APPOINTMENT OF STUART ROSENSTEIN TO THE METRO USERS GROUP UNDER THE MEMBERSHIP CATEGORY OF "TRANSIT USERS"

I. RECOMMENDED ACTION

Staff recommends that the Board of Directors appoint Stuart Rosenstein to the Metro Users Group.

II. SUMMARY OF ISSUES

- Twenty members are authorized to serve on MUG
- Six vacancies exist under the "Transit Users" category

III. DISCUSSION

The composition of MUG was designed to provide representation for the entirety of Santa Cruz County. Stuart Rosenstein would be included in the "Transit Users" category.

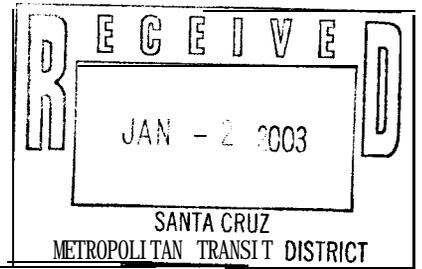
IV. FINANCIAL CONSIDERATIONS

None

V. ATTACHMENTS

Attachment A: Application of Stuart Rosenstein
Attachment B: MUG Membership Breakdown

**Application for Participation
in the Metro Users Group Committee**



Name Suart Rosenstein

Address (with zip code) P.O. Box 241

Santa Cruz, CA 95061

Day Time Phone 41/ 479-8612 Cell/ 325-9988

How Often do you use the Metro? Daily - I have used the bus when I lived encampus (UCSC) and when I lived in Watsonville - and now where I live in the Live Oak area near Capitola Mall.

What are your Particular Transit Interests? _____

My interests are in the service of daily bus use. I am also interested in increasing ridership in the general area - and for that in the county to use the bus like the UCSC students. This would mean increasing publicity about bus schedules so people can access the bus with ease. — also would like to see riders involved in bus issues.

I have been a bus user for 14 years in California (9 in Los Angeles) and 5 in Santa Cruz) and Santa Monica
I feel I can offer good suggestions/ ideas to make Santa Cruz Metro Bus better for the community.

Thank You,
Stuart

**METRO USERS GROUP MEMBERSHIP BREAKDOWN
As of 1/2/03**

Category	# of Positions	# of Positions Filled
Transit Users	11	5
u c s c	1	1
Cabrillo College	1	1
MASTF	1	1
Seniors Commission	1	1
SCCRTC	1	1
TMA	2	1
Board Member & Alternate	1	1
Bicycle/Transit User	1	1
TOTAL	20	13

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 24, 2003

TO: Board of Directors

FROM: Margaret Gallagher, District Counsel

SUBJECT: CONSIDERATION OF APPROVAL OF LEASE FOR WATSONVILLE TRANSIT CENTER KIOSK #6 FOR A NEW BUSINESS

I. RECOMMENDED ACTION

Authorize the General Manager to execute a one-year lease for the Watsonville Transit Center Kiosk #6 with Romualdo Palacios dba Santa Martha with options to extend the Lease for four, one-year lease terms.

II. SUMMARY OF ISSUES

- Flor Bella's lease term will terminate on January 31, 2003.
- The kiosk space was advertised for several weeks in December in the local papers. The only response to the advertisement has been Romualdo Palacio's application.
- Mr. Palacio wishes to begin a new lease beginning February 1, 2003 for a one-year initial period, with an option to renew the lease for four additional one-year periods under the same terms and conditions, except for an annual rent adjustment.

III. DISCUSSION

Flor Bella's lease term will terminate on January 31, 2003. In anticipation of the Lease ending, the kiosk was advertised during the month of December, 2002. Only one applicant, Romualdo Palacios, completed an application and provided financial information pursuant to the District's requirement.

Mr. Palacios wishes to lease kiosk #6 to operate a variety store. He wishes to sell clothing, music, toys and other miscellaneous items. He wishes to lease the kiosk for one year, but with options to renew the lease for four additional one-year periods under the same terms and conditions, except for an annual rent adjustment.

District staff will be meeting with Mr. Palacios to determine other Lease details. A preliminary Lease Agreement is attached as Attachment A.

It is recommended that the rent continue to be at a rate of \$300 per month for the first year of the lease. This will enable Mr. Palacios to attempt to grow his business.

IV. FINANCIAL CONSIDERATIONS

The yearly rent for the new kiosk Lease would be \$3,600.00.

V. ATTACHMENTS

Attachment A: Proposed Lease Agreement

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
TRANSIT CENTER LEASE AGREEMENT**

THIS LEASE is made on February 1, 2003, between the **SANTA CRUZ METROPOLITAN TRANSIT DISTRICT**, a political subdivision of the State of California ("Landlord"), whose address is 370 Encinal, Santa Cruz, California, 95060, and, **Romualdo Palacios dba Santa Martha**, whose address is 475 Rodriguez, Suite 6, Watsonville, California 95076, who agree as follows:

RECITALS

This lease is made with reference to the following facts and objectives:

1. Landlord is the owner of certain real property commonly known as the **Watsonville Transit Center** (hereinafter "Center"), a map of which is set forth in Exhibit "A." Said real property includes, without limitation, "Premises" which consists generally of approximately 220 sq. ft. of space in Kiosk # 6 of the Center.
2. Tenant is willing to lease the Premises from Landlord pursuant to the provisions stated in this lease.
3. Tenant wishes to lease the Premises described below for the purposes of operating, generally a variety store.
4. Tenant has examined the Premises and is fully informed of their condition.

ARTICLE 1: PREMISES

1.1 General

Landlord leases to Tenant and Tenant leases from Landlord the Premises, kiosk #6, in the Watsonville Transit Center, 475 Rodriguez in **Watsonville, CA 95076**. The Premises are outlined in yellow in Exhibit A.

1.2 Airspace Rights

This lease confers no rights either with regard to the subsurface of the land in which the Premises are located or with regard to airspace above the ceiling in which the Premises are located.

ARTICLE 2: TERM

2.1 Fixed Term

The term shall commence on February 1, 2003 and shall expire at 12:01 a.m. on January 31, 2004, unless sooner terminated in accordance with the provisions herein.

2.2 Inability to Deliver Possession

Landlord will deliver possession of the premises to Tenant upon execution of this lease. Tenant has examined the premises and warrants that the premises are in good condition and will meet Tenant's business needs.

2.3 Option to Extend Term

Tenant shall have four (4) options to extend the term of its lease, each for an additional one (1) year period under the same terms and conditions specified herein provided Landlord receives written notification from Tenant exercising said option not later than ninety (90) days prior to the expiration of the initial one (1) year term and ninety day (90) written notice before the expiration of each and every term thereafter . Tenant shall have no other right to extend the term beyond the options to extend term as described herein.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
TRANSIT CENTER LEASE AGREEMENT**

ARTICLE 3: RENT

3.1 Minimum Monthly Rent

Tenant shall pay to Landlord as minimum monthly rent, without deduction, setoff, prior notice, or demand, the sum of three hundred dollars (\$300.00), which is subject to adjustment as provided in Section 3.2, per month, in advance on the first day of each month commencing on February 1, 2003. Minimum monthly rent for the first month or portion thereof shall be paid on the day that Tenant's obligation to pay minimum monthly rent commences. Minimum monthly rent for any partial month shall be prorated at the rate of 1/30th of the minimum monthly rent per day.

3.2 Periodic Cost-of-Living Adjustment

- a. The minimum monthly rent provided for in Section 3.1 shall be subject to adjustment at the commencement of the second year of the term and each year thereafter (the "adjustment date"), as follows:
1. The basis for computing the adjustment is the Consumer Price Index for All Urban Consumers (base year 1982-84 = 100) for San Francisco-Oakland-San Jose published by the United States Department of Labor, Bureau of Labor Statistics ("Index"), which is in effect on the date of the commencement of the term ("Beginning Index"). If the Index has increased over the Beginning Index, the minimum monthly rent for the following year (until the next rent adjustment) shall be determined by the percentage increase in the Index for the yearly period. In no case shall the minimum monthly rent be less than a 1% increase over the current minimum monthly rent set forth in Section 3.1 and an increase shall be no greater than 5% of the current minimum monthly rent as provided in Section 3.1. On adjustment of the minimum monthly rent as provided in this lease, the parties shall immediately execute an amendment to this lease stating the new minimum monthly rent.
 2. If the Index changes so that the base year differs from that in effect when the term commences, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Statistics. If the Index is discontinued or revised during the term, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the index had not been discontinued or revised.

3.3 Refund of Prepaid and Unearned Minimum Monthly Rent

If this lease terminates before the expiration date for reasons other than the Tenant's default, minimum monthly rent shall be prorated to the date of termination, and Landlord shall immediately repay to Tenant all minimum monthly rent then prepaid and unearned.

3.4 Due Dates and Delinquent Dates for Rent Payments

- a. Amounts due Landlord for minimum monthly rent (Section 3.1), late rent charges (Section 3.5), "increase in insurance due to use" (Section 5.2.1), "fire and other perils insurance" (Section 10.3), and other rent for which specific payment dates or periods are identified in this lease, are due and payable, without deduction, setoff, prior notice or demand, on the dates indicated herein, and are delinquent on the second business day thereafter. All rent payments for which no specific due dates are specified in this lease, including, without limitation, additional rent (Section 3.6), security deposit (Article 4), maintenance (Article 6), Utilities and Services (Article 9) and insurance (Article 10), are due and payable upon receipt of Landlord's invoice, and are delinquent eight (8) calendar days thereafter, if served personally, or ten (10) calendar days after the date of postmark, if sent by prepaid, first-class mail.
- b. A "business day" for purposes of this Article is any day on which the administrative office of the Santa Cruz Metropolitan Transit District is open for regular business.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
TRANSIT CENTER LEASE AGREEMENT**

3.5 Late Rent Charges

Rent not paid when due shall bear interest from the first day after it is due until paid at the rate of ten per cent (10%) per annum. Tenant acknowledges that late payment by Tenant to Landlord of any rent shall cause Landlord to incur costs not contemplated by this lease, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation, processing and accounting charges. Therefore, if any amount of rent due from Tenant is not received by Landlord when due, for any cause, Tenant shall pay to Landlord an additional sum of ten percent (10%) of the overdue rent as a late charge, in addition to the interest charge specified above. The parties agree that this late charge represents a fair and reasonable estimate of the costs that Landlord will incur by reason of late payment by Tenant. Acceptance of any late charge shall not constitute a waiver of Tenant's default with respect to the overdue amount, or prevent Landlord from exercising any of the rights and remedies available to Landlord.

3.6 Taxes Paid by Tenant; Additional Rent

- a. Tenant agrees to pay before delinquency all taxes, assessments, license fees, and other charges which at any time may be levied by the State of California, County of Santa Cruz, City of Watsonville (including, without limitation any promotional tax due), or any other tax or assessment, levied upon any interest in this lease or any possessory right which Tenant may have in or to be the Premises covered hereby or to the improvements thereon by reason of its ownership, use, or occupancy thereof or otherwise, as well as all taxes, assessments, fees, and charges on commodities, goods, merchandise, foods, beverages, fixtures, appliances, equipment and property owned by it in, on, or about said Premises. On demand by Landlord, Tenant shall furnish Landlord with satisfactory evidence of these payments. Amounts paid through Landlord for any aforementioned expense (including, without limitation, promotional tax) shall be considered additional rent for purposes of this lease.
- b. If this Lease expires prior to the determination of the amount of such taxes and assessments for the last year in which the Lease expiration occurs, Tenant shall nevertheless promptly pay such percentage following notice from Landlord appropriately prorated for the portion of the Lease term that falls within such last year.
- c. This lease may create a possessory interest subject to property taxation. Tenant is hereby notified that the lease may be subject to property taxes. (See California Revenue and Tax Code Section 107.7.

3.7 Payment for Permits

Tenant shall be solely responsible to obtain and pay for use permits, necessary design review permits and building permits for any approved Tenant improvements.

3.8 Negation of Partnership

Landlord shall not become or be deemed a partner or a joint-venturer with Tenant by reason of the provisions of this lease.

3.9 Payment of Rent

All rent shall be paid in United States currency and shall be paid to Landlord at the address below:

Santa Cruz Metropolitan Transit District
370 Encinal Street, Suite 100
Santa Cruz, CA 95060
ATTN: Finance Department

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
TRANSIT CENTER LEASE AGREEMENT**

ARTICLE 4: SECURITY DEPOSIT

Tenant has deposited with Landlord six hundred dollars (\$600.00), as a security deposit for the performance by Tenant of the provisions of this lease. If Tenant is in default, Landlord can use the security deposit, or any portion of it, to cure the default or to compensate Landlord for all damages sustained by Landlord resulting from Tenant's default including reasonable attorney's fees. Tenant shall within 10 days on demand pay to Landlord a sum equal to the portion of the security deposit expended or applied by Landlord as provided in this Article so as to maintain the security deposit in the sum initially deposited with Landlord. Tenant's failure to do so shall be a material default under this Lease. If Tenant is not in default at the expiration or termination of this lease, Landlord shall return the security deposit to Tenant within thirty (30) days. Landlord's obligations with respect to the security deposit are those of a debtor and not a trustee. Landlord can maintain the security deposit separate and apart from Landlord's general funds or can commingle the security deposit with Landlord's general and other funds. Landlord shall not be required to pay Tenant interest on the security deposit.

ARTICLE 5: USE; LIMITATIONS ON USE

5.1 Use

- a. Premises shall be used for a variety store as more particularly set forth herein, and for no other use without Landlord's written consent. Said use (including, without limitation, limitations on use) is further described in Exhibit B attached hereto and made a part hereof.
- b. No other business shall be conducted on the Premises by Tenant except upon the prior written consent of the Landlord. Landlord shall not be a guarantor or otherwise liable to Tenant for Landlord's exercise of discretion in allowing any type of business to lease space at the Metro Center or in consenting to a change of any other Tenant's business use located at the Metro Center. Landlord shall not be a guarantor of Tenant's business or of insuring that individuals who ride landlord's buses make purchases from tenant's business.
- c. Tenant shall continuously use the Premises for the uses specified in this lease and shall continuously merchandise the Premises, during the hours specified in Exhibit B. If the Premises are destroyed or partially condemned and this lease remains in full force and effect, Tenant shall continue operation of its business at the Premises to the extent reasonably practicable from the standpoint of good business judgment during any period of reconstruction. Tenant shall not use any space in the Premises for office, clerical, and other non-service or non-selling purposes.
- d. Tenant specifically agrees that the Premises are not to be used for any interior or exterior storage of toxic or hazardous chemicals or materials other than those associated with Tenant's business subject to Landlord's approval. The business conducted by the Tenant on the Premises shall be of a character and nature that will not be detrimental to the value of the Premises or the Center. No use shall be made or permitted to be made of the Premises, nor acts done in or about the Premises, which will in any way conflict with any law, ordinance, rule or regulation affecting the occupancy or use of the Premises, which are or may hereafter be enacted or promulgated by any public authority, or which will increase the existing rate of insurance upon the building or cause a cancellation of any insurance policy covering the building or any part thereof. Nor shall Tenant permit to be kept, or use in or about the Premises, any article which may be prohibited by the standard form of fire insurance policy maintained by Landlord. Tenant shall not commit, or suffer to be committed, any waste upon Premises, or any public or private nuisance, or other act or thing which may disturb the quiet enjoyment of any other tenant in the Metro Center, nor, without limiting the generality the foregoing, shall Tenant allow said Premises to be used for an improper, immoral, unlawful, or unethical purpose or for sleeping or residential purposes, including washing clothes.

5.2 Limitations on Use

Tenant's use of the Premises as provided in this lease shall be in accordance with the following:

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5.2.1 Cancellation of Insurance; Increase in Insurance Rates

- a. Tenant shall not do, bring, or keep anything in or about the Premises that will cause a cancellation of any insurance or an increase in the rate of any insurance covering the Premises.
- b. If the rate of any insurance (including, without limitation, any fire, casualty, liability, or other insurance policy insuring Landlord, Landlord's property, and Tenant at the Center, or any of Tenants' property) carried by Landlord is increased as a result of Tenant's use, Tenant shall pay to Landlord a sum equal to the difference between the original premium and the increased premium. Said payment shall be made within ten (10) days before the date Landlord is obligated to pay premium on the insurance, or within ten (10) days after Landlord delivers to Tenant a certified statement from Landlord's insurance carrier stating that the rate increase was caused solely by an activity of Tenant on the Premises as permitted in this lease, whichever date is later.
- c. Tenant's expense, to the requirements of applicable fire control agencies having jurisdiction over the Premises, including, without limitation, any restrictions on occupancy and the provision of fire extinguishers. Tenant's obligation under this section shall include at Tenant's cost the obtaining and maintaining of any business license, use permits, design review permits for signs, and the building permits for any tenant improvements, or any other federal, state or local government requirement.
- d. Except that Tenant shall not be obligated to comply with any law that requires alterations, maintenance, or restoration to the Premises unless the alterations, maintenance, or restoration are required as a result of Tenant's particular and specific use of the Premises at the time or as a result of Tenant's own construction on the Premises. Landlord shall make any alterations, maintenance, or restoration to the Premises required by such laws that Tenant is not obligated to make. Notwithstanding, the foregoing Tenant shall not alter the premises in any fashion without Landlord's written approval.

5.2.2 Deliveries

Tenant shall not allow deliveries of any kind on the bus lanes. Additionally, Tenant's employees shall be restricted to park in areas other than the bus lanes or at the Center.

5.2.3 Waste; Nuisance

- a. Tenant shall not use the Premises or public area, or permit or suffer the Premises to be occupied or used, in any manner that will constitute waste, nuisance, or unreasonable annoyance (including, without limitation, the use of loudspeakers or sound or light apparatus that can be heard or seen outside the Premises) to other users of the building in which the Premises are located.
- b. Tenant shall not use the Premises or public area for sleeping or washing clothes, or the preparation, manufacture, or mixing of anything that might emit any objectionable odor or objectionable noises or lights into the building in which the Premises are located.
- c. No second-hand store, auction, distress or fire sale, or bankruptcy or going-out-of-business sale may be conducted on the Premises or public area without Landlord's written consent. Tenant shall not sell or display merchandise outside the confines of the Premises or in the public area.

5.2.4 Overloading

- a. Tenant shall not do anything on the Premises that will cause damage to the building in which the Premises are located.
- b. The Premises shall not be overloaded. No machinery, apparatus, or other appliance shall be used or operated in or on the Premises that will in any manner injure, vibrate, or shake the Premises and or the Metro Center including the parking areas.

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5.2.5 Hours of Operation

- a. Tenant agrees not to leave the Premises unoccupied or vacant during regular business hours as defined by the Landlord. Tenant shall continuously during the entire term hereof conduct and carry on Tenant's aforesaid business on the Premises, and shall keep said Premises open for business and cause such business to be conducted thereon, during each and every day and for such number of hours each day, as is established in Exhibit B of this Lease.
- b. Landlord may, at its option, change the hours of operation for Tenant's business set forth in Exhibit B. Landlord may, at its option, and for good cause, permit Tenant to temporarily close down said business or otherwise limit operations. However, Tenant must submit a written request to the Board of Directors of Landlord for any change.

5.2.6 Rules and Regulations/Common Area

- a. Tenant acknowledges that this lease is made on property owned by Landlord and under Landlord's exclusive control. Said property is primarily devoted to the provision of transit services for the public and is commonly known as a Transit Center. Tenant agrees that it shall do nothing to interfere with Landlord's transit services. Tenant further acknowledges that the primary duties of Landlord are to operate transit services safely; and Tenant hereby agrees to abide by all laws, ordinances, directives, rules and regulations promulgated by the Board of Directors of Landlord now existing or hereafter made for the government, management, maintenance, and operation of the Center, including such directives as to usage of the Center as may be promulgated by the officers or representatives of the Landlord in their official or departmental capacity. Tenant further agrees that such directives, rules, regulations, ordinances and conditions as may be imposed by Landlord through its Board of Directors, administrative officers, department heads or duly authorized representatives, shall be subject to immediate compliance by Tenant. Tenant acknowledges that it has read and reviewed the Center Rules and Regulations, which are attached hereto as Exhibit C and incorporated herein by reference and agrees to follow them.
- b. Certain areas have been constructed by Landlord within the Premises for the general use, convenience and benefit of the occupants of the Center and their customers and employees, including the lobby, sidewalks, landscaped areas and other areas for pedestrian use (herein called the "Common Area"). Except as may be limited herein, Tenant shall have the non-exclusive right for itself and for its customers, invitees, employees, contractors, subtenants and licensees to use the Common Area in common with Landlord and other persons permitted to use the same for pedestrian ingress, egress and access. Tenant shall not have the right to utilize areas within the Center that are reserved for Landlord and Landlord's employees.
- c. Tenant shall be responsible for its proportionate share of the payment of the cost of the Common Area, and all improvements and facilities situated thereon and required in connection therewith. Any increases to common area charges shall be assessed based upon the useful life of the improvement taking into account the remaining term of the lease.

5.2.7 Limitation

This lease is made for commercial purposes related to the operation of the Center, and no use shall be made of the Premises by Tenant that would, in Landlord's opinion, interfere with transit operations, the operation of the Center, or any other Center's business in any manner or form.

ARTICLE 6: MAINTENANCE

6.1 Landlord's Maintenance

Landlord shall not be liable for any damage or injury to the person, business (or any loss of income therefrom), goods, wares, merchandise or other property of Tenant, Tenant's employees, invitees,

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customers or any other person in or about the Premises; whether such damage or injury is caused by or results from: 1) fire, steam, electricity, water, gas or rain; 2) the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures or any other cause; 3) conditions arising in or about the Premises or upon other portions of any building which the Premises is part, or from other sources or places; or 4) any act or omission of the Tenant, Landlord shall not be liable for any such damage or injury even though the cause of or the means of repairing such damage or injury are not accessible to Tenant. Tenant, as a material part of the consideration to be rendered to Landlord, hereby waives all claims against Landlord for the foregoing damages from any cause arising at any time.

6.2 Tenant's Maintenance

- a. Tenant at its cost shall maintain, in good condition, all portions of the Premises, both inside and out, including, without limitation, all signs, storefronts, plate glass, show windows, all Tenant's personal property, fixture maintenance (light bulbs, etc.), and periodic services of heating and ventilation, electric and electronic equipment as recommended by the manufacturer (HVAC system, door maintenance etc.). Tenant is responsible for building upkeep including cleaning of interior paint, exterior and interior graffiti and broken plate glass.
- b. Tenant shall be liable for any damage to the building in which the Premises are located resulting from the acts or omissions of Tenant or its authorized representatives or its employees or its customers. Landlord is not responsible for the repair of the Premises for damage caused by third parties, including Tenant, its employees, its representatives, or its customers.

ARTICLE 7: REPAIRS AND ALTERATIONS

- a. Tenant will take good care of the Premises and promptly notify the Landlord in writing of any damage caused thereto by Tenant, its employees or invitees and will not make any repairs or alterations without written permission of Landlord first had and obtained, and consent for same shall not be unreasonable withheld by Landlord. Any alterations or improvements made shall remain on and be surrendered with the Premises on expiration or termination of the term, except that Landlord can elect within thirty (30) days before expiration of the term, or within five (5) days after termination of the term, to require Tenant to remove any alterations or improvements that Tenant has made to the Premises. If Landlord so elects, Tenant at its cost shall restore the Premises to the condition designated by Landlord in its election before the last day of the term, or within thirty (30) days after notice of election is given, whichever is later, and Tenant shall be liable for rent during any such period. Tenant shall keep the premises free from any liens arising out of any work performed, materials furnished or obligations incurred by Tenant.
- b. Landlord shall be under no obligation to make any repairs, alterations or improvements to or upon the Premises, or any part thereof, at any time except as provided in this Lease. Landlord shall at its sole cost and expense, at all times during the term hereof, repair and maintain the roof and exterior walls (other than plate glass, and doors, and roll-up doors) and foundations of the building in which the Premises are located; provided that Tenant shall reimburse Landlord for the cost and expense of repairing any and all damage to the roof, foundation or exterior walls of the Premises resulting from the acts or omissions of Tenant, Tenant's agents, employees, customers or other invitees.
- c. Tenant shall, except for the intentional or negligent acts or omissions of Landlord, its agents, or employees, or third parties at its sole cost and expense, at all times during the term hereof, keep and maintain the Premises, the improvements thereof and every part thereof (including but not limited to plate glass, heating, ventilating, and air conditioning equipment, store fronts and doors, awnings and roll-up doors) in good and sanitary order, condition and repair and in compliance with all laws and regulations applicable thereto.
- d. Landlord may, at any time and for any reason during the term and any extensions thereof, remodel all or any part of the Center. Landlord's rights to remodel include, without limitation, the right to enclose,

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cover, re-configure, reposition or otherwise modify any part of the building in which the Premises are a part. Landlord shall not unreasonably interfere with Tenant's business as a result of alterations or improvements.

ARTICLE 8: TRADE FIXTURES

Subject to the provisions of Article 7, above, Tenant may install and maintain its trade fixtures on the Premises, provided that such fixtures, by reason of the manner in which they are affixed, do not become an integral part of the building or Premises. Tenant, if not in default hereunder, may at any time or from time to time during the term hereof, or upon the expiration or termination of this Lease, alter or remove any such trade fixtures so installed by Tenant, and any damage to the Premises caused by such installation, alteration or removal of such trade fixtures shall be promptly repaired by Tenant at the expense of Tenant. If not so removed by Tenant within thirty (30) days of the expiration or sooner termination of this Lease, said trade fixtures shall, at Landlord's option, become the property of Landlord or Landlord, at its option, may remove said trade fixtures and any damage to the Premises caused by such installation, alteration or removal of such trade fixtures and the cost of such removal shall be paid by Tenant to Landlord upon demand.

ARTICLE 9: UTILITIES AND SERVICES

9.1 Landlord and Tenant shall be responsible for electrical utilities and services as follows:

- a. Tenant shall make all arrangements for and pay for all utilities and services furnished to or used by it, including, without limitation, gas, electric, water and telephone service, and for all connection charges and taxes;
- b. If Landlord is required to construct new or additional utility installations, including, without limitation, wiring, plumbing, conduits, and mains resulting from Tenant's changed or increased utility requirements, Tenant shall on demand pay to Landlord the total cost of these items;
- c. Landlord shall not be liable for failure to furnish utilities or services to the premises, but in case of the failure, Landlord will take all reasonable steps to restore the interrupted utilities and services;
- d. Tenant shall reimburse Landlord on a monthly basis (or other period as may be established by Landlord) for Landlord's costs in furnishing trash collection services to the premises at the rate of nine point three per cent (9.3%) of Landlord's cost, which shall be billed to Tenant. Tenant shall pay for such services within ten (10) calendar days from the date Landlord bills Tenant;
- e. Tenant agrees to keep premises free and clear of any lien or encumbrance of any kind whatsoever created by Tenant's acts or omissions.
- f. Utility charges may be separately determined by Landlord based on utility rating of Tenant's use of premises and the common areas, as a percentage of total utility use by those sharing the same meter, or as metered. Tenant shall pay directly to the appropriate supplier the cost of all heat, light, power, and other utilities and services supplied to the premises. If Landlord authorizes Tenant's premises to be separately metered, then Tenant shall pay for the full cost of the installation of the meter.
- g. Landlord can discontinue, without notice to Tenant, any of the utilities or services furnished to the premises for which Tenant fails to reimburse Landlord on a prompt basis as provided in this Article, and no such discontinuance shall be deemed an actual or a constructive eviction.

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ARTICLE 10: INDEMNITY AND EXCULPATION; INSURANCE

10.1 Tenant's Indemnification of District

Tenant shall exonerate, indemnify, defend, and hold harmless Landlord (which shall include, without limitation, its officers, agents, employees and volunteers) and the property of Landlord from and against any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which Landlord may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with the Tenant's lease of the Premises under the terms of this Agreement including any condition of the Premises or any portion thereof over which Tenant has control and/or a duty to repair and/or maintain under the terms of this Lease. Such indemnification includes any damage to the person(s), or property(ies) of Tenant and third persons. Notwithstanding the foregoing Landlord shall be solely responsible for claims, demands, losses, damages, defense costs or liability of any kind or nature arising from its own transit operation at the Center so long as such claim, demand, loss, damage, defense costs or liability is not due to Tenant's negligence, intentional act or omission or due to Tenant's failure to meet its obligations under the lease.

10.2 Liability Insurance

- a. Tenant further agrees to take out and keep in force during the life hereof, at Tenant's expense, insurance, and products liability insurance, with a company or companies satisfactory to Landlord to protect Landlord against any liability incident from the use of, or resulting from, any accident or occurrence in or about said Premises, with a single combined public and products liability and property damage limit of at least ONE MILLION DOLLARS (\$1,000,000) for any one accident or occurrence.
- b. All public liability insurance, products liability insurance, and property damage insurance shall insure performance by Tenant of the indemnity provisions of Section 10.1. Said policy or policies shall require that in the event of cancellation of any policy, the insurance carrier shall notify Landlord in writing at least thirty (30) days prior thereto, and Tenant agrees, if Tenant does not keep such insurance in full force and effect, that Landlord may, at its option either terminate this lease, or take out the necessary insurance and pay the premium, and the repayment thereof shall be deemed to be part of the rental and payable as such on the next day upon which rent becomes due. Tenant shall have the insurance carrier(s) also notify Landlord thirty (30) days in advance of any modifications reducing the coverage of said policy(ies), and in the event that any of said insurance carriers do not notify Landlord of any modification, Tenant shall do so upon receiving notice of such modification. Tenant agrees that Landlord shall be named on said insurance coverage as an additional insured party in accordance with the foregoing covenants, and that cross-liability coverage in favor of Landlord shall be provided. Tenant shall furnish Landlord with evidence of insurance satisfactory to Landlord. Said policy or policies shall further provide that any other insurance carrier by Landlord shall be excess insurance only, as to the liability insured thereby.
- c. Landlord may increase or decrease the amount of public liability, products liability, and property damage insurance required, based upon a general review by Landlord of the standard insurance requirement as determined by the Board of Directors of Landlord to be in the public interest and required for all other Premises on said Metro Center. Changes in insurance amounts shall occur not more frequently than once a year.

10.3 Fire and Other Perils Insurance

- a. Landlord shall provide Fire and Other Insurance with respect to the Premises, except that Landlord shall not provide earthquake and flood insurance. Insurance shall be obtained in the name of Landlord covering said leased Premises and all fixtures therein against loss by reason of the perils of fire, lightning, vandalism and malicious mischief, and endorsed to include extended coverage, said policy to be on a replacement cost basis, and to be maintained in full force and effect throughout the term of this lease. Said policy or policies shall provide that the loss payable shall be paid to Landlord.

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- b. The "full replacement value" of the building and other improvements to be insured shall be determined by the company issuing the insurance policy at the time the policy is initially obtained. Not more frequently than once every three (3) years, either party shall have the right to notify the other party that it elects to have the replacement value determined by an insurance company. The determination shall be made promptly and in accordance with the rules and practices of the Board of Fire Underwriters, or a like board recognized and generally accepted by the insurance company, and each party shall be promptly notified of the results by the company. The insurance policy shall be adjusted according to the determination.
- c. The pro rata cost (based on percentage of Center's square footage) said insurance shall be paid by Tenant, and shall reflect Tenant's business nature and size insofar as they measurably affect the Landlord's premiums. If any other tenant of the building of which the demised Premises are a part is conducting a business or otherwise engages in an activity or omits to take a precaution that the insurer identifies as producing a specified higher insurance rate than would be produced by the business and conduct of Tenant, such additional insurance rates will not be passed on to Tenant, even on a pro rata basis. Landlord will be the final authority regarding Tenant's share of the cost of the insurance. Landlord shall inform Tenant of its actual cost of the commencement of the lease. Payment of Tenant's insurance cost shall be in addition to all other required rent and is due within ten (10) calendar days of mailing.
- d. Landlord may increase or decrease the amount of fire and other perils insurance required, based upon a general review by Landlord of the standard insurance requirement as resolved by the Board of Directors of Landlord to be in the public interest and required for all other Premises on said Metro Center.
- e. Landlord is not responsible for the acts or omissions of third parties against Tenant.

10.4 Tenant's Fire and Malicious Mischief Insurance

Tenant shall maintain on all its personal property (including unattached movable business equipment) in, on, or about the Premises, a policy of standard fire and extended and malicious mischief endorsements, to the extent of one hundred percent (100%) of their full replacement value. Landlord shall be named as an additional insured.

10.5 Plate Glass Insurance

Tenant at its cost shall maintain full coverage plate glass insurance on the Premises. Both parties shall be named as additional insureds.

10.6 Tenant's Business Interruption Insurance

Tenant at its cost shall maintain business interruption insurance insuring that the minimum monthly rent will be paid to Landlord for a period of up to two (2) years if the Premises are destroyed or rendered inaccessible by a risk insured against by a policy of standard fire and extended coverage insurance, with vandalism and malicious mischief endorsements.

10.7 Proof of Insurance

Tenant shall provide proof of insurance evidencing at least the minimum levels described in Article 10 on or before the date of execution of this lease and thereafter on an annual basis or at such times as Landlord requests such proof of insurance.

10.8 Other Insurance Matters

All insurance required under this lease shall:

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- a. Be issued by insurance companies authorized to do business in the State of California, with a financial rating of at least an A + 3A status as rated in the most recent edition of Best's Insurance Reports.
- b. Be issued as a primary policy.
- c. Contain an endorsement requiring thirty- (30) days written notice from the insurance company to both parties before cancellation or change in the coverage, scope, or amount of any policy.
- d. Each policy, or a certificate of the policy, together with evidence of payment of premiums, shall be deposited with the other party at the commencement of the term, and on renewal of the policy not less than twenty (20) days before expiration of the term of the policy.

ARTICLE 11: DESTRUCTION

DAMAGE OR DESTRUCTION

In the event the premises, or the building or other improvements in which the premises are located, shall be damaged by fire, earthquake, the elements or other casualty and that the cause of said damage is covered by insurance so that the damage thereto is such that the premises, or the building and other improvements in which the premises are located, may be repaired, reconstructed or restored within a period of ninety (90) days, landlord shall promptly commence the work or repair, reconstruction and the restoration, and shall diligently prosecute the same to completion at landlord's expense. During this period of time, this Lease shall continue in full force and effect except that Tenant shall not be liable for monthly rent if the Premises are totally destroyed or unusable for safety and health reasons as determined by the applicable municipal safety and health departments, so long as this restriction is not caused by Tenant. Tenant would be liable only for monthly rent in proportion to usable space if partially destroyed. If the Premises, or the building or other improvements in which the Premises are located, cannot be restored within ninety (90) days, either Tenant or Landlord has the option to terminate this Lease by giving written notice to the other. If the insurance is not sufficient to fully pay for the repairs, reconstruction or restoration, Landlord shall notify Tenant in writing of same and Tenant shall have the option to pay the cost of said repairs, reconstruction or restoration over and above the available insurance proceeds. Should Tenant not elect to pay said excess costs, either party may terminate this Lease by giving written notice of same to the other party.

ARTICLE 12: ASSIGNMENT

12.1 ASSIGNMENT AND SUBLETTING

- a. Tenant shall not, either voluntarily or by operation of law, assign, sell, encumber, pledge or otherwise transfer all or any part of Tenant's leasehold estate hereunder, or permit the Premises to be occupied by anyone other than Tenant or Tenant's employees, or sublet the Premises or any portion thereof, without Landlord's prior written consent. Landlord's consent shall not be unreasonably withheld provided:
 - 1. The same quality of business and financial soundness of ownership and management is maintained and will continue to be maintained in a manner compatible with the high standards contemplated by this Lease.
 - 2. That each and every covenant, condition or obligation imposed upon Tenant by this Lease, and each and every right, remedy or benefit afforded Landlord by this Lease is not thereby impaired or diminished;
 - 3. Tenant remains liable for performance of each and every obligation under this Lease to be performed by Tenant;

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4. As to subletting, Landlord shall receive One Hundred Percent (100%) of the gross rent paid by any assignee/sub-tenant in excess of the gross rent otherwise payable to Landlord pursuant to this Lease;
 5. Tenant reimburses Landlord for Landlord's reasonable costs and professional fees (legal and/or accounting) incurred in conjunction with the processing and documentation of any such requested assignment or subletting of this Lease by Tenant.
- b. If Tenant desires at any time to assign this Lease, or sublet any portion of the Premises, Tenant shall first notify Landlord of its desire to do so and shall submit in writing to Landlord, at least sixty (60) days but not more than one hundred and twenty (120) days before the intended date of assignment/subletting, the name of the proposed assignee/subtenant, the nature of the proposed assignee's/subtenant's business to be carried on in the Premises, the terms and provisions of the proposed assignment/subletting, and such reasonable financial information as Landlord may request, certified by the proposed assignee/subtenant as being true and correct as of the date of certification.

ARTICLE 13: DEFAULT

13.1 Tenant's Default

- a. The occurrence of any of the following shall constitute a default by Tenant:
1. Failure to pay rent when due if the failure continues for ten (10) days after a notice has been sent to Tenant
 2. Failure to occupy the Premises and/or operate the Tenant's business as described herein on the Premises; (Tenant shall be conclusively presumed to have defaulted if Tenant leaves the Premises closed or unoccupied continuously for fifteen (15) days.
 3. Failure to perform any other provision of this lease if the failure to perform is not cured within three (3) days after notice has been given to Tenant. If the provisions of the lease violated by the Tenant cannot be performed within the three-day notice period described herein, Landlord shall not be required to give notice demanding the performance of the violated provisions of the lease.
 4. The filing or commencement of any proceeding by or against Tenant under the Federal Bankruptcy code whether voluntary or involuntary, if not dismissed within sixty (60) days from the date of filing, shall constitute a default under this Lease.
 5. Either the appointment of a receiver to take possession of all, or substantially all, of the assets of any Tenant or garnishment of or levy or writ of execution on, all or substantially all of the assets of any Tenant which remains in effect for more than sixty (60) days, or a general assignment by any Tenant for the benefit of creditors, shall constitute a default of this Lease by Tenant.
- e. Notices given under this Article shall specify the alleged default and the applicable lease provisions, and shall demand that Tenant perform the provisions of this lease or pay the rent that is in arrears, as the case may be, within applicable period of time, or quit the Premises. No such notice shall be deemed forfeiture or a termination of this lease unless Landlord so elects in the notice.

13.2 Landlord's Remedies

13.2.1 Cumulative Nature of Remedies

Landlord shall have the following remedies if Tenant commits a default. These remedies are not exclusive; they are cumulative in addition to any remedies now or later allowed by law.

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13.2.2 Tenant's Right to Possession Not Terminated

- a. Landlord can continue this lease in full force and effect, and the lease will continue in effect as long as Landlord does not terminate Tenant's right to possession, and Landlord shall have the right to collect rent when due. During the period Tenant is in default, Landlord can enter the Premises and re-let them, or any part of them, to third parties for Tenant's account. Tenant shall be liable immediately to Landlord for all costs Landlord incurs in re-letting the Premises, including, without limitation, brokers' commissions, expenses of remodeling the Premises required by the re-letting, and like costs. Re-letting can be for a period shorter or longer than the remaining term of this lease. Tenant shall pay to Landlord the rent due under this lease on the dates the rent is due, less the rent Landlord receives from any relating. No act by Landlord allowed by this Article shall terminate this lease. After Tenant's default and for as long as Landlord does not terminate Tenant's right to possession of the Premises, if Tenant obtains Landlord's consent Tenant shall have the right to assign or sublet its interest in this lease, but Tenant shall not be released from liability. Landlord's consent to a proposed assignment or subletting shall not be unreasonably withheld.
- b. If Landlord elects to re-let the Premises as provided in this Article, rent that Landlord receives from re-letting shall be applied to the payment of:
 1. First, any indebtedness from Tenant to Landlord other than rent due from Tenant;
 2. Second, all costs, including for maintenance, incurred by Landlord in re-letting;
 3. Third, rent due and unpaid under this lease. After deducting the payments referred to in this Article, any sum remaining from the rent Landlord receives from re-letting shall be held by Landlord and applied in payment of future rent as rent becomes due under this lease. In no event shall Tenant be entitled to any excess rent received by Landlord. If, on the date rent is due under this lease, the rent received from the re-letting is less than the rent due on that date, Tenant shall pay to Landlord, in addition to the remaining rent due, all costs, including for maintenance, Landlord incurred in re-letting that remain after applying the rent received from the re-letting as provided in this Article.

13.2.3 Termination of Tenant's Right to Possession

- a. Landlord can terminate Tenant's right to possession of the Premises at any time. No act by Landlord other than giving written notice to Tenant shall terminate this lease. Acts of maintenance, efforts to re-let the Premises or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this lease shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to recover from Tenant:
 1. The worth, at the time of the award, of the unpaid rent that had been earned at the time of termination of this lease;
 2. The worth, at the time of the award, of the amount by which the unpaid rent that would have been earned after the date of termination of this lease until the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided;
 3. The worth, at the time of the award, of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of the loss of rent that Tenant proves could have been reasonably avoided; and,
 4. Any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's default.
- b. "The worth, at the time of the award," as used in items "1" and "2" of this Section 13.2.3, is to be computed by allowing interest at the maximum rate an individual is permitted by law to charge. "The

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worth at the time of the award," as referred to in item "3" of this Section 13.2.3, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%.

13.2.4 Landlord's Right to Cure Tenant's Default

Landlord, at any time after Tenant commits a default, can cure the default at Tenant's cost. If Landlord at any time, by reason of Tenant's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Landlord shall be due immediately from Tenant to Landlord at the time the sum is paid, and shall bear interest at the maximum rate an individual is permitted by law to charge from the date the sum is paid by Landlord until Landlord is reimbursed by Tenant. The sum, together with interest on it, shall be additional rent.

ARTICLE 14: SIGNS

- a. Tenant shall not have the right to place, construct, or maintain on the glass panes or supports of the show windows of the Premises, the doors, or the exterior walls or roof of the building in which the Premises are located or any interior portions of the Premises that may be visible from the exterior of the Premises, any signs, advertisements, names, insignia, trademarks, descriptive material, or any other similar item without Landlord's written consent and any necessary approval from the City of Watsonville required. Any signs approved by Landlord and placed on the Premises shall be at Tenant's sole cost. Landlord at Tenant's cost can remove any item placed, constructed, or maintained that does not comply with the provisions of this paragraph.
- b. Tenant shall not, without Landlord's written consent, place, construct, or maintain on the Premises any advertisement media, including, without limitation, searchlights, flashing lights, loudspeakers, phonographs, or other similar visual or audio media. Tenant shall not solicit business in, on, or about the common areas, or distribute handbills or other advertising or promotional media in, on, or about the public areas at Center without written consent of landlord, except that Tenant shall be entitled to engage in radio, television, and newspaper advertising as is customarily used for the type of business in which Tenant is engaged.
- c. Any sign that Landlord grants Tenant the right to place, construct, and maintain shall comply with all laws and Tenant shall obtain any approval required by such laws. Landlord makes no representation with respect to Tenant's ability to obtain such approval.
- d. Landlord shall have the right to use for its signs the exterior walls and roof of the building in which the Premises are located.

ARTICLE 15: LANDLORD'S ENTRY ON PREMISES

- a. Tenant will permit Landlord and its agents to enter into and upon the Premises at all reasonable times and upon reasonable notice for the purpose of inspecting the same, or for the purpose of protecting the interest therein of Landlord, or to post notices of non-responsibility, or to service or make alterations, repairs or additions to the Premises or to any other portion of the building in which the Premises are situated, including the erection of scaffolding, props, or other mechanical devices and will permit Landlord at any time within ninety (90) days prior to the expiration of this Lease, to bring prospective tenants, broker or agents upon the Premises for purposes of inspection or display. Landlord shall not be liable in any manner for any inconvenience, disturbance, loss of business, nuisance, or other damage arising out of Landlord's entry on the Premises as provided in this Article.

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- b. Tenant shall not be entitled to an abatement or reduction of rent if Landlord exercises any rights reserved in this Article.
- c. Landlord shall conduct its activities on the Premises as allowed in this Article in a manner that will cause the least possible inconvenience, annoyance, or disturbance to Tenant.

ARTICLE 16: SUBORDINATION AND OFFSET STATEMENT

Tenant agrees that this Lease is subordinate to any mortgage, trust deed or like encumbrance heretofore or hereafter placed upon said Premises by Landlord or his successors in interest to secure the payments or moneys loaned, interest thereon and other obligations. Tenant also agrees to promptly execute and deliver to Landlord from time to time, as demanded by Landlord, an offset statement or estoppel certificate containing such acts: as are within the knowledge of and are available to Tenant pertaining to this Lease, as a purchaser of the leased property or a lender may reasonably require if said statement is prepared for signing by Landlord. Failure to deliver the executed offset statement or estoppel certificate to Landlord within ten (10) days from receipt of same, shall be conclusive upon Tenant for the benefit of the party requesting the statement or certificate, or his successor, that this Lease is in full force and effect and has not been modified except as may be represented by Landlord in the statement or certificate delivered to Tenant.

ARTICLE 17: NOTICE

Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party or any other person shall be in writing and either served personally by depositing the same in the United States Postal Service, registered or certified mail, return receipt requested with the postage prepaid, addressed to the other party at the address set forth below. Either party may change its address by notifying the other party of the change of address by compliance with this section. Notice shall be deemed communicated within forty-eight (48) hours from the time of mailing if mailed as provided in this Article 17.

Landlord:
Santa Cruz Metropolitan Transit District
370 Encinal, Suite 100
Santa Cruz, CA 95060
ATTN: Secretary/General Manager

TENANT:
Romualdo Palacios
dba Santa Martha
475 Rodriguez, Suite 6
Watsonville, CA 95076

ARTICLE 18: WAIVER

- a. No delay or omission in the exercise of any right or remedy of Landlord on any default by Tenant shall impair such a right or remedy or be construed as a waiver.
- b. The receipt and acceptance by Landlord of delinquent rent shall not constitute a waiver of any other default; it shall constitute only a waiver of timely payment for the particular rent payment involved.
- c. No act or conduct of Landlord, including, without limitation, the acceptance of the keys to the Premises, shall constitute an acceptance of the surrender of the Premises by Tenant before the expiration of the term. Only a written notice from Landlord to Tenant shall constitute acceptance of the surrender of the Premises and accomplish a termination of the lease.

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- d. Landlord's consent to or approval of any act by Tenant requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent act by Tenant.
- e. Any waiver by Landlord of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of the lease.

ARTICLE 19: SURRENDER OF PREMISES; HOLDING OVER

19.1 Surrender of Premises

- a. On expiration of the term, Tenant shall surrender to Landlord the Premises and all Tenant's improvements and alterations to the Premises in good condition except for ordinary wear and tear, and except for alterations that Tenant has the right to remove or is obligated to remove under the provisions of Article 7. Tenant shall remove all its personal property within the above stated time. Tenant shall perform all restoration made necessary by the removal of any alterations or tenant's personal property within the time periods stated in this Article.
- b. Landlord can elect to retain or dispose of in any manner any alterations or Tenant's personal property that Tenant does not remove from the Premises on expiration or termination of the term as allowed or required by this lease by giving at least ten (10) days' notice to Tenant. Title to any such alterations or Tenant's personal property that Landlord elects to retain or dispose of on expiration of the ten (10) day period shall vest in Landlord. Tenant waives all claims against Landlord for any damage to Tenant resulting from Landlord's retention or disposition of any such alterations or tenant's personal property. Tenant shall be liable to Landlord for Landlord's costs for storing, removing, and disposition of any alterations or tenant's personal property.
- c. If Tenant fails to surrender the Premises to Landlord on expiration as required by this Article, Tenant shall hold Landlord harmless from all damages resulting from Tenant's failure to surrender the Premises, including, without limitation, claims made by a succeeding tenant resulting from Tenant's failure to surrender the Premises.

19.2 Holding Over

If Tenant, with Landlord's written consent, remains in possession of the Premises after expiration or termination of the term, or after the date in any notice given by Landlord to Tenant terminating this lease, such possession by Tenant shall be deemed to be a month-to-month tenancy terminable on thirty (30) days' written notice given at any time by either party. All provisions of this lease, except those pertaining to term, option to extend, and option to acquire the Premises, shall apply to the month-to-month tenancy.

ARTICLE 20: MISCELLANEOUS PROVISIONS

20.1 General Conditions

20.1.1 Time of Essence

Time is of the essence of each provision of this lease.

20.1.2 Corporate Authority

If Tenant is a corporation, Tenant shall deliver to Landlord on execution of this lease a certified copy of a resolution of its board of directors authorizing the execution of this lease and naming the officers that are authorized to execute this lease on behalf of the corporation.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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20.1.3 Successors

This lease shall be binding on and inure to the benefit of the parties and their successors, except as provided in Article 12.

20.1.4 Rent Payable in U.S. Money

Rent and all other sums payable under this lease must be paid in lawful money of the United States of America.

20.1.5 Real Estate Brokers; Finders

Each party represents that it has not had dealings with any real estate broker, finder, or other person, with respect to this lease in any manner. Each party shall hold harmless the other party from all damages resulting from any claims that may be asserted against the other party by any broker, finder, or other person, with whom the other party has or purportedly has dealt.

20.1.6 Status of Parties on Termination of Lease

In the event of termination, the rights and obligations of the parties, which by their nature survive termination covered by this Lease, shall remain in full force and effect after termination. Compensation and revenues due from one party to the other under this Lease shall be paid; loaned equipment and material shall be returned to their respective owners; the duty to maintain and allow inspection of books, accounts, records and data shall be extended, and the hold harmless agreement and insurance provisions, contained in Article 10 shall survive.

20.1.7 Exhibits-Incorporation in Lease

All exhibits referred to are attached to this lease and incorporated by reference.

20.1.8 Licenses and Permits

It shall be Tenant's responsibility, at Tenant's sole cost and expense, to obtain all necessary licenses and permits to carry out the terms of this lease and to operate the business above mentioned on the leased Premises. Landlord makes no representation as to the availability of and opportunity for licenses and permits for any leased Premises at the Center.

20.1.9 Pest Control

Landlord shall contract with a licensed pest control firm for the control of pests in the Premises. The duration, extend, and frequency of pest control measures shall be determined by Landlord. Tenant shall reimburse Landlord for the costs incurred by Landlord for this service on a quarterly basis.

20.1.10 Drug and Alcohol Policy

Tenant and its employees shall not use, possess, manufacture, or distribute alcohol or illegal drugs while on the premises at Metro Center or at any District facility, or distribute same to Landlord's employees, passengers, or the general public.

20.1.11 Smoke Free

The Center is a smoke free facility. Tenant shall comply with the City Ordinance regarding smoking. Tenant and its employees and customers shall not smoke tobacco products on the premises.

20.1.12 Contact Information

Tenant shall provide to Landlord a completed information form containing names and telephone numbers of contact persons, on a semi-annual basis or when changes occur.

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20.1.13 Termination for Convenience

The lease may be terminated by the Landlord upon fifteen (15) days notice at any time without cause for any reason in whole or in part, whenever the Landlord determines that such termination is in the Landlord's best interest.

20.1.14 Publicity

Tenant agrees to submit to Landlord all advertising, sales promotion, and other public matter relating to any service furnished by Tenant wherein the Landlord's name is mentioned or language used from which the connection of Landlord's name therewith may, within reason, be inferred or implied. Tenant further agrees not to publish or use any such advertising, sales promotion or publicity matter without the prior written consent of the Landlord.

20.1.15 Consent to Breach Not Waiver

No provision hereof shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute a consent to, waiver of, or excuse for any other different or subsequent breach.

20.1.16 Prohibition of Discrimination against Qualified Handicapped Persons

Tenant shall comply with the provisions of the Americans With Disabilities Act and Section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition of discrimination against qualified handicapped persons in federally-assisted programs.

20.1.17 Cal OSHA/Hazardous Substances

- a. Tenant shall not bring, or permit to be brought, upon the premises, any hazardous or toxic materials or chemicals, except for ordinary and customary cleaning supplies used in Tenant's business. All materials brought onto the premises shall be used, stored, and removed in compliance with all applicable laws, statues, ordinances and governmental rules, regulations or requirements.
- b. Tenant shall comply with California Administrative Code Title 8, Section 5194, and shall directly (1) inform its employees of the hazardous substances they may be exposed to while performing their work on Landlord's property, (2) ensure that its employees take appropriate protective measures, and (3) provide the Landlord's Manager of Facility Maintenance with a Material Safety Data Sheet (MSDS) for all hazardous substances to be used on Landlord's property.
- c. Tenant shall comply with Cal OSHA regulations and the Hazardous Substance Training and Information Act. Further, Tenant shall indemnify the Landlord against any and all damage, loss, and injury resulting from non-compliance with this Article.
- d. Tenant shall comply with Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) California Health and Safety Code Section 25249.5 – 25249.13. Tenant will ensure that clear and reasonable warnings are made to persons exposed to those chemicals listed by the State of California as being known to cause cancer or reproductive toxicity.
- e. Tenant shall be solely responsible for any hazardous material, substance or chemical released or threatened release caused or contributed to by Tenant. Tenant shall be solely responsible for all clean-up efforts and costs.
- f. Tenant shall indemnify and defend Landlord and his successors and assigns against and hold them harmless from any an all claims, demands, liabilities, damages, including punitive damages, costs and expenses, including reasonable attorney's fees caused by Tenants actions, herein collectively referred to as "Claims":

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1. Any Claim by a federal, state or local governmental agency arising out of or in any way connected with the environmental condition of the Premises caused by Tenants action, including, but not limited to, Claims for additional clean-up of the Premises; and
2. any Claim by a successor in interest of Tenant (including a mortgagee who acquires title to the Premises through foreclosure or by accepting a deed in lieu of foreclosure), or by any subtenant licensee, or invitee of Tenant arising out of or in any way connected with the environmental condition of the Premises caused by Tenants or Subtenants actions.

20.1.18 All Amendments in Writing

No amendment to this Lease shall be effective unless it is in writing and signed by duly authorized representatives of both parties.

20.1.19 Responsibility for Equipment

Landlord shall not be responsible nor held liable for any damage to person or property consequent upon the use, or misuse, or failure of any equipment used by Tenant, or any of its employees, even though such equipment be furnished, rented or loaned to Tenant by Landlord.

20.1.20 Equipment

Tenant is responsible to return to the Landlord in good condition any equipment, including keys, issued to it by the Landlord pursuant to this Agreement. If the tenant fails or refuses to return Landlord-issued equipment within five days of the conclusion of the tenant work the Landlord shall deduct the actual costs to repair or replace the equipment not returned from the final payment owed to tenant or take other appropriate legal action at the discretion of the Landlord.

20.1.21 Nondiscrimination

Tenant shall not discriminate on the grounds of race, religion, color, sex, age, marital status, medical condition, disability, national origin or sexual preference in any manner or as a result of or arising out of this lease agreement.

20.1.22 Liens

Tenant shall keep the Premises and building and the property on which the Premises are situated, free of any liens arising out of work performed, materials furnished or obligations incurred by Tenant.

20.1.23 Applicable Laws

This lease shall be construed and interpreted in accordance with the applicable laws of the State of California and of the United States of America. Each party shall perform its obligation hereunder in accordance with all applicable laws, rules, and regulations now or hereafter in effect.

20.1.24 Integrated Agreement; Modification

This lease contains all the agreements of the parties and cannot be amended or modified except by a written agreement.

20.1.25 Provisions are Covenants and Conditions

All provisions, whether covenants or conditions, on the part of Tenant shall be deemed to be both covenants and conditions.

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20.1.26 Use of Definitions

The definitions contained in this lease shall be used to interpret this lease.

20.1.27 Definitions

As used in this lease, the following words and phrases shall have the following meanings:

- a. **ALTERATION:** Any addition or change to, or modification of, the Premises made by Tenant after the fixturing period, including, without limitation, fixtures, but excluding trade fixtures as defined here, and tenant's improvements as defined here.
- b. **AUTHORIZED REPRESENTATIVE:** Any officer, agent, employee, or independent contractor retained or employed and acting within authority given him/her by that party.
- c. **CONSENT:** Landlord's or Tenant's express, prior, written approval on the party's letterhead.
- d. **DAMAGE:** Injury deterioration or loss to a person or property caused by another person's acts or omissions. Damage includes death.
- e. **DAMAGES:** A monetary compensation or indemnity that can be recovered in the courts by any person who has suffered injury to his/her person, property, or rights through another's act or omission.
- f. **DESTRUCTION:** Damage, as defined here, to or disfigurement of the Premises.
- g. **ENCUMBRANCE:** Any deed of trust, mortgage, or other written security device or agreement affecting the Premises, and the note or other obligation secured by it, that constitutes security for the payment of a debt or performance of an obligation.
- h. **EXPIRATION:** The coming to an end of the time specified in the lease as its duration, including any extension of the term resulting from the exercise of an option to extend.
- i. **GOOD CONDITION:** The good physical condition of the Premises and each portion of the Premises, including, without limitation, signs, windows, show windows, appurtenances, and tenant's personal property as defined here. "In good condition" means first-class, neat, clean, and broom-clean, and is equivalent to similar phrases referring to physical adequacy in appearance and for use.
- j. **HOLD HARMLESS:** To defend and indemnify from all liability, losses, penalties, damages as defined here, costs, expenses (including, without limitation, attorneys' fees), causes of action, claims, or judgments arising out of or related to any damage, as defined here, to any person or property.
- k. **LAW:** Any judicial decision, statute, constitution, ordinance, resolution, regulation, rule, administrative order, or other requirements of any municipal, county, state, federal, or other government agency or authority having jurisdiction over the parties or the Premises, or both, in effect either at the time of execution of the lease or at any time during the term, including, without limitation, any regulation or order of a quasi-official entity or body (e.g., board of fire examiners or public utilities).
- l. **LENDER:** The beneficiary, mortgagee, secured party, or other holder of an encumbrance, as defined here.

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- m. LIEN: A charge imposes on the Premises by someone other than Landlord, by which the Premises are made security for the performance of an act. Most of the liens referred to in this lease are mechanics' liens.
- n. MAINTENANCE: Repairs, replacement, preventive maintenance, repainting, and cleaning.
- o. PERSON: One or more human beings, or legal entities or other artificial persons, including, without limitation, partnerships, corporations, trusts, estates, associations, and any combination of human beings and legal entities.
- p. PROVISION: Any term, agreement, covenant, condition, clause, qualification, restriction, reservation, or other stipulations the lease that defines or otherwise controls, establishes, or limits the performance required or permitted by either party.
- q. PUBLIC AREA/COMMON AREA: Any area outside Premises in Metro Center to which the public commonly is allowed access by Landlord.
- r. RENT: Minimum monthly rent, rent for fixtures, equipment and cookware, percentage rent, additional rent, security deposit, maintenance expenses, operating costs, insurance, utilities and services, other similar charges, and any other money owed by Tenant to Landlord under the provisions of this Lease.
- s. RESTORATION: The reconstruction, rebuilding, rehabilitation, and repairs that are necessary to return destroyed portions of the Premises and other property to substantially the same physical condition as they were in immediately before the destruction.
- t. SUBSTANTIAL COMPLETION: Completion of Landlord's construction obligation as evidenced by Landlord's architect or by the general contractor performing Landlord's construction obligation.
- u. SUCCESSOR: Assignee, transferee, personal representative, heir, or other person or entity succeeding lawfully, and pursuant to the provisions of this lease, to the rights or obligations of either party.
- v. TENANT'S IMPROVEMENT: Any addition to or modification of the Premises made by Tenant before, at, or near the commencement of the term, including,
- w. TENANT'S PERSONAL PROPERTY: Tenant's equipment, furniture, merchandise, and movable property placed in the Premises by Tenant, including tenant's trade fixtures, as defined here as set forth in Exhibit E.
- x. TENANT'S TRADE FIXTURE: Any property installed in or on the Premises by Tenant for purposes of trade, manufacture, ornament, or related use as set forth in Exhibit E.
- y. TERM: The period of time during which Tenant has a right to occupy the Premises.
- z. TERMINATION: The ending of the term for any reason before expiration, as defined here.

20.1.28 Captions

The captions of this lease shall have no effect on its interpretation.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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20.1.29 Singular and Plural

When required by the context of this lease, the singular shall include the plural.

20.1.30 Joint and Several Obligations

"Party" shall mean Landlord or Tenant; and if more than one person or entity is Landlord or Tenant, the obligations imposed on that party shall be joint and several.

20.1.31 Severability

The nonenforceability, invalidity, or illegality of any provision shall not render the other provisions unenforceable, invalid, or illegal.

ARTICLE 21: ATTORNEYS' FEES

In the event suit is brought to enforce or interpret any part of this Lease Agreement, the prevailing party shall be entitled to recover as an element of costs of suit, and not as damages, a reasonable attorney's fee to be fixed by the court. The "prevailing party" shall be the party who is entitled to recover his costs of suit, whether or not the suit proceeds to final judgment. A party not entitled to recover his costs shall not recover attorney's fees. No sum for attorney's fees shall be counted in calculating the amount of a judgment for purposes of determining whether a party is entitled to recover his costs of attorney's fees.

ARTICLE 22: AUTHORITY

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

IN WITNESS WHEREOF, this lease is executed by the Santa Cruz Metropolitan Transit District and the Tenant has affixed his/her signature(s) the day and year first herein above written.

LANDLORD--SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

BY: _____
Leslie R. White, Secretary/General Manager
Date _____

TENANT—Santa Martha

BY: _____
Romualdo Palacios, Owner
Date _____

Approved as to Form:

BY: _____
MARGARET GALLAGHER
District Counsel
Date _____

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Exhibit A - Floor plan

Exhibit B - Menu, hours of operation

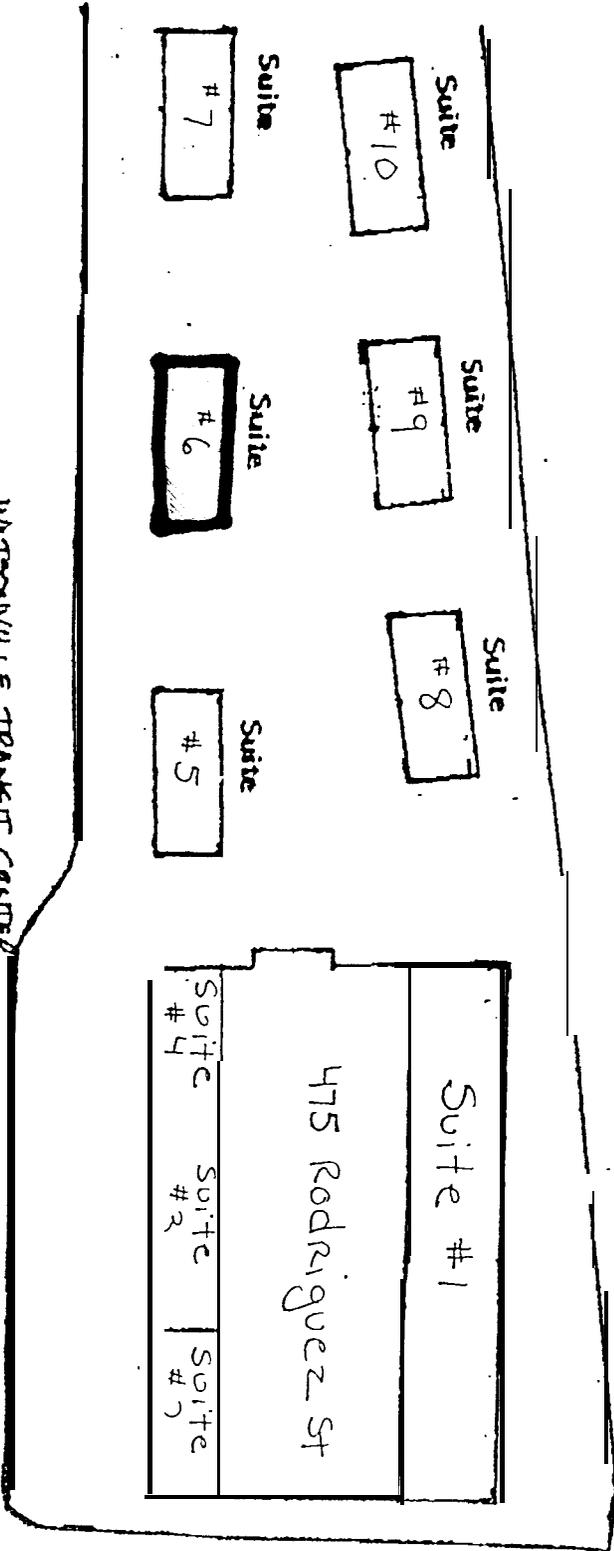
Closure for Holidays- Thanksgiving (fourth Thursday in November), Christmas (Dec. 25),
and New Year's Day (Jan. 1)

Exhibit C - Rules and Regulations

Exhibit D - Tenant Personal Property

APN: 7-0-54

WATSONVILLE TRANSIT CENTER
RODRIGUEZ ST.



INITIALS

Landlord: --

Tenant: _____

Exhibit A

EXHIBIT B

USE: HOURS OF USE

Tenant's business shall be that of operating a Variety Store.

The following items and products are approved by landlord for sale by Tenant:

1. clothing;
2. perfumes;
3. CD's; and
4. toys

The sale by Tenant of any items or products not listed above shall be subject to the consent of Landlord. Tenant agrees that it will not sell or offer for sale any food or beverage item or product which is offered for sale by any other business establishment at the Center, including but not limited to Mexican or Spanish food, hamburgers and French fries. Tenant agrees that it will not sell or offer for sale any product or food or beverage item sold by Jessica Grocery Store or McDonalds. McDonalds and Jessica Grocery Store are located in the lobby of the Watsonville Transit Center.

Tenant agrees that it has no right to enter the area that is designated for Metro employees and agrees not to allow itself or its employees use of such area.

Tenant's business hours are shown below:

Monday - Friday – 9:30 a.m. until 8:00 p.m.

Landlord is not obligated to keep lobby or restrooms at Transit Center open or maintained earlier than 9:30 a.m. or later than 8:00 p.m.

Tenant shall not change business hours without Landlord's consent.

INITIALS

Landlord: _____

Tenant: _____

EXHIBIT C

RULES AND REGULATIONS

1. SIGNS AND ADVERTISEMENTS

No sign, placard, picture, advertisement, name or notice shall be inscribed, displayed or printed or affixed on or to any part of the outside or inside of the Building including on windows or doors without the prior written consent of Landlord, and Landlord shall have the right to remove any non-complying sign, placard, picture, advertisement, name or notice without notice to and at the expense of Tenant.

2. BUSINESS NAME OR LOGO ON WINDOWS; SUNSCREENS

All approved signs or lettering on doors shall be printed, painted, affixed or inscribed at the expense of Tenant by a person approved of by Landlord. Landlord intends to maintain design continuity, and Tenant shall not place anything or allow anything to be placed near the glass of any window, door, partition, balcony or wall which may appear unsightly from outside the Premises. Tenant shall not without prior written consent of Landlord cause or otherwise sunscreen any window.

3. FREE MOVEMENT

The sidewalks, halls, passages, exits, entrances, driveways, and stairways shall not be obstructed by Tenant or used by Tenant for any purpose other than for ingress and egress from the premises.

4. LOCKS

Tenant shall not alter any lock or install any new or additional locks or any bolts on any doors or windows of the Premises.

5. USE OF RESTROOMS

The toilet rooms, urinals, wash bowls and other apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein and the expense of any breakage, stoppage or damage resulting from the violation of this rule shall be born by the Tenant who, or whose employees or invitees shall have caused it.

6. CARE OF PREMISES

Tenant shall not overload the floor of the Premises or in any way deface the Premises or any part thereof.

7. FURNITURE; EQUIPMENT; SAFES

No furniture, or equipment of any kind shall be brought into the Building without prior notice to Landlord and all moving of the same into or out of the Building shall be done at such time and in such manner as Landlord shall designate. Landlord shall have the right to prescribe the weight, size and position of all safes and other heavy equipment brought into the Building and also the times and manner of moving the same in and out of the Building. Safes or other heavy objects shall, if considered necessary by Landlord, stand on supports of such thickness as is necessary to properly distribute the weight. Landlord will not be responsible for loss of or damage to any such safe or property from any cause and all damage done to the Building by moving or maintaining any such safe or other property shall be repaired at the expense of Tenant.

8. OBJECTION USE; PETS

Tenant shall not use, keep or permit to be used or kept any foul or noxious gas or substance in the Premises, or permit or suffer the Premises to be occupied or used in a manner offensive or objectionable to the Landlord or other occupants of the Building by reason of noise, odors, and/or vibrations, or interfere in any way with other tenants or those having business therein, nor shall any animals or birds be brought in or kept in or about the Premises or the Building, except service dogs are allowed.

No cooking shall be done or permitted by Tenant except as part of Tenant's approved business, nor shall the Premises be used for the exterior storage of merchandise, for washing clothes, for lodging, or for any improper, objectionable or immoral purposes.

9. HAZARDOUS FLUIDS, HVAC

Tenant shall not use or keep in the Premises or the Building any kerosene, gasoline or inflammable or combustible fluid or material, or use any method of heating or air conditioning other than that supplied or otherwise approved by Landlord.

10. ELECTRICAL WORK; LOCATION OF EQUIPMENT

Landlord will direct electricians as to where and how electrical outlets, telephone, computer and telegraph wires and cables are to be introduced. No boring or cutting for wires will be allowed without the consent of the Landlord. The location of electrical outlets, telephones, call boxes and other business equipment affixed to the Premises shall be subject to the approval of Landlord.

11. RESTRICTION OF BUILDING ACCESS FOR PUBLIC GOOD

In case of invasion, mob, riot, public excitement, or other commotion, the Landlord reserves the right to prevent access to the Building during the continuance of the same by closing of the doors or otherwise, for the safety of the tenants and protection of property in the Building and the Building.

12. RIGHT TO EXCLUDE OR EXPEL

Landlord reserves the right to exclude or expel from the Building any person who, in the judgment of Landlord, is intoxicated or under the influence of liquor or drugs, or who shall in any manner do any act in violation of any of the rules and regulations of the Building or State, Municipal or Transit District law, ordinance or resolution.

13. INSTALLATION OF MACHINES

No vending machine or machines of any description shall be installed, or maintained or operated upon the Premises without the written consent of the Landlord.

14. RIGHT TO CHANGE NAME AND STREET ADDRESS

Landlord shall have the right, exercisable without notice and without liability to Tenant, to change the name and street address of the Building of which the Premises are a part.

15. QUIET ENJOYMENT

Tenant shall not disturb, solicit, or canvass any occupant of the Building and shall cooperate to prevent same.

16. USE OF BUILDING NAME

Without the written consent of Landlord, Tenant shall not use the name of the Building in connection with or in promotion or advertising the business of Tenant except as Tenant's address.

17. CONTROL AND OPERATION OF PREMISES FOR PUBLIC GOOD

Landlord shall have the right to control and operate the public portions of the Building, and the public facilities and heating and air conditioning, as well as facilities furnished for the common use of tenants, in such manner as it deems best for the benefit of the tenants and public generally.

18. DOOR SECURITY

All entrance doors in the Premises shall be left locked when the Premises are not in use, and all doors opening to public corridors shall be closed except for normal ingress and egress from the Premises.

19. DISTRICT BUSINESS; CARE OF PATRONS

Landlord's primary business and public purpose is public transit, and Tenant shall cooperate with Landlord's bus operating policies at Metro Center. Tenant shall take care in preparing, packaging and serving food and beverages to assure that buses, bus operators, and bus passengers are not endangered, damaged, or inconvenienced. No food or beverage shall be sold, and no food or beverage shall be packaged in such a way

that, in Landlord's sole opinion, may unduly soil, litter, stain, create a visual nuisance or increase Landlord maintenance costs on or about Landlord equipment, buses, or property.

20. VEHICLE RESTRICTION

No vehicles shall be operated, parked or otherwise driven onto Transit Center bus driveways by Tenant or its employees or agents. Any vehicles in Transit Center may be towed immediately by Landlord or Landlord's agent, at violator's expense.

21. PICK UP AND DELIVERIES

Pick up and deliveries of goods, merchandise, supplies, equipment, or service to Tenant's premises shall be at locations and times described by Landlord. Pick up and deliveries of any type in Metro Center bus lanes or driveways are strictly forbidden.

22. NO SMOKING

The entire Transit Center shall be a smoke-free facility. Tenant shall refrain from smoking at the Transit Center and shall inform its employees and patrons that the Center is smoke-free.

23. BIKE USE AND ABANDONMENT

Bicycles are not to be operated at the Transit Center. If Tenant observes anyone riding a bicycle at the Center he/she shall notify them of this rule.

If a bicycle is abandoned at the Center Tenant shall have it removed in accordance with California State law.

24. LOITERING

No loitering.

25. SKATEBOARDING

Skateboarding at the Transit Center and in its parking lot are prohibited.

INITIALS

Landlord: _____

Tenant: _____

Tenant: _____

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 24, 2003

TO: Board of Directors

FROM: Margaret Gallagher, District Counsel

SUBJECT: CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE AN AMENDMENT TO LEASE FOR THE WATSONVILLE TRANSIT CENTER KIOSK #5 TO LETICIA LEDESMA AND TOMAS SANCHEZ TO EXTEND THE TERM

I. RECOMMENDED ACTION

Authorize the General Manager to execute an Amendment to Lease for the Watsonville Transit Center Kiosk Space #5 to Leticia Ledesma and Tomas Sanchez. to extend the term.

II. SUMMARY OF ISSUES

- Leticia Ledesma and Tomas Sanchez entered into a Lease Agreement with the Santa Cruz Metropolitan Transit District for Kiosk #5 at the Watsonville Transit Center on September 1, 2002.
- The kiosk has had plumbing problems due to construction defects, making it unfit for operating the tenant's business. The tenants have been caught in a catch 22 situation where they have been unable to comply with the District's requirements of obtaining a business license before opening for business, due to the kiosk's construction defects.
- Work has been done on the kiosk and the Facilities Maintenance Manager, David Konno reports that the kiosk is now ready for the business to begin.
- Leticia Ledesma and Tomas Sanchez are requesting that a Lease Amendment be executed to have the Lease date begin February 1, 2003, the date they will be ready to open for business.

III. DISCUSSION

Leticia Ledesma and Tomas Sanchez entered into a Lease Agreement with the Santa Cruz Metropolitan Transit District for Kiosk #5 at the Watsonville Transit Center on September 1, 2002.

The kiosk has had plumbing problems due to construction defects, making it unfit for operating the tenant's business. Additionally, during the rainy weather, the roof leaked making the kiosk uninhabitable.

The Facilities Maintenance Department staff has been working with the tenants, their plumber and also with the City of Watsonville in making the kiosk operational. The tenants have been caught in a catch 22 situation where they have been unable to comply with the District's requirements of obtaining a business license before opening for business, due to the kiosk's construction defects.

Leticia Ledesma and Tomas Sanchez are requesting that a Lease Amendment be executed to have the Lease date begin February 1, 2003, the date they will be ready to open for business.

IV. FINANCIAL CONSIDERATIONS

The amount paid over the past five months to repair the plumbing, roof and walls is approximately \$2,000.00. The 5 months of lost rent due to the construction defects total \$1,500.00.

V. ATTACHMENTS

Attachment A: Proposed Lease Amendment

**FIRST AMENDMENT TO
WATSONVILLE TRANSIT CENTER LEASE AGREEMENT**

THIS FIRST AMENDMENT TO WATSONVILLE TRANSIT CENTER LEASE AGREEMENT is made effective February 1, 2003 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California, hereinafter called 'LANDLORD', and Tomas Sanchez and Leticia Ledesma dba Leticia's Hair Salon, hereinafter called "TENANT."

I. RECITALS

- 1.1 **LANDLORD AND TENANT entered into the Watsonville Transit Center Lease Agreement ("Agreement") on September 1, 2002, for Kiosk 5 at the Watsonville Transit Center.**
- 1.2 **Since the time of the Lease Agreement, Tenant has been unable to open for business due to plumbing problems and also problems with code requirements of the City of Watsonville in relation to the structure of the kiosk.**
- 1.3 **The first purpose of this First Amendment is to provide a new Lease date for the commencement of the Agreement, due to the inoperability of the kiosk to date.**

II. AMENDMENTS

Therefore, LANDLORD and TENANT amend the Agreement as follows:

- 2.1 **Fixed Term**

The term shall commence **on February 1, 2003** and shall expire at 12:01 a.m. on January 31, 2004 unless sooner terminated in accordance with the provisions herein.

III. REMAINING TERMS AND CONDITIONS.

- 3.1 **All other provisions of the Agreement that are not affected by this amendment shall remain unchanged and in full force and effect.**

IV. AUTHORITY

**FIRST AMENDMENT TO
WATSONVILLE TRANSIT CENTER LEASE AGREEMENT**

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

IN WITNESS THEREOF, this First Amendment to the Agreement is executed by the Landlord and the Tenant has affixed his or her signature the day and year first hereinabove written.

TENANT- Leticia's Hair Salon

**BY: _____
Leticia Ledesma**

DATE: _____

**BY: _____
Tomas Sanchez**

DATE: _____

LANDLORD- SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

**BY: _____
Leslie White, General Manager**

DATE: _____

Approved as to form:

**BY: _____
Margaret Gallagher, District Counsel**

DATE: _____

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 24, 2003

TO: Board of Directors

FROM: Margaret Gallagher, District Counsel

SUBJECT: A. CONSIDER APPROVING THE TRANSFER OF THE LEASE AGREEMENT WITH KAROL AND MIROSLAVA MORELUND, D.B.A. STORTI'S PIZZERIA, TO ANDREW AND ALICIA FRANASZEK, FOR THE KIOSK SPACE AT THE SANTA CRUZ METRO CENTER EFFECTIVE JANUARY 27, 2003

B. CONSIDER REQUEST OF ANDREW AND ALICIA FRANASZEK TO REDUCE RENT

I. RECOMMENDED ACTION

- A. Approve the Lease Transfer from Karol and Miroslava Morelund, d/b/a Storti's Pizzeria, to Andrew and Alicia Franaszek, for the kiosk space at the Santa Cruz Metro Center effective January 27, 2003 as long as the Franaszek's agree to be bound to the terms and conditions of the current lease agreement.
- B. Deny the request to reduce the rent.

II. SUMMARY OF ISSUES

- Karol and Miroslava have requested under Article 12 of their lease dated January 1, 1999 to assign their lease to the buyers of their restaurant, Andrew and Alicia Franaszek.
- The buyers and new owners of Storti's pizzeria, Andrew and Alicia Franaszek have requested a reduction of rent from the current amount of \$1,690.40 to \$1,350.00.

III. DISCUSSION

On January 1, 1999 Karol and Miroslava entered into a Lease Agreement with Santa Cruz Metropolitan Transit District for the kiosk space at the Santa Cruz Metro Center for their business, Storti's Pizzeria. They are requesting under Article 12 of their lease to assign their lease to the buyers of their restaurant, Andrew and Alicia Franaszek.

The Franaszeks have requested a rent reduction in order to reflect a monthly rent rate of \$4.50/per square foot. The kiosk is 300 square feet, which computes to \$1,350.00. The rent at the time of the commencement of the Lease was \$1,500.00, however, due to annual increases, is currently \$1,690.40. The request for rent reduction would be a monthly difference of \$340.00.

Article 12 of the lease requires the consent of the District for any lease transfer, which cannot be unreasonably withheld. The Finance Department has reviewed the Franaszek's financial

information and the staff recommendation is to approve the lease transfer as long as the Franaszek's agree to be bound to the terms and conditions of the current lease agreement.

However, the staff recommendation with regard to the rent reduction is to deny the request.

IV. FINANCIAL CONSIDERATIONS

Rent for the kiosk space is currently \$1,690.40 per month with annual CPI adjustments. A rent reduction to \$1,350.00 would amount to a loss to the District of \$4,080.00 annually.

V. ATTACHMENTS

Attachment A: Letter dated January 6, 2003 from Andrew and Alicia Franaszek requesting the reduction in monthly rent at Storti's Pizzeria.

Attachment B: Consent to transfer the current Lease from the Morelunds to the Franaszeks

Attachment A

January 6,2003

Board of Directors
Santa Cruz Metropolitan District
370 Encinal Street, Suite 100
Santa Cruz CA 95060

Dear Sirs,

We would like to take opportunity to ask to reduce monthly rent at **Storti's Pizzeria** located at 920 Pacific Ave. # 11, Santa Cruz.

After great economy of nineties, subject business's sales went down 40-50% in 2001 and 30-40% in 2002

Economic recovery to the level of 1999 and 2000 might take several years.

Due to that fact please consider our request and reduce monthly rent rate to \$4.50 per sq/ft.

Thank you for your attention and cooperation.

Sincerely,

Alicje Frauaszel
Andrew Frauaszel

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

CONSENT TO LEASE TRANSFER

THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT HEREBY CONSENTS TO THE TRANFER OF THE LEASE AGREEMENT DATED 12/30/98 FOR THE RESTAURANT SPACE LOCATED AT THE SANTA CRUZ METRO CENTER FROM KAROL AND MIROSLAVA MORELUND, DBA STORTI'S PIZZERIA, TO ANDREW AND ALICIA FRANASZEK, DBA STORTI'S PIZZERIA, EFFECTIVE JANUARY 27, 2003 UNDER THE SAME TERMS AND CONDITIONS OF THAT CURRENT LEASE AGREEMENT.

Dated: January 27, 2003

**Leslie White,
General Manager**