

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

BOARD OF DIRECTORS REGULAR MEETING AGENDA
JANUARY 11, 2008 (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.

THE BOARD AGENDA PACKET CAN BE FOUND ONLINE AT WWW.SCMTD.COM

NOTE: THE BOARD CHAIR MAY TAKE ITEMS OUT OF ORDER

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

1. a. ROLL CALL
- b. CONSIDERATION OF:
 - 1) **NOMINATION** OF DIRECTORS TO SERVE AS BOARD OFFICERS,
 - 2) **NOMINATIONS** FOR APPOINTMENTS TO THE HIGHWAY 1 CONSTRUCTION AUTHORITY,
 - 3) **NOMINATIONS** FOR APPOINTMENTS TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR 2008Presented by: Les White, General Manager
Staff Report: Attached
2. ORAL AND WRITTEN COMMUNICATION TO THE BOARD OF DIRECTORS
 - a. None
3. LABOR ORGANIZATION COMMUNICATIONS
4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

CONSENT AGENDA

- 5-1. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF DECEMBER 2007
- 5-2. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR OCTOBER AND NOVEMBER 2007
- 5-3. CONSIDERATION OF TORT CLAIMS:
DENY THE CLAIM OF FELICIA PALMER, CLAIM #07-0042

- 5-4. ACCEPT AND FILE THE METRO ADVISORY COMMITTEE (MAC) AGENDA FOR JANUARY 16, 2008 AND MINUTES OF NOVEMBER 28, 2007
- 5-5. ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR THE MONTH OF OCTOBER 2007
- 5-6. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT RENEWAL WITH STEVE'S UNION FOR PARACRUZ VEHICLE FUELING SERVICES AND TO EXECUTE A CONTRACT RENEWAL WITH CRUZ CAR WASH FOR PARACRUZ VEHICLE WASHING SERVICES
- 5-7. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH SUE CLARKE FOR AUDITING OF THE TALKING BUSES EXTERNAL ANNOUNCEMENTS AT THE WATSONVILLE TRANSIT CENTER AND THE BART CAVALLARO TRANSIT CENTER
- 5-8. ACCEPT AND FILE METROBASE PROJECT STATUS REPORT
- 5-9. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR SEPTEMBER 2007
- 5-10. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A NEW ONE-YEAR LEASE FOR WATSONVILLE TRANSIT CENTER KIOSK #6 FOR THE CURRENT TENANT
- 5-11. ACCEPT AND FILE UNIVERSITY OF CALIFORNIA, SANTA CRUZ SERVICE UPDATE FOR THE MONTH OF NOVEMBER 2007

REGULAR AGENDA

6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS: None
7. **PUBLIC HEARING** REGARDING THE YIELD TO BUS PROGRAM, AND CONSIDERATION OF ADOPTION OF A RESOLUTION AUTHORIZING THE REINSTATEMENT OF THE YIELD TO BUS PROGRAM EFFECTIVE FEBRUARY 1, 2008
Presented By: Leslie R. White, General Manager
PUBLIC HEARING WILL TAKE PLACE AT THE JANUARY 25, 2008 BOARD MEETING
8. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH WEBER HAYES AND ASSOCIATES FOR PHASE I AND II ENVIRONMENTAL SITE ASSESSMENT REPORTS FOR THE PROPERTIES LOCATED AT 920 AND 912 PACIFIC AVENUE, SANTA CRUZ
Presented By: Tom Stickel, Maintenance Manager
ACTION REQUESTED AT THE JANUARY 11, 2008 BOARD MEETING

SECTION III: RECONVENE TO OPEN SESSION

14. 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 Encinal Conference Room 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 Cindi Thomas 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.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 11, 2008

TO: Board of Directors

FROM: Leslie R. White, General Manager

SUBJECT: CONSIDERATION OF:

- 1) **NOMINATION OF DIRECTORS TO SERVE AS BOARD OFFICERS,**
- 2) **NOMINATIONS FOR APPOINTMENTS TO THE HIGHWAY 1 CONSTRUCTION AUTHORITY, AND**
- 3) **NOMINATIONS FOR APPOINTMENTS TO THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION FOR 2008**

I. RECOMMENDED ACTION

That the Board of Directors identify nominees from the Board to be considered for election to the positions of Board Chair, Vice Chair, Representative and Alternate to the Highway 1 Construction Authority, Representatives and Alternates for the Santa Cruz County Regional Transportation Commission for 2008.

II. SUMMARY OF ISSUES

- Article 6 of the METRO Bylaws provides that the Board of Directors shall annually nominate members to be considered for election to the positions of Chair and Vice Chair.
- It is necessary for the Board of Directors to nominate members to be considered for election to represent METRO on the Board of Directors of the Highway 1 Construction Authority (HCA).
- In order to maintain representation on the Santa Cruz County Regional Transportation Commission (SCCRTC) it is necessary that the Board of Directors nominate members to be considered for election to the three positions and three alternate positions that are provided for METRO.
- Currently elections for the positions referenced in this Staff Report are scheduled to be held at the January 25, 2008 Board of Directors meeting.

III. DISCUSSION

The terms of the officers and appointees of the Board of Directors in the positions of Chair, Vice Chair, HCA appointees, and SCCRTC appointees expire in January 2008. The METRO Bylaws provide that the Board of Directors shall identify nominees to be considered for election to the positions herein referenced.

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Staff recommends that the Board of Directors identify members to be nominees for the positions of Chair, Vice Chair, HCA appointee and alternate, and SCCRTC appointees and alternates. The election of nominees to the referenced positions is scheduled to be held January 25, 2008.

IV. FINANCIAL CONSIDERATIONS

Funding support for the positions identified in this Staff Report is contained in the adopted METRO FY 2008 Operating Budget.

V. ATTACHMENTS

None

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

DATE: 12/01/07 THRU 12/31/07

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
23981	12/07/07	60.00	002069	A TOOL SHED, INC.		16012	EQUIP RENTAL	60.00	
23982	12/07/07	1,214.40	001263	ABBOTT STREET RADIATOR, INC.		15712	OUT RPR REV VEH	1,214.40	
23983	12/07/07	328.11	020	ADT SECURITY SERVICES INC.		15963	DEC SECURITY	58.67	
						15964	DEC SECURITY	44.23	
						15965	DEC SECURITY	44.23	
						15966	DEC SECURITY	79.40	
						15967	DEC SECURITY	40.48	
						15968	DEC SECURITY	61.10	
23984	12/07/07	814.55	E437	AITKEN, ANGELA		15980	HOLIDAY PARTY RAFFLE	774.75	
						15992	OFFICE SUPPLIES	39.80	
23985	12/07/07	700.00	001016	ALLARD'S SEPTIC SERVICE, INC.		16013	HAZ WASTE DISPOSAL	350.00	
						16014	HAZ WASTE DISPOSAL	350.00	
23986	12/07/07	181.94	002861	AMERICAN MESSAGING SVCS, LLC		15945	DEC PAGERS	181.94	
23987	12/07/07	260.40	025	AMERICAN PUBLIC TRANSIT		15969	08 DBE PUBLIC NOTICE	260.40	
23988	12/07/07	2,611.10	001A	AT&T/MCI		15995	NOV PHONES	2,066.54	
						15996	OCT PHONES/PT	492.87	
						15997	OCT PHONES/PT	51.69	
23989	12/07/07	58.57	002363	BATTERIES PLUS		15924	REPAIRS/MAINTENANCE	58.57	
23990	12/07/07	1,319.90	001856	BAY COMMUNICATIONS	7	15952	OUT REPAIR EQUIP	1,244.90	
						15953	OUT REPAIR EQUIP	75.00	
23991	12/07/07	6.91	123	BAY PHOTO LAB		16004	PHOTO SUPPLIES	6.91	
23992	12/07/07	100.00	B003	BEAUTZ, JAN	7	15856	NOV BOARD MTGS	100.00	
23993	12/07/07	391.00	478	BEE CLENE	0	15954	BLIND CLEANING	391.00	
23994	12/07/07	189.82	002189	BUS & EQUIPMENT		16002	REV VEH PARTS	189.82	
23995	12/07/07	753.00	002034	CARLON'S FIRE EXTINGUISHER		15719	OUT RPR EQUIP	104.00	
						15720	OUT RPR EQUIP	496.00	
						15721	OUT RPR EQUIP	153.00	
23996	12/07/07	900.00	983	CENTRAL MAINTENANCE COMPANY		16007	NOV SERVICES	900.00	
23997	12/07/07	471.25	172	CENTRAL WELDER'S SUPPLY, INC.		15943	PARTS & SUPPLIES	283.59	
						15944	PARTS & SUPPLIES	187.66	
23998	12/07/07	50.30	667	CITY OF SCOTTS VALLEY		15870	9/15-11/15 KINGS VLG	50.30	
23999	12/07/07	100.00	B014	CITY OF WATSONVILLE		15864	NOV BOARD MTG	100.00	
24000	12/07/07	3,137.62	909	CLASSIC GRAPHICS		15899	OUT RPR REV VEH	3,137.62	
24001	12/07/07	88.98	002609	CLEANSOURCE		16015	CLEANING SUPPLIES	88.98	
24002	12/07/07	2,351.48	075	COAST PAPER & SUPPLY INC.		15759	CLEANING SUPPLIES	2,351.48	
24003	12/07/07	33.27	002063	COSTCO		15818	PHOTO PROCESS/OPS	2.20	
						15819	PHOTO PROCESS/OPS	9.02	
						15820	PHOTO PROCESS/OPS	2.81	
						15821	PHOTO PROCESS/OPS	19.24	
24004	12/07/07	481.66	001000	DAIMLER CHRYSLER		16025	REV VEH PARTS	362.46	
						16026	REV VEH PARTS	119.20	
24005	12/07/07	105.00	001147	DEPT OF INDUSTRIAL RELATIONS		16047	DOSH-EFT PERMIT	105.00	
24006	12/07/07	107,681.66	001316	DEVCO OIL		15881	FUEL FLT 10/8-11/9	107,681.66	
24007	12/07/07	4,775.71	085	DIXON & SON TIRE, INC.		15926	TIRES & TUBES/FLT	322.11	
						15927	TIRES & TUBES/FLT	1,078.09	
						15928	TIRES & TUBES/FLT	449.68	
						15929	TIRES & TUBES/FLT	2,400.31	
						15930	TIRES & TUBES/FLT	408.62	
						15931	TIRES & TUBES/FLT	157.79	
						15932	TIRES & TUBES/FLT	33.00	

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						16003	TIRES & TUBES	412.71	
						16038	CREDIT MEMO	-486.60	
24008	12/07/07	250.00	001148	DOMHOFF, JOEL		15998	HOLIDAY PARTY DJ	250.00	
24009	12/07/07	9,980.00	550	EARTHWORKS	7	15728	PARKING LOT/DUBOIS	9,980.00	
24010	12/07/07	252.50	001492	EVERGREEN OIL INC.		15946	HAZ WASTE DISP	165.00	
						15951	HAZ WASTE DISP	87.50	
24011	12/07/07	2,600.00	490	FAST RESPONSE ON-SITE		15883	RESPIRATOR TRAINING	2,600.00	
24012	12/07/07	1,369.68	647	GFI GENFARE		16039	REV VEH PARTS	61.63	
						16040	REV VEH PARTS	362.70	
						16041	REV VEH PARTS	945.35	
24013	12/07/07	2,939.97	001029	GOLDEN GATE SYSTEMS		15979	OFFICE EQUIP/IT	2,939.97	
24014	12/07/07	6,075.09	282	GRAINGER		16008	REPAIRS/MAINTENANCE	335.56	
						16009	REPAIRS/MAINTENANCE	194.95	
						16044	CLEANING SUPPLIES	1,215.35	
						16045	SAFETY/CLEANING SUPP	4,329.23	
24015	12/07/07	207.81	546	GRANITEROCK COMPANY		15962	REPAIRS/MAINTENANCE	207.81	
24016	12/07/07	100.00	B021	HAGEN, DONALD N.		15857	NOV BOARD MTG	100.00	
24017	12/07/07	72,474.19	001035	HARRIS & ASSOCIATES		15854	MB OCT 07 PROF SVCS	72,474.19	
24018	12/07/07	50.00	B006	HINKLE, MICHELLE	7	15858	NOV BOARD MTG	50.00	
24019	12/07/07	1,095.81	166	HOSE SHOP, THE		16010	REPAIRS/MAINTENANCE	18.80	
						16011	REPAIRS/MAINTENANCE	30.76	
						16018	PARTS & SUPPLIES	191.66	
						16020	PARTS & SUPPLY	854.59	
24020	12/07/07	195.37	215	IKON OFFICE SOLUTIONS		15830	10/19-11/18 MAIN/ADM	195.37	
24021	12/07/07	1,817.60	878	KELLY SERVICES, INC.		15977	TEMP/IT W/E 11/25	1,817.60	
24022	12/07/07	232.23	074	KENVILLE LOCKSMITHS	7	15920	REPAIRS/MAINTENANCE	232.23	
24023	12/07/07	2,321.30	852	LAW OFFICES OF MARIE F. SANG	7	15813	WORKERS COMP CLAIM	144.00	
						15814	WORKERS COMP CLAIM	48.00	
						15815	WORKERS COMP CLAIM	128.00	
						15816	WORKERS COMP CLAIM	112.00	
						15855	WORKERS COMP CLAIM	1,889.30	
24024	12/07/07	263.91	107A	LUMBERMENS		15722	REPAIRS/MAINTENANCE	76.09	
						15723	REPAIRS/MAINTENANCE	55.90	
						15724	REPAIRS/MAINTENANCE	44.71	
						15725	REPAIRS/MAINTENANCE	65.74	
						15726	REPAIRS/MAINTENANCE	21.47	
24025	12/07/07	469.91	001358	MARINA MOTOR COMPANY		15727	REV VEH PARTS	40.79	
						16048	REV VEH PARTS	429.12	
24026	12/07/07	682.35	041	MISSION UNIFORM		15752	UNIF/LAUNDRY	47.10	
						15753	UNIF/LAUNDRY	293.65	
						15754	UNIF/LAUNDRY	57.69	
						15755	UNIF/LAUNDRY	143.25	
						15756	UNIF/LAUNDRY	60.00	
						15757	UNIF/LAUNDRY	80.66	
24027	12/07/07	276.84	001454	MONTEREY BAY OFFICE PRODUCTS		15941	8/15-11/14 MAINT	276.84	
24028	12/07/07	14.76	288	MUNCIE TRANSIT SUPPLY		16023	REV VEH PARTS	14.76	
24029	12/07/07	6,243.96	001063	NEW FLYER INDUSTRIES LIMITED		16028	REV VEH PARTS	888.42	
						16029	REV VEH PARTS	55.62	
						16030	REV VEH PARTS	38.00	
						16031	REV VEH PARTS	729.98	

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					16032	REV VEH PARTS	1,116.60	
					16033	REV VEH PARTS	60.30	
					16034	REV VEH PARTS	27.72	
					16035	REV VEH PARTS	1,870.44	
					16036	REV VEH PARTS	582.50	
					16037	REV VEH PARTS	4.56	
					16049	REV VEH PARTS	869.82	
24030	12/07/07	100.00	B020 NICOL, KIRBY	7	15859	NOV BOARD MTG	100.00	
24031	12/07/07	24.94	004 NORTH BAY FORD LINC-MERCURY		15779	REV VEH PARTS	24.94	
24032	12/07/07	6,000.00	002863 OFFICESTAR		15975	TRAINING COUPONS	6,000.00	
24033	12/07/07	8,963.60	009 PACIFIC GAS & ELECTRIC		15871	10/30-11/28 DUBOIS	133.84	
					15872	10/28-11/28 ENCINAL	2,613.01	
					15873	10/30-11/28 DUBOIS	12.66	
					15874	10/28-11/28 DUBOIS	9.26	
					15875	10/27-11/28 RIVER	2,995.79	
					15876	10/27-11/28 RIVER	1,887.00	
					15994	10/27-11/28 VERNON	1,312.04	
24034	12/07/07	230.80	043 PALACE ART & OFFICE SUPPLY		15825	OFFICE SUPPLIES/FLT	230.80	
24035	12/07/07	644.00	481 PIED PIPER EXTERMINATORS, INC.		15956	NOV PEST CONTROL	70.00	
					15957	NOV PEST CONTROL	48.50	
					15958	NOV PEST CONTROL	53.00	
					15959	NOV PEST CONTROL	48.50	
					15960	NOV PEST CONTROL	241.00	
					15961	NOV PEST CONTROL	183.00	
24036	12/07/07	173.60	882 PRINT SHOP SANTA CRUZ		15760	OFFICE SUPPLIES/FAC	86.80	
					15767	OFFICE SUPPLIES/FLT	86.80	
24037	12/07/07	332.51	061A REGISTER PAJARONIAN		15900	CLASS ADV-PURCH	209.53	
					15901	CLASS ADV-PURCH	122.98	
24038	12/07/07	100.00	B011 REILLY, EMILY	7	15860	NOV BOARD MTG	100.00	
24039	12/07/07	100.00	B015 ROTKIN, MIKE	7	15861	NOV BOARD MTGS	100.00	
24040	12/07/07	907.35	001379 SAFETY-KLEEN SYSTEMS, INC.		15947	HAZ WASTE DISP	907.35	
24041	12/07/07	336.68	018 SALINAS VALLEY FORD SALES		15714	REV VEH PARTS	117.08	
					15716	REV VEH PARTS	117.08	
					15717	REV VEH PARTS	102.52	
24042	12/07/07	150.64	002713 SANTA CRUZ AUTO TECH, INC.		16005	OUT RPR REV VEH	50.15	
					16006	OUT RPR REV VEH	100.49	
24043	12/07/07	496.73	135 SANTA CRUZ AUTO PARTS, INC.		15764	PARTS & SUPPLIES	3.75	
					15765	PARTS & SUPPLIES	44.27	
					15766	REV VEH PARTS	44.75	
					15774	REV VEH PARTS	31.19	
					15784	PARTS & SUPPLIES	31.95	
					15888	PARTS & SUPPLIES/FLT	140.29	
					16019	SMALL TOOL	200.53	
24044	12/07/07	325.00	260 SANTA CRUZ GLASS CO., INC.		15955	DOOR REPLACEMENT/WTC	325.00	
24045	12/07/07	198.00	001523 SANTA CRUZ MEDICAL CLINIC	7	15999	MEDICAL EXAM	66.00	
					16000	MEDICAL EXAM	66.00	
					16001	MEDICAL EXAM	66.00	
24046	12/07/07	7,819.38	079 SANTA CRUZ MUNICIPAL UTILITIES		15981	10/24-11/21 RIVER	2,170.32	
					15982	10/24-11/21 ENCINAL	123.18	
					15983	10/25-11/26 PACIFIC	2,588.62	

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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						15984	10/25-11/26 PACIFIC	128.92	
						15985	10/24-11/21 ENCINAL	817.64	
						15986	10/24-11/21 DUBOIS	366.83	
						15987	10/24-11/21 GOLF CLB	955.16	
						15988	10/24-11/21 VERNON	382.59	
						15989	10/24-11/21 VERNON	60.53	
						15990	10/24-11/21 RIVER	121.06	
						15991	10/24-11/21 DUBOIS	104.53	
						15789	REPAIRS/MAINTENANCE	16.94	
24047	12/07/07	16.94	276	SCOTTS VALLEY SPRINKLER					
24048	12/07/07	142.37	001135	SERVICE ORIENTED SALES		15923	REPAIRS/MAINTENANCE	142.37	
24049	12/07/07	683.45	002447	SETON IDENTIFICATION PRODUCTS		15948	OFFICE SUPPLIES/FAC	683.45	
24050	12/07/07	100.00	B012	SPENCE, PAT	7	15862	NOV BOARD MTG	100.00	
24051	12/07/07	3,652.15	001036	STANDARD INSURANCE COMPANY		15866	DEC LIFE/AD&D INS	3,652.15	
24052	12/07/07	143.16	779	STAR MACHINE & TOOL CO.		16017	PARTS & SUPPLIES	143.16	
24053	12/07/07	69.33	104	STATE STEEL COMPANY		16022	PARTS & SUPPLIES	69.33	
24054	12/07/07	41.67	E002	STICKEL, TOM		15993	EMP TRAVEL/STICKEL	41.67	
24055	12/07/07	50.00	B017	STONE, MARK	7	15863	NOV BOARD MTG	50.00	
24056	12/07/07	1,147.72	017	SUN MICROSYSTEMS, INC.		15868	SOFT/HARDWARE	1,254.48	
						15869	CREDIT MEMO	-106.76	
24057	12/07/07	3,439.29	002207	T.Y. CUSTOM DESIGN	0	15850	EMP INCENTIVE	967.21	
						15851	EMP INCENTIVE	2,472.08	
24058	12/07/07	524.96	002504	TIFCO INDUSTRIES		16021	PARTS & SUPPLIES	524.96	
24059	12/07/07	2,500.00	001134	TOM RALSTON CONCRETE, INC.		15882	REPAIR-920 PACIFIC	2,500.00	
24060	12/07/07	1,428.03	170	TOWNSEND'S AUTO PARTS		15908	SAFETY SUPPLIES/FLT	300.00	
						15909	PARTS/SAFETY SUPPLY	283.05	
						15910	PART/SAFETY SUPPLIES	268.15	
						15911	PARTS/SAFETY SUPPLY	284.03	
						15912	REV VEH PARTS/SAFETY	292.80	
24061	12/07/07	2,898.72	001038	TWINVISION NA INC.		16024	REV VEH PARTS	2,898.72	
24062	12/07/07	76.16	007	UNITED PARCEL SERVICE		15939	FRT OUT-FLT	76.16	
24063	12/07/07	1,008.15	002829	VALLEY POWER SYSTEMS, INC.		16042	REV VEH PARTS	22.27	
						16043	REV VEH PARTS	160.57	
						16046	OFFICE SUPPLY/PARTS	825.31	
24064	12/07/07	11,269.92	001043	VISION SERVICE PLAN		15867	DEC VISION INS	11,269.92	
24065	12/07/07	4,000.00	676	WEBER, HAYES & ASSOCIATES		15853	ENV ASSESSMENT/RIVER	4,000.00	
24066	12/07/07	70.00	682	WEISS, AMY L.	7	15829	NOV INTERPRETER	70.00	
24067	12/07/07	1,257.29	002875	WILBUR SMITH ASSOCIATES		15865	10/1-11/2 PROF SVCS	1,257.29	
24068	12/07/07	247.33	147	ZEE MEDICAL SERVICE CO.		15758	SAFETY SUPPLIES	105.41	
						15919	SAFETY SUPPLIES	74.00	
						15949	SAFETY SUPPLIES	34.61	
						15950	SAFETY SUPPLIES	33.31	
24069	12/07/07	1,028.37	148	ZEP MANUFACTURING COMPANY		16016	CLEANING SUPPLIES	166.69	
						16027	CLEANING SUPPLY	861.68	
24070	12/14/07	482.50	002069	A TOOL SHED, INC.		16071	EQUIP RENTAL	482.50	
24071	12/14/07	953.16	002876	AA AUTO COLLISION CENTER		16186	OUT RPR REV VEH	953.16	
24072	12/14/07	32.39	E437	AITKEN, ANGELA		16175	OFFICE SUPPLIES	32.39	
24073	12/14/07	1,628.50	001A	AT&T/MCI		16176	NOV PHONES/IT	1,479.45	
						16190	NOV PHONES/FAC	149.05	
24074	12/14/07	961.94	876	ATCHISON, BARISONE, CONDOTTI &		16171	LEGAL SVC/110 VERNON	2.25	
						16172	LEGAL SVC/425 FRONT	959.69	

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24075	12/14/07	112.50	001856	BAY COMMUNICATIONS		7 16146	OUT RPR EQUIP	56.25	
						16147	OUT RPR EQUIP	56.25	
24076	12/14/07	80.00	E630	BOODT, GARY		16167	EMP TRAVEL/NGVI-CNG	80.00	
24077	12/14/07	1,337.63	002189	BUS & EQUIPMENT		16065	REV VEH PARTS	465.13	
						16181	REV VEH PARTS	872.50	
24078	12/14/07	1,651.91	001230	CAPITOL CLUTCH & BRAKE, INC.		16109	REV VEH PARTS	1,651.91	
24079	12/14/07	725.28	796	CHALK'S TRUCK PARTS, INC.		16117	SMALL TOOL	725.28	
24080	12/14/07	62.29	001346	CITY OF SANTA CRUZ		16161	11/08 LANDFILL	62.29	
24081	12/14/07	979.00	001113	CLARKE, SUSAN		15849	EXT BUS ANNOUNC/AUD	979.00	
24082	12/14/07	2,019.22	909	CLASSIC GRAPHICS		15913	OUT RPR REV VEH	2,019.22	
24083	12/14/07	1,536.47	002609	CLEANSOURCE		16143	CLEANING SUPPLIES	1,536.47	
24084	12/14/07	85,265.88	002569	COMERICA BANK		15974	WORK COMP FUND	85,265.88	
24085	12/14/07	338.39	508	COMPLETE COACH WORKS		16111	REV VEH PARTS	338.39	
24086	12/14/07	51.78	418	COUNTY OF SANTA CRUZ		16189	FLEET CNG	51.78	
24087	12/14/07	905.04	002814	CREATIVE BUS SALES, INC.		16187	REVV EH PARTS	905.04	
24088	12/14/07	575.67	R527	CSAA-IIB		16169	SETTLEMENT/RISK	575.67	
24089	12/14/07	5,448.88	085	DIXON & SON TIRE, INC.		15884	TIRES & TUBES/FLT	800.10	
						15885	TIRES & TUBES/FLT	1,003.50	
						15886	TIRES & TUBES/FLT	1,796.82	
						15887	TIRES & TUBES/FLT	151.79	
						16064	TIRES & TUBES	322.71	
						16132	TIRES & TUBES	408.62	
						16133	TIRES & TUBES	899.34	
						16134	TIRES & TUBES	66.00	
24090	12/14/07	45.00	002388	DOGHERRA'S		7 16188	TOWING # 305	45.00	
24091	12/14/07	35.65	E373	DORFMAN, MARK		16179	11/12-1/14 TRAVEL	35.65	
24092	12/14/07	43.81	002307	EWING IRRIGATION PRODUCTS		16070	REPAIRS/MAINTENANCE	43.81	
24093	12/14/07	80.00	E020	FOUSE, BRENT		16166	EMP TRAVEL/DMV ETP	80.00	
24094	12/14/07	471.27	647	GFI GENFARE		16076	REV VEH PARTS	145.33	
						16077	REV VEH PARTS	77.07	
						16078	REV VEH PARTS	248.87	
24095	12/14/07	1,736.37	117	GILLIG CORPORATION		16072	REV VEH PTS/SUPPLIES	1,736.37	
24096	12/14/07	191.98	282	GRAINGER		16152	SAFETY SUPPLIES	162.68	
						16153	OFFICE SUPPLIES	29.30	
24097	12/14/07	393.92	001097	GREENWASTE RECOVERY, INC.		16158	NOV KINGS VILLAGE RD	165.76	
						16159	NOV MT HERMON/KINGS	57.60	
						16162	NOV RESEARCH PARK	170.56	
24098	12/14/07	372.96	001073	HALLMARK INN		16170	EMP TRAVEL/NGVI-CNG	372.96	
24099	12/14/07	6,055.00	001144	HARTFORD INSURANCE CO		15794	FLOOD INS 1/08-1/09	6,055.00	
24100	12/14/07	89.87	510A	HASLER, INC.		16173	1/1-1/31 RENTAL/ADM	48.83	
						16185	1/1-1/31 RENTAL/PT	41.04	
24101	12/14/07	80.00	E322	HICKEY, MARK		16164	EMP TRAVEL/DMV ETP	80.00	
24102	12/14/07	227.57	166	HOSE SHOP, THE		16149	PARTS & SUPPLIES	58.96	
						16150	PARTS & SUPPLIES	51.43	
						16151	PARTS & SUPPLIES	117.18	
24103	12/14/07	407.53	405	JOHN'S ELECTRIC MOTOR SVC		7 15918	OUT RPR-EQUIP	407.53	
24104	12/14/07	80.00	E407	JONES, CHRISTINE M.		16165	EMP TRAVEL/ DMV ETP	80.00	
24105	12/14/07	2,272.00	878	KELLY SERVICES, INC.		16177	TEMP/IT W/E 12/02	2,272.00	
24106	12/14/07	50.75	074	KENVILLE LOCKSMITHS		7 15877	REV VEH PTS/OUT RPR	50.75	
24107	12/14/07	49.00	001093	KROLL LABORATORY SPECIALISTS		15848	NOV DRUG TESTS	49.00	

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24108	12/14/07	41.33	107A	LUMBERMENS		15905	REPAIRS/MAINTENANCE	34.17	
						15906	REPAIRS/MAINTENANCE	1.75	
						15907	REPAIRS/MAINTENANCE	5.41	
24109	12/14/07	300.30	180	MANPOWER		16113	TEMP/FLT W/E 11/25	300.30	
24110	12/14/07	2,009.13	001358	MARINA MOTOR COMPANY		16060	REV VEH PARTS	382.92	
						16061	REV VEH PARTS	779.54	
						16062	REV VEH PARTS	496.25	
						16063	REV VEH PARTS	350.42	
24111	12/14/07	1,019.00	R508	MINTZ, KYLE		16142	SETTLEMENT/RISK	1,019.00	
24112	12/14/07	739.66	041	MISSION UNIFORM		15895	UNIF/LAUNDRY/FLT	44.78	
						15896	UNIF/LAUNDRY/FLT	56.17	
						15897	UNIF/LAUNDRY/FLT	273.26	
						15898	UNIF/LAUNDRY/FLT	115.44	
						15916	UNIF/LAUNDRY/FAC	91.57	
						15917	UNIF/LAUNDRY/FAC	95.43	
						16057	UNIF/LAUNDRY/PT	12.00	
						16058	UNIF/LAUNDRY/PT	51.01	
24113	12/14/07	471.57	001063	NEW FLYER INDUSTRIES LIMITED		16075	REV VEH PARTS	118.30	
						16156	REV VEH PARTS	344.67	
						16180	PARTS & SUPPLIES	8.60	
24114	12/14/07	2,163.06	001627	NEW PIG CORPORATION		16148	REPAIRS/MAINTENANCE	2,163.06	
24115	12/14/07	134.18	E629	NJAA, SHELDON		16168	EMP TRAVEL/NGVI-CNG	80.00	
						16194	REPAIRS/MAINTENANCE	54.18	
24116	12/14/07	3,504.24	004	NORTH BAY FORD LINC-MERCURY		15878	REV VEH PARTS	242.48	
						15893	OUT RPR OTH VEH	1,931.48	
						15894	OUT RPR OTH VEH	1,330.28	
24117	12/14/07	8,066.19	009	PACIFIC GAS & ELECTRIC		16050	10/27-11/28 FLEET	6,227.60	
						16157	11/01-12/03 PACIFIC	1,838.59	
24118	12/14/07	853.01	043	PALACE ART & OFFICE SUPPLY		15826	OFFICE SUPPLY/ADM	71.60	
						15852	OFFICE SUPPLIES/OPS	685.38	
						15880	OFFICE SUPPLIES/FLT	29.99	
						15891	OFFICE SUPPLIES/FLT	23.82	
						15915	OFFICE SUPPLIES/FAC	42.22	
24119	12/14/07	323.41	061A	REGISTER PAJARONIAN		15903	CLASS ADV-PURCH	109.32	
						15904	CLASS ADV-PURCH	214.09	
24120	12/14/07	928.05	002713	SANTA CRUZ AUTO TECH, INC.		16066	OUT RPR REV VEH	100.49	
						16067	OUT RPR REV VEH	413.78	
						16068	OUT RPR REV VEH	413.78	
24121	12/14/07	493.35	135	SANTA CRUZ AUTO PARTS, INC.		15879	CLEANING SUPPLIES	90.88	
						15889	PARTS & SUPPLIES/FLT	34.63	
						16051	REV VEH PARTS	122.39	
						16052	REV VEH PARTS	46.76	
						16053	REV VEH PARTS	57.22	
						16054	REV VEH PARTS	79.16	
						16056	REV VEH PARTS	62.31	
24122	12/14/07	66.86	848	SANTA CRUZ ELECTRONICS, INC.		15808	OFFICE SUPPLIES/IT	52.87	
						16178	OFFICE SUPPLIES/IT	13.99	
24123	12/14/07	325.94	079	SANTA CRUZ MUNICIPAL UTILITIES		16160	10/02-11/30 RESEARCH	325.94	
24124	12/14/07	484.50	149	SANTA CRUZ SENTINEL		16154	CLASS ADV-PURCH	243.60	
						16155	CLASS ADV-PURCH	240.90	

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24125	12/14/07	10,037.57	977	SANTA CRUZ TRANSPORTATION, LLC		16184	NOV PT SERVICES	10,037.57	
24126	12/14/07	2,500.00	002267	SHAW & YODER, INC.		16085	NOV LEGISLATIVE SVCS	2,500.00	
24127	12/14/07	96.08	E239	SLATER, ROBYN		16139	EMP TRAVEL/SLATER	36.97	
						16140	LOCAL MTG EXP	49.11	
						16141	EMP TRAVEL/SLATER	10.00	
24128	12/14/07	13,144.34	001648	STEVE'S UNION SERVICE		16182	NOV FUEL/PT	13,144.34	
24129	12/14/07	566.28	001150	THE INN OFF CAPITOL PARK		16163	EMP TRAVEL/ DMV ETP	566.28	
24130	12/14/07	3,980.41	001800	THERMO KING OF SALINAS, INC		16116	OUT RPR REV VEH	3,980.41	
						16136	OUT RPR REV VEH	3,995.29	
						16137	CREDIT MEMO	-3,995.29	
24131	12/14/07	73.51	007	UNITED PARCEL SERVICE		16114	FRT OUT/FLT	73.51	
24132	12/14/07	3,171.76	001140	UNIVERSITY INN &		16174	HOLIDAY PARTY DINNER	3,171.76	
24133	12/14/07	499,358.76	002829	VALLEY POWER SYSTEMS, INC.		16069	CORE CREDIT	-10,488.70	
						16079	TRANS REBUILD	7,353.10	
						16080	PARTS & SUPPLIES	42.22	
						16090	JOHN DEERE ENG	38,216.96	
						16191	ENG REPOWER	154,745.06	
						16192	ENG REPOWER	154,745.06	
						16193	ENG REPOWER	154,745.06	
24134	12/14/07	500.00	417	VAN DYKE SOFTWARE		15976	CRT LICENSES	500.00	
24135	12/14/07	6,968.32	001083	WATSONVILLE TRANSPORTATION, INC		16183	NOV PT SERVICES	6,968.32	
24136	12/14/07	126.72	002817	WATSONVILLE BLUEPRINT		16144	PRINTING/CHINA GRADE	28.15	
						16145	PRINTING/CHINA GRADE	98.57	
24137	12/14/07	271.43	042	WFCB-OSH COMMERCIAL SERVICES		16091	REPAIRS/MAINTENANCE	36.95	
						16092	REPAIRS/MAINETNANCE	-4.48	
						16093	REPAIRS/MAINTENANCE	4.32	
						16094	REPAIRS/MAINTENANCE	148.24	
						16095	REPAIRS/MAINTENANCE	36.18	
						16096	REPAIRS/MAINTENANCE	38.49	
						16097	REPAIRS/MAINTENANCE	15.64	
						16098	REPAIRS/MAINTENANCE	-9.41	
						16099	REPAIRS/MAINTENANCE	8.11	
						16100	REBATE	-2.61	
24138	12/14/07	518.96	002542	WILDPACKETS, INC.		15978	OMNIPEEK PRO SOFTWARE	518.96	
24139	12/14/07	237.68	186	WILSON, GEORGE H., INC.		15922	REPAIRS/MAINTENANCE	116.58	
						16103	REPAIRS/MAINTENANCE	53.83	
						16106	OUT RPR BLDG & IMP	67.27	
24140	12/14/07	71.45	147	ZEE MEDICAL SERVICE CO.		16123	SAFETY SUPPLIES	71.45	
24141	12/21/07	542.25	002069	A TOOL SHED, INC.		16270	EQUIP RENTAL	430.05	
24142	12/21/07	5.77	932	A.L. LEASE COMPANY, INC.		16310	EQUIP RENTAL	112.20	
						16344	REPAIRS/MAINTENANCE	3.80	
						16364	REPAIRS/MAINTENANCE	5.77	
						16365	CREDIT NOTE	-3.80	
24143	12/21/07	328.11	020	ADT SECURITY SERVICES INC.		16346	JAN SECURITY	58.67	
						16347	JAN SECURITY	61.10	
						16348	JAN SECURITY	44.23	
						16349	JAN SECURITY	40.48	
						16350	JAN SECURITY	79.40	
						16351	JAN SECURITY	44.23	
24144	12/21/07	38.00	886	ALL PURE WATER		16081	OFFICE SUPPLIES	38.00	

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24145	12/21/07	1,340.00	001016	ALLARD'S SEPTIC SERVICE, INC.		16105	HAZ WASTE DISP	790.00	
						16244	HAZ WASTE DISP	550.00	
24146	12/21/07	37.50	001141	AMERICAN BUSINESS SYSTEMS, INC		16138	TELEPHONE SUPPORT	37.50	
24147	12/21/07	81.44	294	ANDY'S AUTO SUPPLY		16089	PARTS & SUPPLIES	46.76	
						16268	PARTS & SUPPLIES	34.68	
24148	12/21/07	562.92	856	ANGI INTERNATIONAL LLC		16269	REPAIRS/MAINTENANCE	562.92	
24149	12/21/07	48.42	M033	BAILEY, NEIL	7	9001434	MED PYMT SUPP	48.42	
24150	12/21/07	50.32	M068	BASS, BETTY	7	9001447	MED PYMT SUPP	50.32	
24151	12/21/07	183.50	001856	BAY COMMUNICATIONS	7	16223	OUT RPR EQUIP	183.50	
24152	12/21/07	81.87	123	BAY PHOTO LAB		16059	PHOTO SUPPLY/PT	12.32	
						16337	PHOTO PROCESS/PT	30.29	
						16338	PHOTO PROCESS/PT	39.26	
24153	12/21/07	59.99	002411	BIG O TIRE		15892	OUT RPR OTH VEH	59.99	
24154	12/21/07	80.00	002035	BOWMAN & WILLIAMS		15925	CHINA GRADE	80.00	
24155	12/21/07	78.87	M077	BRADFORD, THOMAS	7	9001455	MED PYMT SUPP	78.87	
24156	12/21/07	177.12	M072	BRIDINGER, CHRIS	7	9001450	MED PYMT SUPP	177.12	
24157	12/21/07	48.42	M078	BRIDINGER, DENISE	7	9001456	MED PYMT SUPP	48.42	
24158	12/21/07	48.42	M079	BROGDON, ROY		9001457	MED PYMT SUPP	48.42	
24159	12/21/07	122.64	M022	CAPELLA, KATHLEEN	7	9001433	MED PYMT SUPP	122.64	
24160	12/21/07	24.22	M080	CARR, DALE	7	9001458	MED PYMT SUPP	24.22	
24161	12/21/07	1,469.10	002627	CDW GOVERNMENT, INC.		16362	CREDIT MEMO	-196.38	
						16363	LEXMARK 4227 PRINTER	1,665.48	
24162	12/21/07	101.73	002898	CEB		16198	CA MECH LIENS 07	101.73	
24163	12/21/07	61.33	M073	CENTER, DOUG	7	9001451	MED PYMT SUPP	61.33	
24164	12/21/07	360.73	172	CENTRAL WELDER'S SUPPLY, INC.		16115	SAFETY SUPPLIES	275.77	
						16271	SAFETY SUPPLIES	84.96	
24165	12/21/07	24.22	M036	CERVANTES, GLORIA	7	9001435	MED PYMT SUPP	24.22	
24166	12/21/07	5,000.00	002346	CHANEY, CAROLYN & ASSOC., INC.		15847	DEC LEGISLATIVE SVCS	5,000.00	
24167	12/21/07	1,078.91	001346	CITY OF SANTA CRUZ		16353	STRM FLD/WATER	1,078.91	
24168	12/21/07	10.34	130	CITY OF WATSONVILLE UTILITIES		16283	11/1-12/1 RODRIGUEZ	10.34	
24169	12/21/07	32.30	M090	CLARKE, PATRICIA	7	9001464	MED PYMT SUPP	32.30	
24170	12/21/07	980.75	001113	CLARKE, SUSAN		16404	EXT BUS ANNOUNC/AUD	980.75	
24171	12/21/07	5,969.44	909	CLASSIC GRAPHICS		15940	OUT RPR REV VEH	1,783.01	
						16237	OUT RPR REV VEH	1,793.18	
						16319	OUT RPR REV VEH	2,393.25	
24172	12/21/07	30.54	002609	CLEANSOURCE		16243	CLEANING SUPPLIES	30.54	
24173	12/21/07	184.00	367	COMMUNITY TELEVISION OF		16284	TV COVERAGE 11/16	184.00	
24174	12/21/07	167.42	508	COMPLETE COACH WORKS		16397	REV VEH PARTS	167.42	
24175	12/21/07	194.84	002063	COSTCO		15970	PHOTO PROCESS/OPS	4.73	
						15971	PHOTO PROCESS/OPS	11.22	
						15972	PHOTO PROCESS/OPS	2.86	
						15973	PHOTO PROCESS/OPS	4.12	
						16086	PHOTO PROCESS/OPS	6.70	
						16087	PHOTO PROCESS/OPS	9.56	
						16088	PHOTO PROCESS/OPS	2.86	
						16196	PHOTO PROCESS/RISK	2.16	
						16279	OFFICE SUPPLIES/OPS	107.85	
						16302	PHOTO PROCESS/OPS	4.47	
						16303	PHOTO PROCESS/OPS	2.53	
						16304	PHOTO PROCESS/OPS	6.38	

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						16361	LOCAL MEETING EXP	29.40	
24176	12/21/07	72.86	M116	CRAMBLETT, LAWRENCE		9001481	MED PYMT SUPP	72.86	
24177	12/21/07	61.33	M092	CRAWFORD, TERRI	7	9001465	MED PYMT SUPP	61.33	
24178	12/21/07	339.06	002814	CREATIVE BUS SALES, INC.		16335	REV VEH PARTS	188.93	
						16336	REV VEH PARTS	150.13	
24179	12/21/07	651.40	504	CUMMINS WEST, INC.		15610	REV VEH PARTS	1,257.11	
						15656	CORE CREDIT	-1,281.66	
						15750	REV VEH PARTS	2,345.23	
						15751	CREDIT MEMO	-2,345.23	
						16233	REV VEH PARTS	675.95	
24180	12/21/07	367.47	001000	DAIMLER CHRYSLER		16217	REV VEH PARTS	367.47	
24181	12/21/07	24.22	M039	DAVILA, ANA MARIA	7	9001436	MED PYMT SUPP	24.22	
24182	12/21/07	44.00	E420	DERWING, CAROLYN		16224	DMV FEES	44.00	
24183	12/21/07	95,448.36	001316	DEVCO OIL		16286	FLT FUEL 12/1-12/10	59,665.26	
						16324	FUEL FLT 12/11-12/16	35,783.10	
24184	12/21/07	3,150.84	480	DIESEL MARINE ELECTRIC, INC.		16107	REV VEH PARTS	3,150.84	
24185	12/21/07	111.90	085	DIXON & SON TIRE, INC.		16339	TIRES & TUBES	111.90	
24186	12/21/07	61.33	M095	DIXON, GEORGE	7	9001466	MED PYMT SUPP	61.33	
24187	12/21/07	269.00	002388	DOGHERRA'S	7	16220	TOW # 304	55.00	
						16340	TOW # 63037	105.00	
						16341	TOW # 307	109.00	
24188	12/21/07	61.33	M096	DRAKE, JUDITH	7	9001467	MED PYMT SUPP	61.33	
24189	12/21/07	500.00	002862	ECOLOGICAL CONCERNS INC.		16245	WATER DRAINAGE/MB	500.00	
24190	12/21/07	1,596.51	432	EXPRESS PERSONNEL SERVICES		16278	TEMP/OPS W/E 11/25	151.13	
						16323	TEMP/FLT W/E 11/30	515.38	
						16406	TEMP/OPS W/E 12/2	930.00	
24191	12/21/07	61.33	M098	FAUCI, SUSAN	7	9001468	MED PYMT SUPP	61.33	
24192	12/21/07	61.33	M099	FIKE, LOUIS	7	9001469	MED PYMT SUPP	61.33	
24193	12/21/07	154.94	M074	GABRIELE, BERNARD	7	9001452	MED PYMT SUPP	154.94	
24194	12/21/07	24.22	M040	GARBEZ, LINDA	7	9001437	MED PYMT SUPP	24.22	
24195	12/21/07	48.42	M100	GARCIA, SANTIAGO	7	9001470	MED PYMT SUPP	48.42	
24196	12/21/07	61.33	M101	GOES, ALAN	7	9001471	MED PYMT SUPP	61.33	
24197	12/21/07	48.42	M041	GOUVEIA, ROBERT	7	9001438	MED PYMT SUPP	48.42	
24198	12/21/07	1,134.15	282	GRAINGER		16219	SMALL TOOL	409.39	
						16221	REPAIRS/MAINTENANCE	14.64	
						16311	REPAIRS/MAINTENANCE	710.12	
24199	12/21/07	120.16	546	GRANITEROCK COMPANY		16104	REPAIRS/MAINTENANCE	120.16	
24200	12/21/07	48.42	M081	HALL, JAMES	7	9001459	MED PYMT SUPP	48.42	
24201	12/21/07	241.33	M016	HICKLIN, DONALD KENT	7	9001432	MED PYMT SUPP	241.33	
24202	12/21/07	24.25	M082	HINDIN, LENORE	7	9001460	MED PYMT SUPP	24.25	
24203	12/21/07	28,000.00	002116	HINSHAW, EDWARD & BARBARA	7	9001426	370 ENCINAL RENT	28,000.00	
24204	12/21/07	62.96	M043	HOLODNICK, JAMES	7	9001439	MED PYMT SUPP	62.96	
24205	12/21/07	360.93	166	HOSE SHOP, THE		16274	PARTS & SUPPLIES	222.90	
						16399	PARTS & SUPPLIES	78.12	
						16400	PARTS & SUPPLIES	59.91	
24206	12/21/07	72.86	M075	HOWARD, CAROL	7	9001453	MED SUPP PYMT	72.86	
24207	12/21/07	781.20	215A	IKON FINANCIAL SERVICES		16403	1/1-3/31 LEASE/OPS	781.20	
24208	12/21/07	1,620.38	422	IMAGE SALES INC.		16249	PHOTO SUPPLIES	810.19	
						16250	PHOTO SUPPLIES	810.19	
24209	12/21/07	14,759.98	002117	IULIANO	7	9001427	111 DUBOIS RENT	11,595.94	

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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 ALL CHECKS FOR COAST COMMERCIAL BANK

DATE: 12/01/07 THRU 12/31/07

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
						9001428	115 DUBOIS RENT	3,164.04	
24210	12/21/07	61.33	M069	JACOBS, KENNETH	7	9001448	MED PYMT SUPP	61.33	
24211	12/21/07	32.30	M103	JEMISON, MAURICE	7	9001472	MED PYMT SUPP	32.30	
24212	12/21/07	2,706.85	110	JESSICA GROCERY STORE, INC.		9001429	CUSTODIAL SERVICES	2,706.85	
24213	12/21/07	61.33	M104	JUSSEL, PETE	7	9001473	MED PYMT SUPP	61.33	
24214	12/21/07	377.09	M061	KAMEDA, TERRY	7	9001445	MED PYMT SUPP	377.09	
24215	12/21/07	194.96	1117	KELLEY'S SERVICE INC.		16073	REV VEH PARTS	95.83	
						16318	REV VEH PARTS	99.13	
24216	12/21/07	1,187.66	878	KELLY SERVICES, INC.		16246	TEMP/MTC W/E 11/18	22.86	
						16247	TEMP/MTC W/E 11/25	1,164.80	
24217	12/21/07	113.01	074	KENVILLE LOCKSMITHS	7	15890	PARTS & SUPPLIES/FLT	19.42	
						15921	REPAIRS/MAINTENANCE	14.65	
						16222	REPAIRS/MAINTENANCE	10.58	
						16262	REPAIRS/MAINTENANCE	9.77	
						16387	REV VEH PARTS	58.59	
24218	12/21/07	483.44	039	KINKO'S INC.		16407	PRINTING/OPS	483.44	
24219	12/21/07	32.30	M105	KOHAMA, MARY	7	9001474	MED PYMT SUPP	32.30	
24220	12/21/07	2,811.55	852	LAW OFFICES OF MARIE F. SANG	7	16287	WORKERS COMP CLAIM	315.55	
						16288	WORKERS COMP CLAIM	640.00	
						16289	WORKERS COMP CLAIM	320.00	
						16290	WORKERS COMP CLAIM	144.00	
						16291	WORKERS COMP CLAIM	96.00	
						16292	WORKERS COMP CLAIM	208.00	
						16293	WORKERS COMP CLAIM	320.00	
						16294	WORKERS COMP CLAIM	176.00	
						16354	WORKERS COMP CLAIM	464.00	
						16355	WORKERS COMP CLAIM	128.00	
24221	12/21/07	127.31	107A	LUMBERMENS		16082	REPAIRS/MAINTENANCE	6.05	
						16102	REPAIRS/MAINTENANCE	1.94	
						16118	REPAIRS/MAINTENANCE	2.92	
						16119	REPAIRS/MAINTENANCE	13.22	
						16120	REPAIRS/MAINTENANCE	13.66	
						16266	PARTS & SUPPLIES	40.86	
						16273	PARTS & SUPPLIES	19.51	
						16308	REPAIRS/MAINTENANCE	16.03	
						16309	REPAIRS/MAINTENANCE	12.68	
						16313	PARTS & SUPPLIES	0.44	
24222	12/21/07	32.30	M106	LYALL, JOHN	7	9001475	MED PYMT SUPP	32.30	
24223	12/21/07	1,407.05	001119	MACERICH PARTNERSHIP LP	7	9001425	CAPITOLA MALL RENT	1,407.05	
24224	12/21/07	114.41	001358	MARINA MOTOR COMPANY		16232	REV VEH PARTS	114.41	
24225	12/21/07	61.33	M108	MILLER, FOREST	7	9001476	MED PYMT SUPP	61.33	
24227	12/21/07	2,022.54	041	MISSION UNIFORM		15935	UNIF/LAUNDRY/FLT	289.48	
						15936	UNIF/LAUNDRY/FLT	44.78	
						15937	UNIF/LAUNDRY	143.25	
						15938	UNIF/LAUNDRY/FLT	56.17	
						16101	UNIF/LAUNDRY/FAC	96.52	
						16128	UNIF/LAUNDRY/FLT	325.63	
						16129	UNIF/LAUNDRY/FLT	48.54	
						16130	UNIF/LAUNDRY/FLT	139.78	
						16131	UNIF/LAUNDRY/FLT	56.17	

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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						16215	UNIF/LAUNDRY/PT	54.55	
						16226	UNIF/LAUNDRY/FAC	22.32	
						16227	UNIF/LAUNDRY/FAC	22.32	
						16228	UNIF/LAUNDRY/FAC	22.32	
						16229	UNIF/LAUNDRY/FAC	22.32	
						16230	UNIF/LAUNDRY/FAC	22.32	
						16296	UNIF/LAUNDRY/FLT	49.42	
						16297	UNIF/LAUNDRY/FLT	56.17	
						16298	UNIF/LAUNDRY/FLT	289.48	
						16299	UNIF/LAUNDRY/FLT	143.25	
						16300	UNIF/LAUNDRY/FAC	95.43	
						16345	UNIF/LAUNDRY/FAC	22.32	
24228	12/21/07	1,535.59	290	NAPA GLOVE COMPANY, INC		16312	SAFETY SUPPLIES	1,535.59	
24229	12/21/07	26,936.34	002891	NCLN20, INC.		16282	NOV SECURITY	26,936.34	
24230	12/21/07	6,156.44	001063	NEW FLYER INDUSTRIES LIMITED		16234	REV VEH PARTS	2,398.45	
						16235	REV VEH PARTS	411.48	
						16236	REV VEH PARTS	300.20	
						16275	REV VEH PARTS	1,224.63	
						16276	REV VEH PARTS	268.86	
						16392	REV VEH PARTS	32.82	
						16393	REV VEH PARTS	342.40	
						16394	REV VEH PARTS	858.80	
						16395	REV VEH PARTS	125.00	
						16396	REV VEH PARTS	193.80	
24231	12/21/07	415.43	001627	NEW PIG CORPORATION		16242	REPAIRS/MAINTENANCE	415.43	
24232	12/21/07	1,757.30	002721	NEXTEL COMMUNICATIONS		16321	NOV PHONES/PT	1,757.30	
24233	12/21/07	242.48	004	NORTH BAY FORD LINC-MERCURY		16238	PARTS & SUPPLIES	242.48	
24234	12/21/07	24.22	M050	O'MARA, KATHLEEN	7	9001440	MED PYMT SUPP	24.22	
24235	12/21/07	25.00	188	PACIFIC BUS MUSEUM		16325	MEMBERSHIP RENEWAL	25.00	
24236	12/21/07	15,006.62	009	PACIFIC GAS & ELECTRIC		16295	CNG FLT/NOV	11,943.81	
						16320	10/12-12/6 KINGS VLG	2,086.34	
						16402	11/11-12/12 RESEARCH	976.47	
24237	12/21/07	776.58	043	PALACE ART & OFFICE SUPPLY		16248	OFFICE SUPPLIES/MTC	13.27	
						16280	OFFICE SUPPLIES/OPS	66.90	
						16307	OFFICE SUPPLIES/FIN	284.85	
						16315	OFFICE SUPPLIES/FLT	1.82	
						16316	OFFICE SUPPLIES/FLT	253.77	
						16327	OFFICE SUPPLY/FIN	2.01	
						16359	OFFICE SUPPLIES/PT	153.96	
24238	12/21/07	2,676.86	950	PARADISE LANDSCAPE	7	16084	DEC MAINTENANCE	887.00	
						16122	SERVICE-VERNON	1,789.86	
24239	12/21/07	346.62	M057	PARHAM, WALLACE	7	9001443	MED PYMT SUPP	346.62	
24240	12/21/07	48.42	M051	PENDRAGON, LINDA	7	9001441	MED PYMT SUPP	48.42	
24241	12/21/07	62.96	M109	PEREZ, CHERYL		9001477	MED PYMT SUPP	62.96	
24242	12/21/07	308.52	M064	PETERS, TERRIE	7	9001446	MED PYMT SUPP	308.52	
24243	12/21/07	975.00	001142	PHYSICIANS MEDICAL GROUP		16251	MEDICAL EXAM	75.00	
						16252	MEDICAL EXAM	75.00	
						16253	MEDICAL EXAM	75.00	
						16254	MEDICAL EXAM	75.00	
						16255	MEDICAL EXAM	75.00	

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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						16256	MEDICAL EXAM	75.00	
						16257	MEDICAL EXAM	75.00	
						16258	MEDICAL EXAM	75.00	
						16259	MEDICAL EXAM	75.00	
						16260	MEDICAL EXAM	75.00	
						16261	MEDICAL EXAM	75.00	
						16342	MEDICAL EXAM	75.00	
						16343	MEDICAL EXAM	75.00	
24244	12/21/07	61.33	M070	PICARELLA, FRANCIS	7	9001449	MED PYMT SUPP	61.33	
24245	12/21/07	424.00	481	PIED PIPER EXTERMINATORS, INC.		16366	DEC PEST CONTROL	183.00	
						16367	DEC PEST CONTROL	241.00	
24246	12/21/07	61.33	M117	POLANCO, ANDRES		9001482	MED PYMT SUPP	61.33	
24247	12/21/07	34.00	E424	POLANCO, JOSE		16281	DMV FEES	34.00	
24248	12/21/07	346.62	M058	POTEETE, BEVERLY	7	9001444	MED PYMT SUPP	346.62	
24249	12/21/07	341.62	061A	REGISTER PAJARONIAN		15902	CLASS ADV-PURCH	227.75	
						16301	CLASS ADV-PURCHASING	113.87	
24250	12/21/07	315.76	M005	ROSS, EMERY	7	9001430	MED PYMT SUPP	315.76	
24251	12/21/07	48.42	M085	ROSSI, DENISE	7	9001461	MED PYMT SUPP	48.42	
24252	12/21/07	1,975.00	067	ROTO-ROOTER		16225	OUT RPR BLDG & IMP	40.00	
						16368	OUT RPR BLDG & IMP	218.00	
						16369	OUT RPR BLDG & IMP	828.00	
						16370	OUT RPR BLDG & IMP	658.00	
						16371	OUT RPR BLDG & IMP	231.00	
24253	12/21/07	40.92	045	ROYAL WHOLESALE ELECTRIC		16264	REPAIRS/MAINTENANCE	7.58	
						16265	REPAIRS/MAINTENANCE	33.34	
24254	12/21/07	32.30	M111	SANCHEZ, FELIX	7	9001478	MED PYMT SUPP	32.30	
24256	12/21/07	4,989.87	002713	SANTA CRUZ AUTO TECH, INC.		16199	OUT RPR REV VEH	56.60	
						16200	OUT RPR REV VEH	50.15	
						16201	OUT RPR REV VEH	50.15	
						16202	OUT RPR REV VEH	50.15	
						16203	OUT RPR REV VEH	50.15	
						16204	OUT RPR REV VEH	50.15	
						16205	OUT RPR REV VEH	50.15	
						16206	OUT RPR REV VEH	50.15	
						16207	OUT RPR REV VEH	50.15	
						16208	OUT RPR REV VEH	50.15	
						16209	OUT RPR REV VEH	50.15	
						16210	OUT RPR REV VEH	50.15	
						16211	OUT RPR REV VEH	50.15	
						16212	OUT RPR REV VEH	50.15	
						16213	OUT RPR REV VEH	56.60	
						16214	OUT RPR REV VEH	363.63	
						16401	INSTALL ENGINE	3,861.09	
24258	12/21/07	1,471.96	135	SANTA CRUZ AUTO PARTS, INC.		15933	REV VEH PARTS	661.24	
						15934	REV VEH PARTS	45.52	
						16055	REV VEH PARTS	41.61	
						16074	REV VEH PARTS	42.25	
						16124	SMALL TOOL	15.14	
						16125	REV VEH PARTS	55.74	
						16126	REV VEH PARTS	169.26	

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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						16127	SAFETY SUPPLIES	54.98	
						16216	REV VEH PTS	23.90	
						16240	SMALL TOOLS	8.95	
						16241	REV VEH PARTS	242.56	
						16267	PARTS & SUPPLIES	9.11	
						16317	REV VEH PARTS	28.45	
						16384	PARTS & SUPPLIES	36.80	
						16389	REV VEH PARTS	19.16	
						16390	REV VEH PARTS	17.29	
24259	12/21/07	69.88	848	SANTA CRUZ ELECTRONICS, INC.		16218	OFFICE SUPPLY/IT	64.75	
						16314	PARTS & SUPPLIES	5.13	
24260	12/21/07	11.39	051	SANTA CRUZ FIRE EQUIPMENT	7	16263	OUT RPR EQUIP	11.39	
24261	12/21/07	124.73	001152	SANTARELLI DE BRASCH, THOMAS		16322	REV VEH PARTS	124.73	
24262	12/21/07	85.87	001	SBC		16405	NOV REPEATERS/OPS	85.87	
24263	12/21/07	282.46	276	SCOTTS VALLEY SPRINKLER		15914	REPAIRS/MAINTENANCE	78.12	
						16083	REPAIRS/MAINTENANCE	129.12	
						16121	REPAIRS/MAINTENANCE	75.22	
24264	12/21/07	30.00	880	SEISINT, INC.		16135	PROF/TECH SVC/RISK	30.00	
24265	12/21/07	363.97	M010	SHORT, SLOAN	7	9001431	MED PYMT SUPP	363.97	
24266	12/21/07	61.33	M112	SILVA, EDUARDO	7	9001479	MED PYMT SUPP	61.33	
24267	12/21/07	100.00	B016	SKILLICORN, DALE	7	16197	DEC BOARD MTGS	100.00	
24268	12/21/07	48.42	M054	SLOAN, FRANCIS	7	9001442	MED PYMT SUPP	48.42	
24269	12/21/07	439.75	R509	SMITH, MATTHEW		16328	SETTLEMENT/RISK	439.75	
24270	12/21/07	11,651.11	001075	SOQUEL III ASSOCIATES	7	9001424	RESEARCH PARK RENT	11,651.11	
24271	12/21/07	475.00	001930	STATE BAR OF CALIFORNIA		15831	2008 MEMBERSHIP	475.00	
24272	12/21/07	4,062.31	972	SWAN ASSOCIATES		16372	OUT RPR EQUIP	324.57	
						16373	OUT RPR EQUIP	290.91	
						16374	OUT RPR EQUIP	358.23	
						16375	OUT RPR EQUIP	341.40	
						16376	OUT RPR EQUIP	341.40	
						16377	OUT RPR EQUIP	518.31	
						16378	OUT RPR EQUIP	391.68	
						16379	OUT RPR EQUIP	408.51	
						16380	OUT RPR EQUIP	341.40	
						16381	OUT RPR EQUIP	234.82	
						16382	OUT RPR EQUIP	511.08	
24273	12/21/07	2,707.41	002805	TELEPATH CORPORATION		15942	DEC MAINT & REPAIRS	2,707.41	
24274	12/21/07	15,312.20	970	THE MECHANICS BANK		16358	NOV RETAINAGE/MB	15,312.20	
24275	12/21/07	1,326.27	001800	THERMO KING OF SALINAS, INC		16110	REV VEH PARTS	1,326.27	
24276	12/21/07	285.00	002675	THOMSON-WEST BARCLAYS		16326	T 13 MOTOR VEHICLES	285.00	
24277	12/21/07	185.19	002504	TIFCO INDUSTRIES		16239	PARTS & SUPPLIES	185.19	
24278	12/21/07	24.22	M086	TOLINE, DONALD	7	9001462	MED PYMT SUPP	24.22	
24279	12/21/07	764.19	170	TOWNSEND'S AUTO PARTS		16383	CLEANING SUPPLIES	213.53	
						16385	CLEANING SUPPLIES	255.19	
						16386	REV VEH PARTS/SUPPLY	140.01	
						16391	REV VEH PARTS	155.46	
24280	12/21/07	4,068.89	057	U.S. BANK		16329	4246044555645971	187.93	
						16330	4246044555645971	100.00	
						16331	4246044555645971	1,536.63	
						16332	4246040013714953	463.38	

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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						16333	4246044555645971	1,119.45	
						16334	4246044555645971	661.50	
24281	12/21/07	22.17	007	UNITED PARCEL SERVICE		16272	FRT OUT/FLT	22.17	
24282	12/21/07	82.00	884	UNITED STATES POSTAL SERVICE		16285	POSTAGE/OPS	82.00	
24283	12/21/07	157,827.32	002829	VALLEY POWER SYSTEMS, INC.		16112	REV VEH PARTS	783.53	
						16277	REV VEH PARTS	898.11	
						16352	ENG REPOWER	154,745.06	
24284	12/21/07	5,249.70	221	VEHICLE MAINTENANCE PROGRAM		16388	REV VEH PARTS	1,400.62	
						16108	REV VEH PARTS	4,415.52	
						16231	REV VEH PARTS	290.22	
						16398	REV VEH PARTS	543.96	
24285	12/21/07	60.83	434	VERIZON WIRELESS		16408	WIRELESS PC CARD	60.83	
24286	12/21/07	177.12	M076	VONWAL, YVETTE	7	9001454	MED PYMT SUPP	177.12	
24287	12/21/07	137,809.80	002887	WEST BAY BUILDERS, INC.		16357	CONST SVC MB-11/30	137,809.80	
24288	12/21/07	744.60	436	WEST PAYMENT CENTER		16195	NOV ACCESS CHARGES	744.60	
24289	12/21/07	103.02	E495	WHITE, LES		16305	11/12-11/14 EMP TRVL	34.07	
						16306	11/27-12/01 EMP TRVL	68.95	
24290	12/21/07	536.31	002875	WILBUR SMITH ASSOCIATES		16360	PROF SVC SCMTD SRTP	536.31	
24291	12/21/07	72.86	M115	WILLIAMS, CHRIS	7	9001480	MED PYMT SUPP	72.86	
24292	12/21/07	24.22	M088	YAGI, RANDY	7	9001463	MED PYMT SUPP	24.22	
24293	12/21/07	1,404.00	853	ZELLER APPRAISAL SERVICES, INC		16356	PROF SVCS/FRONT ST	1,404.00	
TOTAL		1,579,065.77		COAST COMMERCIAL BANK			TOTAL CHECKS 310	1,579,065.77	

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 25, 2008
TO: Board of Directors
FROM: Angela Aitken, Finance Manager
SUBJECT: MONTHLY BUDGET STATUS REPORTS FOR OCTOBER 2007 AND NOVEMBER 2007.

I. RECOMMENDED ACTION

Staff recommends that the Board of Directors accept and file the budget status reports for October 2007 and November 2007.

II. SUMMARY OF ISSUES

- **Operating Revenues** for the months of October and November 2007 were \$598K or 4 % under for October 2007, and \$1,052K or 6 % under for November 2007.
- **Consolidated Operating Expenses** for the month of October 2007 were \$1,832K or 14% under budget and \$2,188K or 14% under budget for the month of November 2007.
- **Capital Budget** spending for the months of October and November 2007 was \$6,115K or 17% of the Capital budget for October 2007 and \$7,010K or 20% of the Capital Budget for November 2007.

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, expenses and capital in relation to the adopted operating and capital budgets for the fiscal year. The attached monthly revenue, expense and capital reports represent the status of the District's FY08 operating and capital budgets versus actual expenditures for the month.

The fiscal year has elapsed 42%.

5-2.1

A. Operating Revenue

For the months of October and November 2007 revenue was \$598K or 4 % under for October 2007, and \$1,052K or 6 % under for November 2007. The majority of this variance was due to the FTA Sec 5311 – Rural Op Asst money coming in later than budgeted. Other revenue variances are explained in the notes at the end of the revenue report.

B. Operating Expense by Department

Total Operating Expenses by Department for the month of October 2007 were \$1,832K, or 14% under budget; 3% below where we were in FY07. Total Operating Expense by Department for the month of November 2007 were \$2,188K; 14% under budget; 2% below where we were in FY07. Majority of the variance is due to not being up to full complement in Facilities, Paratransit, Operations, Bus Operators, Fleet Maintenance and Retired Employee Benefits. Fuel costs have been below estimates in Fleet and equipment contracts have come in below budget in Facilities.

C. Consolidated Operating Expenses

Consolidated Operating Expenses for the month of October 2007 were \$1,832K or 14% under budget. For the month of November 2007 Consolidated Operating Expenses were \$2,188, or 14% under budget. Personnel Expenses, Prof & Tech Fees, Temp Help, Security Services, Repair-Equipment, Fuels & Lube Rev Veh, Insurance – PL & PD, and Contr/Paratransit all contributed to the variance. Further explanation of these accounts is contained in the notes following the report.

D. Capital Budget

A total of \$7,010K or 20% has been expended in the Capital Budget YTD. Of this, \$1,960K or 19% has been spent of the MetroBase line item, \$3,998K or 57% has been spent of the 110 Vernon Purchase & Renovation line item, and \$929K or 14% has been spent on the CNG Bus Conversions.

IV. FINANCIAL CONSIDERATIONS

None

5-2.2

IV. ATTACHMENTS

Attachment A: FY08 Operating Revenue for the month ending – 10/31/07
FY08 Operating Expenses by Department for the month ending – 10/31/07
FY08 Consolidated Operating Expenses for the month ending – 10/31/07
FY08 Capital Budget Reports for the month ending – 10/31/07

Attachment B: FY08 Operating Revenue for the month ending – 11/30/07
FY08 Operating Expenses by Department for the month ending – 11/30/07
FY08 Consolidated Operating Expenses for the month ending – 11/30/07
FY08 Capital Budget Reports for the month ending – 11/30/07

FY2008
Operating Revenue
For the month ending - October 31, 2007

Percent of Year Elapsed - 33%

Revenue Source	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual		\$ Var	% Var	
									FY08	FY07			
Passenger Fares	\$ 324,051	\$ 287,507	\$ 36,544	13%	\$ 1,243,201	\$ 1,150,028	\$ 93,173	8%	\$ 1,243,201	\$ 1,169,038	\$ 74,163	6%	
Paratransit Fares	\$ 20,741	\$ 20,800	\$ (59)	0%	\$ 75,194	\$ 83,200	\$ (8,006)	-10%	\$ 75,194	\$ 76,721	\$ (1,527)	-2%	
Special Transit Fares	\$ 309,839	\$ 235,271	\$ 74,568	32%	\$ 601,345	\$ 941,084	\$ (339,739)	-36%	\$ 601,345	\$ 710,501	\$ (109,156)	-15%	
Highway 17 Fares	\$ 69,691	\$ 70,310	\$ (619)	-1%	\$ 256,479	\$ 281,240	\$ (24,761)	-9%	\$ 256,479	\$ 272,152	\$ (15,673)	-6%	
Highway 17 Payments	\$ 34,490	\$ 38,544	\$ (4,054)	-11%	\$ 160,670	\$ 154,176	\$ 6,494	4%	\$ 160,670	\$ 149,251	\$ 11,419	8%	
Subtotal Passenger Revenue	\$ 758,812	\$ 652,432	\$ 106,380	16%	\$ 2,336,889	\$ 2,609,728	\$ (272,839)	-10%	\$ 2,336,889	\$ 2,377,663	\$ (40,774)	-2%	1
Commissions	\$ 575	\$ 500	\$ 75	15%	\$ 2,036	\$ 2,000	\$ 36	2%	\$ 2,036	\$ 2,120	\$ (84)	-4%	
Advertising Income	\$ 36,021	\$ 12,083	\$ 23,938	198%	\$ 101,190	\$ 48,332	\$ 52,858	109%	\$ 101,190	\$ 96,045	\$ 5,145	5%	2
Rent Income - SC Pacific Station	\$ 12,186	\$ 7,087	\$ 5,099	72%	\$ 28,218	\$ 28,348	\$ (130)	0%	\$ 28,218	\$ 29,038	\$ (820)	-3%	
Rent Income - Watsonville TC	\$ 2,778	\$ 4,124	\$ (1,346)	-33%	\$ 15,187	\$ 16,496	\$ (1,309)	-8%	\$ 15,187	\$ 17,843	\$ (2,656)	-15%	
Rent Income - General	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ 4,800	\$ (4,800)	-100%	
Interest Income	\$ 55,342	\$ 89,667	\$ (34,325)	-38%	\$ 342,479	\$ 358,668	\$ (16,189)	-5%	\$ 342,479	\$ 433,847	\$ (91,368)	-21%	
Other Non-Transp Revenue	\$ 1,137	\$ 23,583	\$ (22,446)	-95%	\$ 52,043	\$ 94,332	\$ (42,289)	-45%	\$ 52,043	\$ 145,511	\$ (93,468)	-64%	3
Sales Tax Revenue	\$ 1,286,400	\$ 1,468,704	\$ (182,304)	-12%	\$ 5,733,840	\$ 5,874,816	\$ (140,976)	-2%	\$ 5,733,840	\$ 5,421,591	\$ 312,249	6%	4
Transp Dev Act (TDA) - Op Asst	\$ -	\$ -	\$ -	0%	\$ 1,590,509	\$ 1,615,509	\$ (25,000)	-2%	\$ 1,590,509	\$ 1,470,209	\$ 120,300	8%	
FTA Sec 5307 - Op Asst	\$ 3,153,552	\$ -	\$ 3,153,552	0%	\$ 3,153,552	\$ 3,153,552	\$ -	0%	\$ 3,153,552	\$ -	\$ 3,153,552	0%	
Repay FTA Advance	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
FTA Sec 5311 - Rural Op Asst	\$ -	\$ -	\$ -	0%	\$ -	\$ 149,335	\$ (149,335)	-100%	\$ -	\$ 168,582	\$ (168,582)	-100%	5
Transfer from Capital/Proj Mgr	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
Subtotal Revenue	\$ 5,306,803	\$ 2,258,180	\$ 3,048,623	135%	\$ 13,355,943	\$ 13,951,116	\$ (595,173)	-4%	\$ 13,355,943	\$ 10,167,249	\$ 3,188,694	31%	
One-Time Revenue													
Carryover from Previous Year	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
Transfer from Insurance Reserves	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
FTA Sec 5317 - Op Assistance	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
AMBAG Funding	\$ (3,169)	\$ -	\$ (3,169)	0%	\$ (3,169)	\$ -	\$ (3,169)	0%	\$ (3,169)	\$ -	\$ (3,169)	0%	6
Subtotal One-Time Revenue	\$ (3,169)	\$ -	\$ (3,169)	0%	\$ (3,169)	\$ -	\$ (3,169)	0%	\$ (3,169)	\$ -	\$ (3,169)	0%	
Total Operating Revenue	\$ 5,303,634	\$ 2,258,180	\$ 3,045,454	135%	\$ 13,352,774	\$ 13,951,116	\$ (598,342)	-4%	\$ 13,352,774	\$ 10,167,249	\$ 3,185,525	31%	
Total Operating Expenses	\$ -	\$ -	\$ -	0%	\$ 8,048,780	\$ -	\$ 8,048,780	0%	\$ 8,048,780	\$ 10,821,804	\$ 2,773,024	34%	
Variance	\$ 5,303,634	\$ -	\$ 5,303,634	0%	\$ 5,303,994	\$ -	\$ 5,303,994	0%	\$ 5,303,994	\$ (654,555)	\$ 5,958,549	112%	

Current Period - YTD Notes:

- 1) Passenger Revenue is below budget for the month and YTD due to straight lining of the budget. YTD Year over Year Comparison is slightly lower.
- 2) Advertising Income is over budget for the month and YTD due to more ad revenue than budgeted.
- 3) Other Non-Transp Revenue is behind for the month and YTD due to UTU PERS reimbursement from the County which is collected on a qtrly basis.
- 4) Sales Tax Revenue is below budget for the month to YTD due to the qtrly true-up from the State. YTD Year over year, we are 6% ahead of FY07 collections.
- 5) FTA Sec 5311 - Rural Op Asst is below budget for the month and year to date due to delay in application being submitted to CalTrans.

5-2-a1

Attachment A

FY2008
Operating Revenue
For the month ending - October 31, 2007

Percent of Year Elapsed - 33%

<u>Revenue Source</u>	<u>Current Period</u>				<u>Year to Date</u>				<u>YTD Year Over Year Comparison</u>				
	<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>Actual</u> <u>FY08</u>	<u>FY07</u>	<u>\$ Var</u>	<u>% Var</u>	<u>Notes</u>
6) AMBAG Funding - Credit from FY07 erroneous payout from Monterey Bay Transit Planning Rotational Interns.													

5-2.02

FY2008
Operating Expenses by Department
For the month ending - October 31, 2007

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual FY08	FY07	\$ Var	% Var	
Departmental Personnel Expenses													
700 - SCCIC	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
1100 - Administration	\$ 77,416	\$ 86,009	\$ (8,593)	-10%	\$ 293,932	\$ 344,036	\$ (50,104)	-15%	\$ 293,932	\$ 287,150	\$ 6,782	2%	
1200 - Finance	\$ 47,654	\$ 51,760	\$ (4,106)	-8%	\$ 179,145	\$ 207,040	\$ (27,895)	-13%	\$ 179,145	\$ 145,694	\$ 33,451	23%	
1300 - Customer Service	\$ 34,860	\$ 43,127	\$ (8,267)	-19%	\$ 135,657	\$ 172,508	\$ (36,851)	-21%	\$ 135,657	\$ 126,408	\$ 9,249	7%	
1400 - Human Resources	\$ 42,074	\$ 49,317	\$ (7,243)	-15%	\$ 157,617	\$ 197,268	\$ (39,651)	-20%	\$ 157,617	\$ 123,014	\$ 34,603	28%	
1500 - Information Technology	\$ 41,400	\$ 41,121	\$ 279	1%	\$ 161,375	\$ 164,484	\$ (3,109)	-2%	\$ 161,375	\$ 145,068	\$ 16,307	11%	
1700 - District Counsel	\$ 35,422	\$ 38,234	\$ (2,812)	-7%	\$ 126,601	\$ 152,936	\$ (26,335)	-17%	\$ 126,601	\$ 121,650	\$ 4,951	4%	
1800 - Risk Management	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
2200 - Facilities Maintenance	\$ 69,430	\$ 85,692	\$ (16,262)	-19%	\$ 276,940	\$ 342,768	\$ (65,828)	-19%	\$ 276,940	\$ 298,784	\$ (21,844)	-7%	
3100 - Paratransit Program	\$ 228,266	\$ 251,796	\$ (23,530)	-9%	\$ 876,812	\$ 1,007,184	\$ (130,372)	-13%	\$ 876,812	\$ 879,205	\$ (2,393)	0%	
3200 - Operations	\$ 162,343	\$ 178,655	\$ (16,312)	-9%	\$ 642,311	\$ 714,620	\$ (72,309)	-10%	\$ 642,311	\$ 633,463	\$ 8,848	1%	
3300 - Bus Operators	\$ 1,147,050	\$ 1,153,142	\$ (6,092)	-1%	\$ 4,056,378	\$ 4,612,568	\$ (556,190)	-12%	\$ 4,056,378	\$ 4,116,100	\$ (59,722)	-1%	
4100 - Fleet Maintenance	\$ 335,957	\$ 347,444	\$ (11,487)	-3%	\$ 1,265,532	\$ 1,389,776	\$ (124,244)	-9%	\$ 1,265,532	\$ 1,126,653	\$ 138,879	12%	
9001 - Cobra Benefits	\$ 984	\$ -	\$ 984	0%	\$ 3,994	\$ -	\$ 3,994	0%	\$ 3,994	\$ (38)	\$ 4,032	-10611%	
9005 - Retired Employee Benefits	\$ 119,985	\$ 144,500	\$ (24,515)	-17%	\$ 478,078	\$ 578,000	\$ (99,922)	-17%	\$ 478,078	\$ 466,893	\$ 11,185	2%	
Additional Operating Programs	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
Subtotal Personnel Expenses	\$ 2,342,841	\$ 2,470,797	\$ (127,956)	-5%	\$ 8,654,372	\$ 9,883,188	\$ (1,228,816)	-12%	\$ 8,654,372	\$ 8,470,044	\$ 184,328	2%	
Departmental Non-Personnel Expenses													
700 - SCCIC	\$ -	\$ 42	\$ (42)	-100%	\$ 260	\$ 168	\$ 92	55%	\$ 260	\$ 20	\$ 240	1200%	
1100 - Administration	\$ 69,737	\$ 72,853	\$ (3,116)	-4%	\$ 234,571	\$ 291,412	\$ (56,841)	-20%	\$ 234,571	\$ 252,052	\$ (17,481)	-7%	
1200 - Finance	\$ 77,874	\$ 68,287	\$ 9,587	14%	\$ 254,851	\$ 273,148	\$ (18,297)	-7%	\$ 254,851	\$ 166,297	\$ 88,554	53%	
1300 - Customer Service	\$ 3,612	\$ 9,726	\$ (6,114)	-63%	\$ 22,573	\$ 38,904	\$ (16,331)	-42%	\$ 22,573	\$ 25,710	\$ (3,137)	-12%	
1400 - Human Resources	\$ 1,758	\$ 8,131	\$ (6,373)	-78%	\$ 12,730	\$ 32,524	\$ (19,794)	-61%	\$ 12,730	\$ 31,100	\$ (18,370)	-59%	
1500 - Information Technology	\$ 10,249	\$ 13,268	\$ (3,019)	-23%	\$ 43,378	\$ 53,072	\$ (9,694)	-18%	\$ 43,378	\$ 52,133	\$ (8,755)	-17%	
1700 - District Counsel	\$ 1,010	\$ 1,512	\$ (502)	-33%	\$ 7,585	\$ 6,048	\$ 1,537	25%	\$ 7,585	\$ 5,406	\$ 2,179	40%	
1800 - Risk Management	\$ 920	\$ 20,656	\$ (19,736)	-96%	\$ 12,106	\$ 82,624	\$ (70,518)	-85%	\$ 12,106	\$ 30,704	\$ (18,598)	-61%	
2200 - Facilities Maintenance	\$ 44,304	\$ 44,532	\$ (228)	-1%	\$ 145,888	\$ 178,128	\$ (32,240)	-18%	\$ 145,888	\$ 116,188	\$ 29,700	26%	
3100 - Paratransit Program	\$ 83,927	\$ 64,048	\$ 19,879	31%	\$ 294,083	\$ 256,192	\$ 37,891	15%	\$ 294,083	\$ 207,400	\$ 86,683	42%	
3200 - Operations	\$ 46,431	\$ 53,692	\$ (7,261)	-14%	\$ 168,527	\$ 214,768	\$ (46,241)	-22%	\$ 168,527	\$ 210,067	\$ (41,540)	-20%	
3300 - Bus Operators	\$ -	\$ 750	\$ (750)	-100%	\$ 1,353	\$ 3,000	\$ (1,647)	-55%	\$ 1,353	\$ 474	\$ 879	185%	
4100 - Fleet Maintenance	\$ 362,992	\$ 403,205	\$ (40,213)	-10%	\$ 1,242,732	\$ 1,612,820	\$ (370,088)	-23%	\$ 1,242,732	\$ 1,254,207	\$ (11,475)	-1%	
9001 - Cobra Benefits	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
9005 - Retired Employee Benefits	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
Additional Operating Programs	\$ -	\$ -	\$ -	0%	\$ (575)	\$ -	\$ (575)	0%	\$ (575)	\$ -	\$ (575)	0%	
Subtotal Non-Personnel Expenses	\$ 702,814	\$ 760,702	\$ (57,888)	-8%	\$ 2,440,062	\$ 3,042,808	\$ (602,746)	-20%	\$ 2,440,062	\$ 2,351,758	\$ 88,304	4%	

5-2.03

FY2008
Operating Expenses by Department
For the month ending - October 31, 2007

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes	
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual	FY07	\$ Var	% Var		
Total Departmental Expenses														
700 - SCCIC	\$ -	\$ 42	\$ (42)	-100%	\$ 260	\$ 168	\$ 92	55%	\$ 260	\$ 20	\$ 240	1200%		
1100 - Administration	\$ 147,153	\$ 158,862	\$ (11,709)	-7%	\$ 528,503	\$ 635,448	\$ (106,945)	-17%	\$ 528,503	\$ 539,202	\$ (10,699)	-2%	1	
1200 - Finance	\$ 125,528	\$ 120,047	\$ 5,481	5%	\$ 433,996	\$ 480,188	\$ (46,192)	-10%	\$ 433,996	\$ 311,991	\$ 122,005	39%		
1300 - Customer Service	\$ 38,472	\$ 52,853	\$ (14,381)	-27%	\$ 158,230	\$ 211,412	\$ (53,182)	-25%	\$ 158,230	\$ 152,118	\$ 6,112	4%		
1400 - Human Resources	\$ 43,832	\$ 57,448	\$ (13,616)	-24%	\$ 170,347	\$ 229,792	\$ (59,445)	-26%	\$ 170,347	\$ 154,114	\$ 16,233	11%		
1500 - Information Technology	\$ 51,649	\$ 54,389	\$ (2,740)	-5%	\$ 204,753	\$ 217,556	\$ (12,803)	-6%	\$ 204,753	\$ 197,201	\$ 7,552	4%		
1700 - District Counsel	\$ 36,432	\$ 39,746	\$ (3,314)	-8%	\$ 134,186	\$ 158,984	\$ (24,798)	-16%	\$ 134,186	\$ 127,056	\$ 7,130	6%		
1800 - Risk Management	\$ 920	\$ 20,656	\$ (19,736)	-96%	\$ 12,106	\$ 82,624	\$ (70,518)	-85%	\$ 12,106	\$ 30,704	\$ (18,598)	-61%		
2200 - Facilities Maintenance	\$ 113,734	\$ 130,224	\$ (16,490)	-13%	\$ 422,828	\$ 520,896	\$ (98,068)	-19%	\$ 422,828	\$ 414,972	\$ 7,856	2%	2	
3100 - Paratransit Program	\$ 312,193	\$ 315,844	\$ (3,651)	-1%	\$ 1,170,895	\$ 1,263,376	\$ (92,481)	-7%	\$ 1,170,895	\$ 1,086,605	\$ 84,290	8%	3	
3200 - Operations	\$ 208,774	\$ 232,347	\$ (23,573)	-10%	\$ 810,838	\$ 929,388	\$ (118,550)	-13%	\$ 810,838	\$ 843,530	\$ (32,692)	-4%	4	
3300 - Bus Operators	\$ 1,147,050	\$ 1,153,892	\$ (6,842)	-1%	\$ 4,057,731	\$ 4,615,568	\$ (557,837)	-12%	\$ 4,057,731	\$ 4,116,574	\$ (58,843)	-1%	5	
4100 - Fleet Maintenance	\$ 698,949	\$ 750,649	\$ (51,700)	-7%	\$ 2,508,264	\$ 3,002,596	\$ (494,332)	-16%	\$ 2,508,264	\$ 2,380,860	\$ 127,404	5%	6	
9001 - Cobra Benefits	\$ 984	\$ -	\$ 984	0%	\$ 3,994	\$ -	\$ 3,994	0%	\$ 3,994	\$ (38)	\$ 4,032	-10611%		
9005 - Retired Employee Benefits	\$ 119,985	\$ 144,500	\$ (24,515)	-17%	\$ 478,078	\$ 578,000	\$ (99,922)	-17%	\$ 478,078	\$ 466,893	\$ 11,185	2%	7	
Additional Operating Programs	\$ -	\$ -	\$ -	0%	\$ (575)	\$ -	\$ (575)	0%	\$ (575)	\$ -	\$ (575)	0%		
Total Operating Expenses	\$ 3,045,655	\$ 3,231,499	\$ (185,844)	-6%	\$ 11,094,434	\$ 12,925,996	\$ (1,831,562)	-14%	\$ 11,094,434	\$ 10,821,802	\$ 272,632	3%		

Current Period Notes:

- Administration** is under budget due an annual contract paid for in FY07 and Labor negotiations not starting until the March 2009 time frame.
- Facilities Maintenance** is under budget due to not being at full complement, equipment is typically paid qtrly or annually on contracts
The budget was straight lined since we can not anticipate when these repair costs will be incurred.
- Paratransit Program** is under budget due to not being at full complement and not incurring services from the Orthopedic Hospital Recertification.
- Operations** is under budget due to not being at full complement and security expenses lower than anticipated.
- Bus Operators** is under budget due to not being at full complement.
- Fleet Maintenance** is under budget due to not being at full complement, fuel costs below estimates, repairs to district property collected to off set fleet repair expenses, and the return of 110 rent check due to us buying the facility effective 08/01/07.
- Retired Employee Benefits** is under budget due to the budget being straight lined. Increase will happen in Jan 2008.

5-2.04

FY2008
Consolidated Operating Expenses
For the month ending - October 31, 2007

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual FY08	FY07	\$ Var	% Var	
LABOR													
501011 Bus Operator Pay	\$ 677,819	\$ 687,597	\$ (9,778)	-1%	\$ 2,426,683	\$ 2,750,388	\$ (323,705)	-12%	\$ 2,426,683	\$ 2,295,374	\$ 131,309	6%	
501013 Bus Operator Overtime	\$ 145,404	\$ 102,083	\$ 43,321	42%	\$ 393,122	\$ 408,332	\$ (15,210)	-4%	\$ 393,122	\$ 399,594	\$ (6,472)	-2%	
501021 Other Salaries	\$ 540,805	\$ 541,357	\$ (552)	0%	\$ 1,990,721	\$ 2,165,428	\$ (174,707)	-8%	\$ 1,990,721	\$ 1,803,923	\$ 186,798	10%	
501023 Other Overtime	\$ 22,951	\$ 19,684	\$ 3,267	17%	\$ 94,138	\$ 78,736	\$ 15,402	20%	\$ 94,138	\$ 74,198	\$ 19,940	27%	
Total Labor -	\$ 1,386,979	\$ 1,350,721	\$ 36,258	3%	\$ 4,904,664	\$ 5,402,884	\$ (498,220)	-9%	\$ 4,904,664	\$ 4,573,089	\$ 331,575	7%	
FRINGE BENEFITS													
502011 Medicare/Soc. Sec.	\$ 18,340	\$ 20,139	\$ (1,799)	-9%	\$ 66,927	\$ 80,556	\$ (13,629)	-17%	\$ 66,927	\$ 59,846	\$ 7,081	12%	
502021 Retirement	\$ 175,990	\$ 185,973	\$ (9,983)	-5%	\$ 665,902	\$ 743,892	\$ (77,990)	-10%	\$ 665,902	\$ 573,125	\$ 92,777	16%	
502031 Medical Insurance	\$ 365,935	\$ 438,530	\$ (72,595)	-17%	\$ 1,489,828	\$ 1,754,120	\$ (264,292)	-15%	\$ 1,489,828	\$ 1,647,900	\$ (158,072)	-10%	
502041 Dental Insurance	\$ 40,230	\$ 40,928	\$ (698)	-2%	\$ 152,834	\$ 163,712	\$ (10,878)	-7%	\$ 152,834	\$ 148,154	\$ 4,680	3%	
502045 Vision Insurance	\$ 10,974	\$ 11,336	\$ (362)	-3%	\$ 43,277	\$ 45,344	\$ (2,067)	-5%	\$ 43,277	\$ 53,627	\$ (10,350)	-19%	
502051 Life Insurance	\$ 3,930	\$ 4,414	\$ (484)	-11%	\$ 11,747	\$ 17,656	\$ (5,909)	-33%	\$ 11,747	\$ 16,109	\$ (4,362)	-27%	
502060 State Disability	\$ 10,868	\$ 30,599	\$ (19,731)	-64%	\$ 36,703	\$ 122,396	\$ (85,693)	-70%	\$ 36,703	\$ 62,965	\$ (26,262)	-42%	
502061 Disability Insurance	\$ 17,357	\$ 15,926	\$ 1,431	9%	\$ 67,905	\$ 63,704	\$ 4,201	7%	\$ 67,905	\$ 59,192	\$ 8,713	15%	
502071 State Unemp. Ins	\$ 567	\$ 8,019	\$ (7,452)	-93%	\$ 2,050	\$ 32,076	\$ (30,026)	-94%	\$ 2,050	\$ 2,008	\$ 42	2%	
502081 Worker's Comp Ins	\$ 130,273	\$ 116,390	\$ 13,883	12%	\$ 327,823	\$ 465,560	\$ (137,737)	-30%	\$ 327,823	\$ 462,224	\$ (134,401)	-29%	
502083 Worker's Comp IBNR			\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
502101 Holiday Pay	\$ 2,456	\$ 28,652	\$ (26,196)	-91%	\$ 54,637	\$ 114,608	\$ (59,971)	-52%	\$ 54,637	\$ 53,277	\$ 1,360	3%	
502103 Floating Holiday	\$ 1,299	\$ 5,467	\$ (4,168)	-76%	\$ 10,276	\$ 21,868	\$ (11,592)	-53%	\$ 10,276	\$ 11,002	\$ (726)	-7%	
502109 Sick Leave	\$ 45,506	\$ 63,400	\$ (17,894)	-28%	\$ 195,117	\$ 253,600	\$ (58,483)	-23%	\$ 195,117	\$ 132,872	\$ 62,245	47%	
502111 Annual Leave	\$ 113,660	\$ 125,133	\$ (11,473)	-9%	\$ 553,602	\$ 500,532	\$ 53,070	11%	\$ 553,602	\$ 601,898	\$ (48,296)	-8%	
502121 Other Paid Absence	\$ 10,047	\$ 13,692	\$ (3,645)	-27%	\$ 33,292	\$ 54,768	\$ (21,476)	-39%	\$ 33,292	\$ 59,155	\$ (25,863)	-44%	
502251 Physical Exams	\$ 132	\$ 3,019	\$ (2,887)	-96%	\$ 1,122	\$ 12,076	\$ (10,954)	-91%	\$ 1,122	\$ 2,310	\$ (1,188)	-51%	
502253 Driver Lic Renewal	\$ 190	\$ 433	\$ (243)	-56%	\$ 546	\$ 1,732	\$ (1,186)	-68%	\$ 546	\$ 721	\$ (175)	-24%	
502999 Other Fringe Benefits	\$ 8,108	\$ 8,027	\$ 81	1%	\$ 36,123	\$ 32,108	\$ 4,015	13%	\$ 36,123	\$ (49,431)	\$ 85,554	-173%	
Total Fringe Benefits -	\$ 955,862	\$ 1,120,077	\$ (164,215)	-15%	\$ 3,749,711	\$ 4,480,308	\$ (730,597)	-16%	\$ 3,749,711	\$ 3,896,954	\$ (147,243)	-4%	
Total Personnel Expenses -	\$ 2,342,841	\$ 2,470,798	\$ (127,957)	-5%	\$ 8,654,375	\$ 9,883,192	\$ (1,228,817)	-12%	\$ 8,654,375	\$ 8,470,043	\$ 184,332	2%	1

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FY2008
Consolidated Operating Expenses
For the month ending - October 31, 2007

	Current Period				Year to Date				YTD Year Over Year Comparison				
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	FY08 Actual	FY07	\$ Var	% Var	Notes
SERVICES													
503011 Acctg & Audit Fees	\$ -	\$ 8,354	\$ (8,354)	-100%	\$ 21,486	\$ 33,416	\$ (11,930)	-36%	\$ 21,486	\$ 17,400	\$ 4,086	23%	
503012 Admin & Bank Fees	\$ 786	\$ 19,669	\$ (18,883)	-96%	\$ 43,644	\$ 78,676	\$ (35,032)	-45%	\$ 43,644	\$ 38,224	\$ 5,420	14%	
503031 Prof & Tech Fees	\$ 32,321	\$ 32,126	\$ 195	1%	\$ 64,319	\$ 128,504	\$ (64,185)	-50%	\$ 64,319	\$ 84,968	\$ (20,649)	-24%	2
503032 Legislative Services	\$ 7,500	\$ 8,084	\$ (584)	-7%	\$ 30,470	\$ 32,336	\$ (1,866)	-6%	\$ 30,470	\$ 30,775	\$ (305)	-1%	
503033 Legal Services	\$ -	\$ 4,306	\$ (4,306)	-100%	\$ 74	\$ 17,224	\$ (17,150)	-100%	\$ 74	\$ 1,061	\$ (987)	-93%	
503034 Pre-Employ Exams	\$ 916	\$ 2,083	\$ (1,167)	-56%	\$ 4,598	\$ 8,332	\$ (3,734)	-45%	\$ 4,598	\$ 5,986	\$ (1,388)	-23%	
503041 Temp Help	\$ 7,725	\$ 1,375	\$ 6,350	462%	\$ 44,737	\$ 5,500	\$ 39,237	713%	\$ 44,737	\$ 20,349	\$ 24,388	120%	3
503161 Custodial Services	\$ 6,355	\$ 6,120	\$ 235	4%	\$ 22,233	\$ 24,480	\$ (2,247)	-9%	\$ 22,233	\$ 20,955	\$ 1,278	6%	
503162 Uniform & Laundry	\$ 3,001	\$ 3,743	\$ (742)	-20%	\$ 13,670	\$ 14,972	\$ (1,302)	-9%	\$ 13,670	\$ 12,738	\$ 932	7%	
503171 Security Services	\$ 28,973	\$ 36,994	\$ (8,021)	-22%	\$ 110,067	\$ 147,976	\$ (37,909)	-26%	\$ 110,067	\$ 152,828	\$ (42,761)	-28%	4
503221 Classified/Legal Ads	\$ 369	\$ 2,383	\$ (2,014)	-85%	\$ 4,049	\$ 9,532	\$ (5,483)	-58%	\$ 4,049	\$ 6,951	\$ (2,902)	-42%	
503222 Legal Advertising	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
503225 Graphic Services	\$ -	\$ 1,717	\$ (1,717)	-100%	\$ -	\$ 6,868	\$ (6,868)	-100%	\$ -	\$ 7,970	\$ (7,970)	-100%	
503351 Repair - Bldg & Impr	\$ 6,478	\$ 3,542	\$ 2,936	83%	\$ 19,455	\$ 14,168	\$ 5,287	37%	\$ 19,455	\$ 16,939	\$ 2,516	15%	
503352 Repair - Equipment	\$ 14,132	\$ 26,236	\$ (12,104)	-46%	\$ 48,041	\$ 104,944	\$ (56,903)	-54%	\$ 48,041	\$ 49,056	\$ (1,015)	-2%	5
503353 Repair - Rev Vehicle	\$ 31,392	\$ 24,255	\$ 7,137	29%	\$ 108,207	\$ 97,020	\$ 11,187	12%	\$ 108,207	\$ 107,831	\$ 376	0%	
503354 Repair - Non Rev Vehicle	\$ 1,159	\$ 4,652	\$ (3,493)	-75%	\$ 5,292	\$ 18,608	\$ (13,316)	-72%	\$ 5,292	\$ 12,777	\$ (7,485)	-59%	
503363 Haz Mat Disposal	\$ 802	\$ 2,042	\$ (1,240)	-61%	\$ 9,892	\$ 8,168	\$ 1,724	21%	\$ 9,892	\$ 10,218	\$ (326)	-3%	
Total Services -	\$ 141,909	\$ 187,681	\$ (45,772)	-24%	\$ 550,234	\$ 750,724	\$ (200,490)	-27%	\$ 550,234	\$ 597,026	\$ (46,792)	-8%	
MOBILE MATERIALS AND SUPPLIES													
504011 Fuels & Lube Non Rev Veh	\$ 8,312	\$ 10,226	\$ (1,914)	-19%	\$ 46,506	\$ 40,904	\$ 5,602	14%	\$ 46,506	\$ 32,693	\$ 13,813	42%	
504012 Fuels & Lube Rev Veh	\$ 216,448	\$ 269,649	\$ (53,201)	-20%	\$ 702,421	\$ 1,078,596	\$ (376,175)	-35%	\$ 702,421	\$ 679,456	\$ 22,965	3%	6
504021 Tires & Tubes	\$ 14,397	\$ 18,700	\$ (4,303)	-23%	\$ 66,261	\$ 74,800	\$ (8,539)	-11%	\$ 66,261	\$ 63,445	\$ 2,816	4%	
504161 Other Mobile Supplies	\$ 33	\$ 667	\$ (634)	-95%	\$ 1,372	\$ 2,668	\$ (1,296)	-49%	\$ 1,372	\$ 4,717	\$ (3,345)	-71%	
504191 Rev Vehicle Parts	\$ 61,252	\$ 56,800	\$ 4,452	8%	\$ 252,466	\$ 227,200	\$ 25,266	11%	\$ 252,466	\$ 250,443	\$ 2,023	1%	
Total Mobile Materials & Supplies -	\$ 300,442	\$ 356,042	\$ (55,600)	-16%	\$ 1,069,026	\$ 1,424,168	\$ (355,142)	-25%	\$ 1,069,026	\$ 1,030,754	\$ 38,272	4%	

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FY2008
Consolidated Operating Expenses
For the month ending - October 31, 2007

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual FY08	FY07	\$ Var	% Var	
<u>OTHER MATERIALS & SUPPLIES</u>													
504205 Freight Out	\$ 162	\$ 412	\$ (250)	-61%	\$ 807	\$ 1,648	\$ (841)	-51%	\$ 807	\$ 941	\$ (134)	-14%	
504211 Postage & Mailing	\$ 289	\$ 1,867	\$ (1,578)	-85%	\$ 4,798	\$ 7,468	\$ (2,670)	-36%	\$ 4,798	\$ 4,626	\$ 172	4%	
504214 Promotional Items	\$ -	\$ 2	\$ (2)	-100%	\$ -	\$ 8	\$ (8)	-100%	\$ -	\$ -	\$ -	0%	
504215 Printing	\$ 1,076	\$ 7,401	\$ (6,325)	-85%	\$ 17,531	\$ 29,604	\$ (12,073)	-41%	\$ 17,531	\$ 14,111	\$ 3,420	24%	
504217 Photo Supply/Processing	\$ 216	\$ 754	\$ (538)	-71%	\$ 407	\$ 3,016	\$ (2,609)	-87%	\$ 407	\$ 3,372	\$ (2,965)	-88%	
504311 Office Supplies	\$ 4,217	\$ 7,184	\$ (2,967)	-41%	\$ 34,573	\$ 28,736	\$ 5,837	20%	\$ 34,573	\$ 26,627	\$ 7,946	30%	
504315 Safety Supplies	\$ 1,626	\$ 1,521	\$ 105	7%	\$ 9,581	\$ 6,084	\$ 3,497	57%	\$ 9,581	\$ 2,834	\$ 6,747	238%	
504317 Cleaning Supplies	\$ 945	\$ 4,090	\$ (3,145)	-77%	\$ 12,154	\$ 16,360	\$ (4,206)	-26%	\$ 12,154	\$ 10,875	\$ 1,279	12%	
504409 Repair/Maint Supplies	\$ 2,923	\$ 3,750	\$ (827)	-22%	\$ 12,291	\$ 15,000	\$ (2,709)	-18%	\$ 12,291	\$ 11,710	\$ 581	5%	
504421 Non-Inventory Parts	\$ 5,115	\$ 3,605	\$ 1,510	42%	\$ 15,866	\$ 14,420	\$ 1,446	10%	\$ 15,866	\$ 12,225	\$ 3,641	30%	
504511 Small Tools	\$ 1,579	\$ 824	\$ 755	92%	\$ 2,559	\$ 3,296	\$ (737)	-22%	\$ 2,559	\$ 1,786	\$ 773	43%	
504515 Employee Tool Rplcmt	\$ 401	\$ 215	\$ 186	87%	\$ 509	\$ 860	\$ (351)	-41%	\$ 509	\$ 702	\$ (193)	-27%	
Total Other Materials & Supplies -	\$ 18,549	\$ 31,625	\$ (13,076)	-41%	\$ 111,076	\$ 126,500	\$ (15,424)	-12%	\$ 111,076	\$ 89,809	\$ 21,267	24%	
<u>UTILITIES</u>													
505011 Gas & Electric	\$ 23,056	\$ 15,151	\$ 7,905	52%	\$ 63,054	\$ 60,604	\$ 2,450	4%	\$ 63,054	\$ 55,626	\$ 7,428	13%	
505021 Water & Garbage	\$ 7,607	\$ 9,274	\$ (1,667)	-18%	\$ 40,570	\$ 37,096	\$ 3,474	9%	\$ 40,570	\$ 33,832	\$ 6,738	20%	
505031 Telecommunications	\$ 7,397	\$ 8,021	\$ (624)	-8%	\$ 28,622	\$ 32,084	\$ (3,462)	-11%	\$ 28,622	\$ 25,205	\$ 3,417	14%	
Total Utilities -	\$ 38,060	\$ 32,446	\$ 5,614	17%	\$ 132,246	\$ 129,784	\$ 2,462	2%	\$ 132,246	\$ 114,663	\$ 17,583	15%	
<u>CASUALTY & LIABILITY</u>													
506011 Insurance - Property	\$ 7,657	\$ 4,678	\$ 2,979	64%	\$ 12,193	\$ 18,712	\$ (6,519)	-35%	\$ 12,193	\$ 9,707	\$ 2,486	26%	
506015 Insurance - PL & PD	\$ 68,723	\$ 35,000	\$ 33,723	96%	\$ 137,447	\$ 140,000	\$ (2,553)	-2%	\$ 137,447	\$ 168,432	\$ (30,985)	-18%	7
506021 Insurance - Other	\$ 119	\$ 151	\$ (32)	-21%	\$ 948	\$ 604	\$ 344	57%	\$ 948	\$ 237	\$ 711	300%	
506123 Settlement Costs	\$ 835	\$ 12,500	\$ (11,665)	-93%	\$ 11,832	\$ 50,000	\$ (38,168)	-76%	\$ 11,832	\$ 9,736	\$ 2,096	22%	
506127 Repairs - Dist Prop	\$ (156)	\$ -	\$ (156)	0%	\$ (3,622)	\$ -	\$ (3,622)	0%	\$ (3,622)	\$ (79,177)	\$ 75,555	-95%	
Total Casualty & Liability -	\$ 77,178	\$ 52,329	\$ 24,849	47%	\$ 158,798	\$ 209,316	\$ (50,518)	-24%	\$ 158,798	\$ 108,935	\$ 49,863	46%	
<u>TAXES</u>													
507051 Fuel Tax	\$ 1,915	\$ 888	\$ 1,027	116%	\$ 3,586	\$ 3,552	\$ 34	1%	\$ 3,586	\$ 5,732	\$ (2,146)	-37%	
507201 Licenses & permits	\$ 735	\$ 980	\$ (245)	-25%	\$ 2,014	\$ 3,920	\$ (1,906)	-49%	\$ 2,014	\$ 3,918	\$ (1,904)	-49%	
507999 Other Taxes	\$ 12,430	\$ 2,058	\$ 10,372	504%	\$ 13,641	\$ 8,232	\$ 5,409	66%	\$ 13,641	\$ 3,335	\$ 10,306	309%	
Total Utilities -	\$ 15,080	\$ 3,926	\$ 11,154	284%	\$ 19,241	\$ 15,704	\$ 3,537	23%	\$ 19,241	\$ 12,985	\$ 6,256	48%	

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FY2008
Consolidated Operating Expenses
For the month ending - October 31, 2007

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual		\$ Var	% Var	
									FY08	FY07			
<u>PURCHASED TRANSPORTATION</u>													
503406 Contr/Paratrans	\$ 40,971	\$ 16,667	\$ 24,304	146%	\$ 128,781	\$ 66,668	\$ 62,113	93%	\$ 128,781	\$ 57,140	\$ 71,641	125%	8
Total Purchased Transportation -	\$ 40,971	\$ 16,667	\$ 24,304	146%	\$ 128,781	\$ 66,668	\$ 62,113	93%	\$ 128,781	\$ 57,140	\$ 71,641	125%	
<u>MISC</u>													
509011 Dues & Subscriptions	\$ 1,494	\$ 4,768	\$ (3,274)	-69%	\$ 7,256	\$ 19,072	\$ (11,816)	-62%	\$ 7,256	\$ 42,035	\$ (34,779)	-83%	
509085 Advertising - Rev Product	\$ -	\$ 1,250	\$ (1,250)	-100%	\$ -	\$ 5,000	\$ (5,000)	-100%	\$ -	\$ -	\$ -	0%	
509101 Emp Incentive Prog	\$ 250	\$ 485	\$ (235)	-48%	\$ 463	\$ 1,940	\$ (1,477)	-76%	\$ 463	\$ 146	\$ 317	217%	
509121 Employee Training	\$ 5	\$ 1,625	\$ (1,620)	-100%	\$ 4,979	\$ 6,500	\$ (1,521)	-23%	\$ 4,979	\$ 10,073	\$ (5,094)	-51%	
509123 Travel	\$ 2,654	\$ 4,348	\$ (1,694)	-39%	\$ 11,694	\$ 17,392	\$ (5,698)	-33%	\$ 11,694	\$ 4,098	\$ 7,596	185%	
509125 Local Meeting Exp	\$ 254	\$ 529	\$ (275)	-52%	\$ 1,185	\$ 2,116	\$ (931)	-44%	\$ 1,185	\$ 2,664	\$ (1,479)	-56%	
509127 Board Director Fees	\$ 1,050	\$ 1,100	\$ (50)	-5%	\$ 4,850	\$ 4,400	\$ 450	10%	\$ 4,850	\$ 3,800	\$ 1,050	28%	
509150 Contributions	\$ -	\$ 54	\$ (54)	-100%	\$ 98	\$ 216	\$ (118)	-55%	\$ 98	\$ 240	\$ (142)	-59%	
509197 Sales Tax Expense	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ (4,349)	\$ 4,349	-100%	
509198 Cash Over/Short	\$ 36	\$ -	\$ 36	0%	\$ 88	\$ -	\$ 88	0%	\$ 88	\$ (429)	\$ 517	-121%	
Total Misc -	\$ 5,743	\$ 14,159	\$ (8,416)	-59%	\$ 30,613	\$ 56,636	\$ (26,023)	-46%	\$ 30,613	\$ 58,278	\$ (27,665)	-47%	
<u>LEASES & RENTALS</u>													
512011 Facility Rentals	\$ 64,612	\$ 59,559	\$ 5,053	8%	\$ 232,177	\$ 238,238	\$ (6,061)	-3%	\$ 232,177	\$ 255,423	\$ (23,246)	-9%	
512061 Equipment Rentals	\$ 270	\$ 6,273	\$ (6,003)	-96%	\$ 7,868	\$ 25,092	\$ (17,224)	-69%	\$ 7,868	\$ 26,748	\$ (18,880)	-71%	
Total Leases & Rentals -	\$ 64,882	\$ 65,832	\$ (950)	-1%	\$ 240,045	\$ 263,330	\$ (23,285)	-9%	\$ 240,045	\$ 282,171	\$ (42,126)	-15%	
Total Non-Personnel Expenses -	\$ 702,814	\$ 760,707	\$ (57,893)	-8%	\$ 2,440,060	\$ 3,042,830	\$ (602,770)	-20%	\$ 2,440,060	\$ 2,351,761	\$ 88,299	4%	
TOTAL OPERATING EXPENSE -	\$3,045,655	\$3,231,505	\$(185,850)	-6%	\$11,094,435	\$12,926,022	\$(1,831,587)	-14%	\$11,094,435	\$10,821,804	\$ 272,631	3%	

Current Period Notes:

- 1) **Total Personnel Expenses** are below budget due to not being at full complement.
- 2) **Prof & Tech Fees** are below budget. Negotiations for the year will not start until the March 2009 time frame.
- 3) **Temp Help** is over budget due to vacancies and work loads. This item is only budgeted in Admin.
- 4) **Security Services** are under budget due to the budget being straight lined and not knowing when additional security will be needed throughout the year.
- 5) **Repair - Equipment** is typically paid qtrly or annually on contracts. The budget was straight lined since we can not anticipate when these costs will be incurred.

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FY2008
Consolidated Operating Expenses
For the month ending - October 31, 2007

Current Period				Year to Date				YTD Year Over Year Comparison				
<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>FY08</u>	<u>FY07</u>	<u>\$ Var</u>	<u>% Var</u>	<u>Notes</u>

- 6) **Fuels & Lube Rev Veh** is under budget. The budget was built on anticipating increased fuel prices for the year.
- 7) **Insurance - PL & PD** is under budget. September *prepaid insurance* entries were inadvertently missed. True-up will happen in October.
- 8) **Contr/Paratrans** is over budget. More than budgeted rides were needed for the month and YTD.

5-2-a9

FY2008
CAPITAL BUDGET
For the month ending - October 31, 2007

	<u>YTD Actual</u>		<u>FY08 Budget</u>		<u>Remaining Budget</u>	<u>% Spent YTD</u>
<u>Grant-Funded Projects</u>						
MetroBase	\$ 1,720,623	\$	10,300,000	\$	8,579,377	17%
Purchase 1217 River Street	\$ -	\$	1,237,500	\$	1,237,500	0%
Purchase 1211 River Street	\$ -	\$	775,000	\$	775,000	0%
CNG Bus Conversions (40 Buses)	\$ 309,490	\$	6,800,000	\$	6,490,510	5%
Local Bus Replacement (8)	\$ -	\$	3,400,000	\$	3,400,000	0%
Pacific Station Project	\$ 2,428	\$	2,729,494	\$	2,727,066	0%
H17 Bus Replacement (5)	\$ -	\$	2,262,000	\$	2,262,000	0%
Hwy 17 Wireless (Air District)	\$ -	\$	42,500	\$	42,500	0%
Transmission	\$ -	\$	15,000	\$	15,000	0%
Subtotal Grant Funded Projects	\$ 2,032,541	\$	27,561,494	\$	25,528,953	7%
<u>District Funded Projects</u>						
<u>IT Projects</u>						
ATP - Hastus Run Time Analysis Program - IT/OPS	\$ -	\$	40,000	\$	40,000	0%
Qquest Time Clocks	\$ -	\$	9,000	\$	9,000	0%
ABS Financial System & Modules	\$ -	\$	8,000	\$	8,000	0%
ABS Laser Printer & Software for Checks	\$ -	\$	7,200	\$	7,200	0%
Laptops (2) Fleet & Finance	\$ 4,598	\$	4,000	\$	(598)	115%
FAS - Fixed Asset Mgmt. Software	\$ -	\$	4,000	\$	4,000	0%
Web Access Control Appliance	\$ -	\$	3,000	\$	3,000	0%
Printer - Ops	\$ -	\$	1,800	\$	1,800	0%
<u>Facilities Repair & Improvements</u>						
Bus Stop Improvements (20 total)	\$ -	\$	164,251	\$	164,251	0%
Bus Stop Improvements (China Grade Turnout) **	\$ 1,402	\$	121,000	\$	119,598	1%
Bus Shelters - LNI	\$ 42,371	\$	45,000	\$	2,629	94%
2-way Radio & Telephone Recording System (Exacom System)	\$ -	\$	30,000	\$	30,000	0%
Reseal Operations Facility Roof	\$ -	\$	25,600	\$	25,600	0%
ParaCruz Vehicle Hoist	\$ -	\$	17,500	\$	17,500	0%
Replace HVAC at ParaCruz Facility	\$ -	\$	14,500	\$	14,500	0%
Repair Parking Lots (Greyhound, Soquel Park & Ride)	\$ -	\$	5,000	\$	5,000	0%
Repair Sidewalks & Bus Lanes (Pacific Station)	\$ 4,480	\$	5,000	\$	520	90%
Cubicle Walls (ParaCruz)	\$ -	\$	10,000	\$	10,000	0%
Digital ID Card Processing Equip. for Pacific Station	\$ -	\$	15,000	\$	15,000	0%
Replace Toilets at Pacific Station & (1) Waterless	\$ -	\$	9,600	\$	9,600	0%
Bus Operators Lockers	\$ -	\$	4,800	\$	4,800	0%
Two-way Radio Portable Radio Hand-paks (4)	\$ -	\$	3,500	\$	3,500	0%
Coin Machine Replacement - Pacific Station	\$ -	\$	5,000	\$	5,000	0%
Money Counting Program - OPS	\$ -	\$	2,500	\$	2,500	0%

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FY2008
CAPITAL BUDGET
For the month ending - October 31, 2007

	<u>YTD Actual</u>	<u>FY08 Budget</u>	<u>Remaining Budget</u>	<u>% Spent YTD</u>
<u>Revenue Vehicle Replacement</u>				
Purchase ParaCruz Vans (3)	\$ -	\$ 216,303	\$ 216,303	0%
Rebuild Bus Engines (16 remaining) 1998 Fleet	\$ 31,338	\$ 168,000	\$ 136,662	19%
New John Deere Engines (2)	\$ -	\$ 76,435	\$ 76,435	0%
<u>Non-Revenue Vehicle Replacement</u>				
ParaCruz Staff Car	\$ -	\$ 20,000	\$ 20,000	0%
Facility Service Body Truck (2)	\$ -	\$ 60,000	\$ 60,000	0%
Pickup for Fleet (2)	\$ -	\$ 35,000	\$ 35,000	0%
Hybrid - Admin	\$ -	\$ 30,500	\$ 30,500	0%
Supervisor Vehicle	\$ -	\$ 29,500	\$ 29,500	0%
Shuttle Van	\$ -	\$ 27,500	\$ 27,500	0%
<u>Maint Equipment</u>				
Replace Repeater - Davenport	\$ -	\$ 15,000	\$ 15,000	0%
Wire Welder	\$ 1,649	\$ 2,039	\$ 390	81%
Forklift (Purchased from Casey Printing)	\$ 1,250	\$ 1,250	\$ -	100%
<u>Admin</u>				
Purchase & Renovation of Vernon Bldg	\$ 3,995,385	\$ 6,964,902	\$ 2,969,517	57%
<hr/>				
Subtotal District Funded Projects	\$ 4,082,473	\$ 8,201,680	\$ 4,119,207	50%
<hr/>				
TOTAL CAPITAL PROJECTS	\$ 6,115,014	\$ 35,763,174	\$ 29,648,160	17%

5-2.a.11)

FY2008
CAPITAL BUDGET
For the month ending - October 31, 2007

	<u>YTD Actual</u>	<u>FY08 Budget</u>	<u>Remaining Budget</u>	<u>% Spent YTD</u>
<u>CAPITAL FUNDING</u>				
Federal Capital Grants	\$ 2,032,541	\$ 3,798,527	\$ 1,765,986	54%
State/Other Capital Grants	\$ -	\$ 12,919,865	\$ 12,919,865	0%
AB 3090	\$ -	\$ 6,363,000	\$ 6,363,000	0%
STA Funding (Current Year & Prior Year Deferred)	\$ 4,082,473	\$ 7,087,337	\$ 3,004,864	58%
Alternative Fuel Conversion Fund	\$ -	\$ 462,000	\$ 462,000	0%
Bus Stop Improvement Reserves	\$ -	\$ 100,000	\$ 100,000	0%
District Reserves	\$ -	\$ 5,032,445	\$ 5,032,445	0%
TOTAL CAPITAL FUNDING	\$ 6,115,014	\$ 35,763,174	\$ 29,648,160	17%

5-2-a12

FY2008
Operating Revenue
For the month ending - November 30, 2007

Percent of Year Elapsed - 42%

Revenue Source	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual		\$ Var	% Var	
									FY08	FY07			
Passenger Fares	\$ 288,457	\$ 287,507	\$ 950	0%	\$ 1,531,658	\$ 1,437,535	\$ 94,123	7%	\$ 1,531,658	\$ 1,434,932	\$ 96,726	7%	
Paratransit Fares	\$ 20,845	\$ 20,800	\$ 45	0%	\$ 96,039	\$ 104,000	\$ (7,961)	-8%	\$ 96,039	\$ 95,499	\$ 540	1%	
Special Transit Fares	\$ 230,553	\$ 235,271	\$ (4,718)	-2%	\$ 831,898	\$ 1,176,355	\$ (344,457)	-29%	\$ 831,898	\$ 995,372	\$ (163,474)	-16%	
Highway 17 Fares	\$ 81,957	\$ 70,310	\$ 11,647	17%	\$ 338,436	\$ 351,550	\$ (13,114)	-4%	\$ 338,436	\$ 348,516	\$ (10,080)	-3%	
Highway 17 Payments	\$ 39,675	\$ 38,544	\$ 1,131	3%	\$ 200,345	\$ 192,720	\$ 7,625	4%	\$ 200,345	\$ 178,227	\$ 22,118	12%	
Subtotal Passenger Revenue	\$ 661,487	\$ 652,432	\$ 9,055	1%	\$ 2,998,376	\$ 3,262,160	\$ (263,784)	-8%	\$ 2,998,376	\$ 3,052,546	\$ (54,170)	-2%	1
Commissions	\$ 326	\$ 500	\$ (174)	-35%	\$ 2,362	\$ 2,500	\$ (138)	-6%	\$ 2,362	\$ 2,599	\$ (237)	-9%	
Advertising Income	\$ 26,436	\$ 12,083	\$ 14,353	119%	\$ 127,626	\$ 60,415	\$ 67,211	111%	\$ 127,626	\$ 111,860	\$ 15,766	14%	2
Rent Income - SC Pacific Station	\$ 2,179	\$ 7,087	\$ (4,908)	-69%	\$ 30,397	\$ 35,435	\$ (5,038)	-14%	\$ 30,397	\$ 35,823	\$ (5,426)	-15%	
Rent Income - Watsonville TC	\$ 2,778	\$ 4,124	\$ (1,346)	-33%	\$ 17,965	\$ 20,620	\$ (2,655)	-13%	\$ 17,965	\$ 24,067	\$ (6,102)	-25%	
Rent Income - General	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ 4,800	\$ (4,800)	-100%	
Interest Income	\$ 106,369	\$ 89,667	\$ 16,702	19%	\$ 448,848	\$ 448,335	\$ 513	0%	\$ 448,848	\$ 544,965	\$ (96,117)	-18%	
Other Non-Transp Revenue	\$ 13,063	\$ 23,583	\$ (10,520)	-45%	\$ 65,106	\$ 117,915	\$ (52,809)	-45%	\$ 65,106	\$ 202,647	\$ (137,541)	-68%	3
Sales Tax Revenue	\$ 1,715,200	\$ 1,468,704	\$ 246,496	17%	\$ 7,449,040	\$ 7,343,520	\$ 105,520	1%	\$ 7,449,040	\$ 7,578,291	\$ (129,251)	-2%	4
Transp Dev Act (TDA) - Op Asst	\$ -	\$ -	\$ -	0%	\$ 1,590,509	\$ 1,615,509	\$ (25,000)	-2%	\$ 1,590,509	\$ 1,470,209	\$ 120,300	8%	
FTA Sec 5307 - Op Asst	\$ -	\$ -	\$ -	0%	\$ 3,153,552	\$ 3,877,000	\$ (723,448)	-19%	\$ 3,153,552	\$ -	\$ 3,153,552	0%	
Repay FTA Advance	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
FTA Sec 5311 - Rural Op Asst	\$ -	\$ -	\$ -	0%	\$ -	\$ 149,335	\$ (149,335)	-100%	\$ -	\$ 168,582	\$ (168,582)	-100%	5
Transfer from Capital/Proj Mgr	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
Subtotal Revenue	\$ 2,527,838	\$ 2,258,180	\$ 269,658	12%	\$ 15,883,781	\$ 16,932,744	\$ (1,048,963)	-6%	\$ 15,883,781	\$ 13,196,389	\$ 2,687,392	20%	
One-Time Revenue													
Carryover from Previous Year	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
Transfer from Insurance Reserves	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
FTA Sec 5317 - Op Assistance	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
AMBAG Funding	\$ -	\$ -	\$ -	0%	\$ (3,169)	\$ -	\$ (3,169)	0%	\$ (3,169)	\$ -	\$ (3,169)	0%	6
Subtotal One-Time Revenue	\$ -	\$ -	\$ -	0%	\$ (3,169)	\$ -	\$ (3,169)	0%	\$ (3,169)	\$ -	\$ (3,169)	0%	
Total Operating Revenue	\$ 2,527,838	\$ 2,258,180	\$ 269,658	12%	\$ 15,880,612	\$ 16,932,744	\$ (1,052,132)	-6%	\$ 15,880,612	\$ 13,196,389	\$ 2,684,223	20%	
Total Operating Expenses	\$ -	\$ -	\$ -	0%	\$ 8,048,780	\$ 8,048,780	\$ -	0%	\$ 8,048,780	\$ 13,722,117	\$ (5,673,337)	-41%	
Variance	\$ 2,527,838	\$ 2,258,180	\$ 269,658	12%	\$ 7,831,832	\$ 8,883,964	\$ (1,052,132)	-12%	\$ 7,831,832	\$ (525,728)	\$ 8,357,560	10%	

Current Period Notes:

- 1) Passenger Revenue is below budget for the month and YTD due to straight lining of the budget. YTD Year over Year Comparison is slightly lower.
- 2) Advertising Income is over budget for the month and YTD due to more ad revenue than budgeted.
- 3) Other Non-Transp Revenue is behind for the month and YTD due to UTU PERS reimbursement from the County which is collected on a qtrly basis.
- 4) Sales Tax Revenue is above budget for the month due to the qtrly true-up from the State. YTD Year over year, we are 2% behind of FY07 collections.
- 5) FTA Sec 5311 - Rural Op Asst is below budget for the month and year to date due to delay in application being submitted to CalTrans.

5-2.61

Attachment B

FY2008
Operating Revenue
For the month ending - November 30, 2007

Percent of Year Elapsed - 42%

<u>Revenue Source</u>	<u>Current Period</u>				<u>Year to Date</u>				<u>YTD Year Over Year Comparison</u>				
	<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>FY08</u>	<u>FY07</u>	<u>\$ Var</u>	<u>% Var</u>	<u>Notes</u>
6) AMBAG Funding - Credit from FY07 erroneous payout from Monterey Bay Transit Planning Rotational Interns.													

5-2.62

FY2008
Operating Expenses by Department
For the month ending - November 30, 2007

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual FY08	FY07	\$ Var	% Var	
Departmental Personnel Expenses													
700 - SCCIC	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
1100 - Administration	\$ 75,206	\$ 86,009	\$ (10,803)	-13%	\$ 369,138	\$ 430,045	\$ (60,907)	-14%	\$ 369,138	\$ 366,458	\$ 2,680	1%	
1200 - Finance	\$ 44,980	\$ 51,760	\$ (6,780)	-13%	\$ 224,125	\$ 258,800	\$ (34,675)	-13%	\$ 224,125	\$ 190,038	\$ 34,087	18%	
1300 - Customer Service	\$ 30,778	\$ 43,127	\$ (12,349)	-29%	\$ 166,435	\$ 215,635	\$ (49,200)	-23%	\$ 166,435	\$ 160,629	\$ 5,806	4%	
1400 - Human Resources	\$ 40,000	\$ 49,317	\$ (9,317)	-19%	\$ 197,617	\$ 246,585	\$ (48,968)	-20%	\$ 197,617	\$ 153,473	\$ 44,144	29%	
1500 - Information Technology	\$ 39,703	\$ 41,121	\$ (1,418)	-3%	\$ 201,078	\$ 205,605	\$ (4,527)	-2%	\$ 201,078	\$ 184,625	\$ 16,453	9%	
1700 - District Counsel	\$ 34,422	\$ 38,234	\$ (3,812)	-10%	\$ 161,023	\$ 191,170	\$ (30,147)	-16%	\$ 161,023	\$ 155,327	\$ 5,696	4%	
1800 - Risk Management	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
2200 - Facilities Maintenance	\$ 74,082	\$ 85,692	\$ (11,610)	-14%	\$ 351,022	\$ 428,460	\$ (77,438)	-18%	\$ 351,022	\$ 387,171	\$ (36,149)	-9%	
3100 - Paratransit Program	\$ 232,372	\$ 251,796	\$ (19,424)	-8%	\$ 1,109,184	\$ 1,258,980	\$ (149,796)	-12%	\$ 1,109,184	\$ 1,109,216	\$ (32)	0%	
3200 - Operations	\$ 159,925	\$ 178,655	\$ (18,730)	-10%	\$ 802,236	\$ 893,275	\$ (91,039)	-10%	\$ 802,236	\$ 803,827	\$ (1,591)	0%	
3300 - Bus Operators	\$ 1,029,486	\$ 1,153,142	\$ (123,656)	-11%	\$ 5,085,864	\$ 5,765,710	\$ (679,846)	-12%	\$ 5,085,864	\$ 5,218,214	\$ (132,350)	-3%	
4100 - Fleet Maintenance	\$ 345,677	\$ 347,444	\$ (1,767)	-1%	\$ 1,611,209	\$ 1,737,220	\$ (126,011)	-7%	\$ 1,611,209	\$ 1,446,466	\$ 164,743	11%	
9001 - Cobra Benefits	\$ 1,128	\$ -	\$ 1,128	0%	\$ 5,122	\$ -	\$ 5,122	0%	\$ 5,122	\$ (240)	\$ 5,362	-2234%	
9005 - Retired Employee Benefits	\$ 119,325	\$ 144,500	\$ (25,175)	-17%	\$ 597,403	\$ 722,500	\$ (125,097)	-17%	\$ 597,403	\$ 624,627	\$ (27,224)	-4%	
Additional Operating Programs	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
Subtotal Personnel Expenses	\$ 2,227,084	\$ 2,470,797	\$ (243,713)	-10%	\$ 10,881,456	\$ 12,353,985	\$ (1,472,529)	-12%	\$ 10,881,456	\$ 10,799,831	\$ 81,625	1%	
Departmental Non-Personnel Expenses													
700 - SCCIC	\$ -	\$ 42	\$ (42)	-100%	\$ 260	\$ 210	\$ 50	24%	\$ 260	\$ 30	\$ 230	767%	
1100 - Administration	\$ 45,667	\$ 72,853	\$ (27,186)	-37%	\$ 280,238	\$ 364,265	\$ (84,027)	-23%	\$ 280,238	\$ 298,417	\$ (18,179)	-6%	
1200 - Finance	\$ 54,174	\$ 68,287	\$ (14,113)	-21%	\$ 309,025	\$ 341,435	\$ (32,410)	-9%	\$ 309,025	\$ 202,891	\$ 106,134	52%	
1300 - Customer Service	\$ 2,521	\$ 9,726	\$ (7,205)	-74%	\$ 25,094	\$ 48,630	\$ (23,536)	-48%	\$ 25,094	\$ 28,754	\$ (3,660)	-13%	
1400 - Human Resources	\$ 850	\$ 8,131	\$ (7,281)	-90%	\$ 13,580	\$ 40,655	\$ (27,075)	-67%	\$ 13,580	\$ 37,843	\$ (24,263)	-64%	
1500 - Information Technology	\$ 23,965	\$ 13,278	\$ 10,687	80%	\$ 67,343	\$ 66,350	\$ 993	1%	\$ 67,343	\$ 60,097	\$ 7,246	12%	
1700 - District Counsel	\$ 2,553	\$ 1,512	\$ 1,041	69%	\$ 10,138	\$ 7,560	\$ 2,578	34%	\$ 10,138	\$ 7,052	\$ 3,086	44%	
1800 - Risk Management	\$ 984	\$ 20,656	\$ (19,672)	-95%	\$ 13,090	\$ 103,280	\$ (90,190)	-87%	\$ 13,090	\$ 44,566	\$ (31,476)	-71%	
2200 - Facilities Maintenance	\$ 50,015	\$ 44,532	\$ 5,483	12%	\$ 195,903	\$ 222,660	\$ (26,757)	-12%	\$ 195,903	\$ 147,972	\$ 47,931	32%	
3100 - Paratransit Program	\$ 69,619	\$ 64,048	\$ 5,571	9%	\$ 363,702	\$ 320,240	\$ 43,462	14%	\$ 363,702	\$ 258,489	\$ 105,213	41%	
3200 - Operations	\$ 43,416	\$ 53,692	\$ (10,276)	-19%	\$ 211,943	\$ 268,460	\$ (56,517)	-21%	\$ 211,943	\$ 246,078	\$ (34,135)	-14%	
3300 - Bus Operators	\$ 3,440	\$ 750	\$ 2,690	359%	\$ 4,793	\$ 3,750	\$ 1,043	28%	\$ 4,793	\$ 473	\$ 4,320	913%	
4100 - Fleet Maintenance	\$ 350,474	\$ 403,205	\$ (52,731)	-13%	\$ 1,593,206	\$ 2,016,025	\$ (422,819)	-21%	\$ 1,593,206	\$ 1,589,619	\$ 3,587	0%	
9001 - Cobra Benefits	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
9005 - Retired Employee Benefits	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
Additional Operating Programs	\$ -	\$ -	\$ -	0%	\$ (575)	\$ -	\$ (575)	0%	\$ (575)	\$ -	\$ (575)	0%	
Subtotal Non-Personnel Expenses	\$ 647,678	\$ 760,712	\$ (113,034)	-15%	\$ 3,087,740	\$ 3,803,520	\$ (715,780)	-19%	\$ 3,087,740	\$ 2,922,281	\$ 165,459	6%	

5-2.63

FY2008
Operating Expenses by Department
For the month ending - November 30, 2007

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual		\$ Var	% Var	
									FY08	FY07			
<u>Total Departmental Expenses</u>													
700 - SCCIC	\$ -	\$ 42	\$ (42)	-100%	\$ 260	\$ 210	\$ 50	24%	\$ 260	\$ 30	\$ 230	767%	
1100 - Administration	\$ 120,873	\$ 158,862	\$ (37,989)	-24%	\$ 649,376	\$ 794,310	\$ (144,934)	-18%	\$ 649,376	\$ 664,875	\$ (15,499)	-2%	1
1200 - Finance	\$ 99,154	\$ 120,047	\$ (20,893)	-17%	\$ 533,150	\$ 600,235	\$ (67,085)	-11%	\$ 533,150	\$ 392,929	\$ 140,221	36%	
1300 - Customer Service	\$ 33,299	\$ 52,853	\$ (19,554)	-37%	\$ 191,529	\$ 264,265	\$ (72,736)	-28%	\$ 191,529	\$ 189,383	\$ 2,146	1%	
1400 - Human Resources	\$ 40,850	\$ 57,448	\$ (16,598)	-29%	\$ 211,197	\$ 287,240	\$ (76,043)	-26%	\$ 211,197	\$ 191,316	\$ 19,881	10%	
1500 - Information Technology	\$ 63,668	\$ 54,399	\$ 9,269	17%	\$ 268,421	\$ 271,955	\$ (3,534)	-1%	\$ 268,421	\$ 244,722	\$ 23,699	10%	
1700 - District Counsel	\$ 36,975	\$ 39,746	\$ (2,771)	-7%	\$ 171,161	\$ 198,730	\$ (27,569)	-14%	\$ 171,161	\$ 162,379	\$ 8,782	5%	
1800 - Risk Management	\$ 984	\$ 20,656	\$ (19,672)	-95%	\$ 13,090	\$ 103,280	\$ (90,190)	-87%	\$ 13,090	\$ 44,566	\$ (31,476)	-71%	
2200 - Facilities Maintenance	\$ 124,097	\$ 130,224	\$ (6,127)	-5%	\$ 546,925	\$ 651,120	\$ (104,195)	-16%	\$ 546,925	\$ 535,143	\$ 11,782	2%	2
3100 - Paratransit Program	\$ 301,991	\$ 315,844	\$ (13,853)	-4%	\$ 1,472,886	\$ 1,579,220	\$ (106,334)	-7%	\$ 1,472,886	\$ 1,367,705	\$ 105,181	8%	3
3200 - Operations	\$ 203,341	\$ 232,347	\$ (29,006)	-12%	\$ 1,014,179	\$ 1,161,735	\$ (147,556)	-13%	\$ 1,014,179	\$ 1,049,905	\$ (35,726)	-3%	4
3300 - Bus Operators	\$ 1,032,926	\$ 1,153,892	\$ (120,966)	-10%	\$ 5,090,657	\$ 5,769,460	\$ (678,803)	-12%	\$ 5,090,657	\$ 5,218,687	\$ (128,030)	-2%	5
4100 - Fleet Maintenance	\$ 696,151	\$ 750,649	\$ (54,498)	-7%	\$ 3,204,415	\$ 3,753,245	\$ (548,830)	-15%	\$ 3,204,415	\$ 3,036,085	\$ 168,330	6%	6
9001 - Cobra Benefits	\$ 1,128	\$ -	\$ 1,128	0%	\$ 5,122	\$ -	\$ 5,122	0%	\$ 5,122	\$ (240)	\$ 5,362	-2234%	
9005 - Retired Employee Benefits	\$ 119,325	\$ 144,500	\$ (25,175)	-17%	\$ 597,403	\$ 722,500	\$ (125,097)	-17%	\$ 597,403	\$ 624,627	\$ (27,224)	-4%	7
Additional Operating Programs	\$ -	\$ -	\$ -	0%	\$ (575)	\$ -	\$ (575)	0%	\$ (575)	\$ -	\$ (575)	0%	
Total Operating Expenses	\$ 2,874,762	\$ 3,231,509	\$ (356,747)	-11%	\$ 13,969,196	\$ 16,157,505	\$ (2,188,309)	-14%	\$ 13,969,196	\$ 13,722,112	\$ 247,084	2%	

Current Period Notes:

- 1) **Administration** is under budget due an annual contract paid for in FY07 and Labor negotiations not starting until the March 2009 time frame.
- 2) **Facilities Maintenance** is under budget due to not being at full complement, equipment is typically paid qtrly or annually on contracts
The budget was straight lined since we can not anticipate when these repair costs will be incurred.
- 3) **Paratransit Program** is under budget due to not being at full complement and not incurring services from the Orthopedic Hospital Recertification.
- 4) **Operations** is under budget due to not being at full complement and security expenses lower than anticipated.
- 5) **Bus Operators** is under budget due to not being at full complement.
- 6) **Fleet Maintenance** is under budget due to not being at full complement, fuel costs below estimates, repairs to district property collected to off set fleet repair expenses,
and the return of 110 rent check due to us buying the facility effective 08/01/07.
- 7) **Retired Employee Benefits** is under budget due to the budget being straight lined. Increase will happen in Jan 2008.

5-2.84

FY2008
Consolidated Operating Expenses
For the month ending - November 30, 2007

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual		\$ Var	% Var	
									FY08	FY07			
LABOR													
501011 Bus Operator Pay	\$ 618,893	\$ 687,597	\$ (68,704)	-10%	\$ 3,045,576	\$ 3,437,985	\$ (392,409)	-11%	\$ 3,045,576	\$ 2,960,270	\$ 85,306	3%	
501013 Bus Operator Overtime	\$ 125,003	\$ 102,083	\$ 22,920	22%	\$ 518,125	\$ 510,415	\$ 7,710	2%	\$ 518,125	\$ 534,527	\$ (16,402)	-3%	
501021 Other Salaries	\$ 491,920	\$ 541,357	\$ (49,437)	-9%	\$ 2,482,641	\$ 2,706,785	\$ (224,144)	-8%	\$ 2,482,641	\$ 2,313,705	\$ 168,936	7%	
501023 Other Overtime	\$ 26,189	\$ 19,684	\$ 6,505	33%	\$ 120,327	\$ 98,420	\$ 21,907	22%	\$ 120,327	\$ 101,686	\$ 18,641	18%	
Total Labor -	\$ 1,262,005	\$ 1,350,721	\$ (88,716)	-7%	\$ 6,166,669	\$ 6,753,605	\$ (586,936)	-9%	\$ 6,166,669	\$ 5,910,188	\$ 256,481	4%	
FRINGE BENEFITS													
502011 Medicare/Soc. Sec.	\$ 17,499	\$ 20,139	\$ (2,640)	-13%	\$ 84,426	\$ 100,695	\$ (16,269)	-16%	\$ 84,426	\$ 77,423	\$ 7,003	9%	
502021 Retirement	\$ 169,431	\$ 185,973	\$ (16,542)	-9%	\$ 835,333	\$ 929,865	\$ (94,532)	-10%	\$ 835,333	\$ 738,775	\$ 96,558	13%	
502031 Medical Insurance	\$ 380,242	\$ 438,530	\$ (58,288)	-13%	\$ 1,870,070	\$ 2,192,650	\$ (322,580)	-15%	\$ 1,870,070	\$ 1,928,289	\$ (58,219)	-3%	
502041 Dental Insurance	\$ 38,110	\$ 40,928	\$ (2,818)	-7%	\$ 190,944	\$ 204,640	\$ (13,696)	-7%	\$ 190,944	\$ 184,772	\$ 6,172	3%	
502045 Vision Insurance	\$ 10,842	\$ 11,336	\$ (494)	-4%	\$ 54,119	\$ 56,680	\$ (2,561)	-5%	\$ 54,119	\$ 53,527	\$ 592	1%	
502051 Life Insurance	\$ 4,349	\$ 4,414	\$ (65)	-1%	\$ 16,096	\$ 22,070	\$ (5,974)	-27%	\$ 16,096	\$ 19,932	\$ (3,836)	-19%	
502060 State Disability	\$ 8,279	\$ 30,599	\$ (22,320)	-73%	\$ 44,982	\$ 152,995	\$ (108,013)	-71%	\$ 44,982	\$ 78,008	\$ (33,026)	-42%	
502061 Disability Insurance	\$ 17,214	\$ 15,926	\$ 1,288	8%	\$ 85,119	\$ 79,630	\$ 5,489	7%	\$ 85,119	\$ 74,403	\$ 10,716	14%	
502071 State Unemp. Ins	\$ 405	\$ 8,019	\$ (7,614)	-95%	\$ 2,455	\$ 40,095	\$ (37,640)	-94%	\$ 2,455	\$ 2,170	\$ 285	13%	
502081 Worker's Comp Ins	\$ 56,974	\$ 116,390	\$ (59,416)	-51%	\$ 384,797	\$ 581,950	\$ (197,153)	-34%	\$ 384,797	\$ 560,601	\$ (175,804)	-31%	
502083 Worker's Comp IBNR	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
502101 Holiday Pay	\$ 55,052	\$ 28,652	\$ 26,400	92%	\$ 109,689	\$ 143,260	\$ (33,571)	-23%	\$ 109,689	\$ 108,499	\$ 1,190	1%	
502103 Floating Holiday	\$ 2,804	\$ 5,467	\$ (2,663)	-49%	\$ 13,080	\$ 27,335	\$ (14,255)	-52%	\$ 13,080	\$ 14,490	\$ (1,410)	-10%	
502109 Sick Leave	\$ 40,102	\$ 63,400	\$ (23,298)	-37%	\$ 235,219	\$ 317,000	\$ (81,781)	-26%	\$ 235,219	\$ 172,110	\$ 63,109	37%	
502111 Annual Leave	\$ 148,435	\$ 125,133	\$ 23,302	19%	\$ 702,037	\$ 625,665	\$ 76,372	12%	\$ 702,037	\$ 743,326	\$ (41,289)	-6%	
502121 Other Paid Absence	\$ 8,103	\$ 13,692	\$ (5,589)	-41%	\$ 41,395	\$ 68,460	\$ (27,065)	-40%	\$ 41,395	\$ 72,526	\$ (31,131)	-43%	
502251 Physical Exams	\$ 273	\$ 3,019	\$ (2,746)	-91%	\$ 1,395	\$ 15,095	\$ (13,700)	-91%	\$ 1,395	\$ 2,970	\$ (1,575)	-53%	
502253 Driver Lic Renewal	\$ 98	\$ 433	\$ (335)	-77%	\$ 644	\$ 2,165	\$ (1,521)	-70%	\$ 644	\$ 721	\$ (77)	-11%	
502999 Other Fringe Benefits	\$ 6,864	\$ 8,027	\$ (1,163)	-14%	\$ 42,987	\$ 40,135	\$ 2,852	7%	\$ 42,987	\$ 57,103	\$ (14,116)	-25%	
Total Fringe Benefits -	\$ 965,076	\$ 1,120,077	\$ (155,001)	-14%	\$ 4,714,787	\$ 5,600,385	\$ (885,598)	-16%	\$ 4,714,787	\$ 4,889,645	\$ (174,858)	-4%	
Total Personnel Expenses -	\$ 2,227,081	\$ 2,470,798	\$ (243,717)	-10%	\$ 10,881,456	\$ 12,353,990	\$ (1,472,534)	-12%	\$ 10,881,456	\$ 10,799,833	\$ 81,623	1%	1

5-2.65

FY2008

Consolidated Operating Expenses For the month ending - November 30, 2007

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual FY08	FY07	\$ Var	% Var	
SERVICES													
503011 Acctg & Audit Fees	\$ 15,000	\$ 8,354	\$ 6,646	80%	\$ 36,486	\$ 41,770	\$ (5,284)	-13%	\$ 36,486	\$ 17,400	\$ 19,086	110%	
503012 Admin & Bank Fees	\$ 743	\$ 19,669	\$ (18,926)	-96%	\$ 44,387	\$ 98,345	\$ (53,958)	-55%	\$ 44,387	\$ 39,041	\$ 5,346	14%	
503031 Prof & Tech Fees	\$ 7,152	\$ 32,126	\$ (24,974)	-78%	\$ 71,471	\$ 160,630	\$ (89,159)	-56%	\$ 71,471	\$ 91,952	\$ (20,481)	-22%	2
503032 Legislative Services	\$ 7,500	\$ 8,084	\$ (584)	-7%	\$ 37,970	\$ 40,420	\$ (2,450)	-6%	\$ 37,970	\$ 38,275	\$ (305)	-1%	
503033 Legal Services	\$ -	\$ 4,306	\$ (4,306)	-100%	\$ 74	\$ 21,530	\$ (21,456)	-100%	\$ 74	\$ 1,120	\$ (1,046)	-93%	
503034 Pre-Employ Exams	\$ 209	\$ 2,083	\$ (1,874)	-90%	\$ 4,807	\$ 10,415	\$ (5,608)	-54%	\$ 4,807	\$ 8,899	\$ (4,092)	-46%	
503041 Temp Help	\$ 10,273	\$ 1,375	\$ 8,898	647%	\$ 55,010	\$ 6,875	\$ 48,135	700%	\$ 55,010	\$ 20,349	\$ 34,661	170%	3
503161 Custodial Services	\$ 5,416	\$ 6,120	\$ (704)	-12%	\$ 27,649	\$ 30,600	\$ (2,951)	-10%	\$ 27,649	\$ 26,242	\$ 1,407	5%	
503162 Uniform & Laundry	\$ 3,273	\$ 3,743	\$ (470)	-13%	\$ 16,943	\$ 18,715	\$ (1,772)	-9%	\$ 16,943	\$ 15,938	\$ 1,005	6%	
503171 Security Services	\$ 27,264	\$ 36,994	\$ (9,730)	-26%	\$ 137,331	\$ 184,970	\$ (47,639)	-26%	\$ 137,331	\$ 181,413	\$ (44,082)	-24%	4
503221 Classified/Legal Ads	\$ 1,738	\$ 2,383	\$ (645)	-27%	\$ 5,787	\$ 11,915	\$ (6,128)	-51%	\$ 5,787	\$ 9,366	\$ (3,579)	-38%	
503222 Legal Advertising	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
503225 Graphic Services	\$ -	\$ 1,717	\$ (1,717)	-100%	\$ -	\$ 8,585	\$ (8,585)	-100%	\$ -	\$ 7,970	\$ (7,970)	-100%	
503351 Repair - Bldg & Impr	\$ 13,524	\$ 3,542	\$ 9,982	282%	\$ 32,979	\$ 17,710	\$ 15,269	86%	\$ 32,979	\$ 19,935	\$ 13,044	65%	
503352 Repair - Equipment	\$ 12,558	\$ 26,236	\$ (13,678)	-52%	\$ 60,599	\$ 131,180	\$ (70,581)	-54%	\$ 60,599	\$ 61,997	\$ (1,398)	-2%	5
503353 Repair - Rev Vehicle	\$ 25,563	\$ 24,255	\$ 1,308	5%	\$ 133,770	\$ 121,275	\$ 12,495	10%	\$ 133,770	\$ 117,103	\$ 16,667	14%	
503354 Repair - Non Rev Vehicle	\$ 3,783	\$ 4,652	\$ (869)	-19%	\$ 9,075	\$ 23,260	\$ (14,185)	-61%	\$ 9,075	\$ 13,965	\$ (4,890)	-35%	
503363 Haz Mat Disposal	\$ 1,860	\$ 2,042	\$ (182)	-9%	\$ 11,752	\$ 10,210	\$ 1,542	15%	\$ 11,752	\$ 11,738	\$ 14	0%	
Total Services -	\$ 135,856	\$ 187,681	\$ (51,825)	-28%	\$ 686,090	\$ 938,405	\$ (252,315)	-27%	\$ 686,090	\$ 682,703	\$ 3,387	0%	
MOBILE MATERIALS AND SUPPLIES													
504011 Fuels & Lube Non Rev Veh	\$ 16,189	\$ 10,226	\$ 5,963	58%	\$ 62,695	\$ 51,130	\$ 11,565	23%	\$ 62,695	\$ 41,800	\$ 20,895	50%	
504012 Fuels & Lube Rev Veh	\$ 219,127	\$ 269,649	\$ (50,522)	-19%	\$ 921,548	\$ 1,348,245	\$ (426,697)	-32%	\$ 921,548	\$ 896,781	\$ 24,767	3%	6
504021 Tires & Tubes	\$ 14,504	\$ 18,700	\$ (4,196)	-22%	\$ 80,765	\$ 93,500	\$ (12,735)	-14%	\$ 80,765	\$ 71,646	\$ 9,119	13%	
504161 Other Mobile Supplies	\$ 71	\$ 667	\$ (596)	-89%	\$ 1,443	\$ 3,335	\$ (1,892)	-57%	\$ 1,443	\$ 4,728	\$ (3,285)	-69%	
504191 Rev Vehicle Parts	\$ 49,624	\$ 56,800	\$ (7,176)	-13%	\$ 302,090	\$ 284,000	\$ 18,090	6%	\$ 302,090	\$ 304,218	\$ (2,128)	-1%	
Total Mobile Materials & Supplies -	\$ 299,515	\$ 356,042	\$ (56,527)	-16%	\$ 1,368,541	\$ 1,780,210	\$ (411,669)	-23%	\$ 1,368,541	\$ 1,319,173	\$ 49,368	4%	

5-2.66

FY2008

Consolidated Operating Expenses For the month ending - November 30, 2007

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual		\$ Var	% Var	
									FY08	FY07			
<u>OTHER MATERIALS & SUPPLIES</u>													
504205 Freight Out	\$ 411	\$ 412	\$ (1)	0%	\$ 1,218	\$ 2,060	\$ (842)	-41%	\$ 1,218	\$ 1,093	\$ 125	11%	
504211 Postage & Mailing	\$ 206	\$ 1,867	\$ (1,661)	-89%	\$ 5,004	\$ 9,335	\$ (4,331)	-46%	\$ 5,004	\$ 4,861	\$ 143	3%	
504214 Promotional Items	\$ -	\$ 2	\$ (2)	-100%	\$ -	\$ 10	\$ (10)	-100%	\$ -	\$ -	\$ -	0%	
504215 Printing	\$ (1,137)	\$ 7,401	\$ (8,538)	-115%	\$ 16,394	\$ 37,005	\$ (20,611)	-56%	\$ 16,394	\$ 14,111	\$ 2,283	16%	
504217 Photo Supply/Processing	\$ 995	\$ 754	\$ 241	32%	\$ 1,402	\$ 3,770	\$ (2,368)	-63%	\$ 1,402	\$ 3,641	\$ (2,239)	-61%	
504311 Office Supplies	\$ 5,768	\$ 7,184	\$ (1,416)	-20%	\$ 40,341	\$ 35,920	\$ 4,421	12%	\$ 40,341	\$ 36,964	\$ 3,357	9%	
504315 Safety Supplies	\$ 5,877	\$ 1,521	\$ 4,356	286%	\$ 15,458	\$ 7,605	\$ 7,853	103%	\$ 15,458	\$ 5,717	\$ 9,741	170%	
504317 Cleaning Supplies	\$ 8,780	\$ 4,090	\$ 4,690	115%	\$ 20,934	\$ 20,450	\$ 484	2%	\$ 20,934	\$ 16,227	\$ 4,707	29%	
504409 Repair/Maint Supplies	\$ 6,521	\$ 3,750	\$ 2,771	74%	\$ 18,812	\$ 18,750	\$ 62	0%	\$ 18,812	\$ 19,831	\$ (1,019)	-5%	
504421 Non-Inventory Parts	\$ 3,667	\$ 3,605	\$ 62	2%	\$ 19,533	\$ 18,025	\$ 1,508	8%	\$ 19,533	\$ 15,739	\$ 3,794	24%	
504511 Small Tools	\$ 2,484	\$ 824	\$ 1,660	201%	\$ 5,043	\$ 4,120	\$ 923	22%	\$ 5,043	\$ 3,169	\$ 1,874	59%	
504515 Employee Tool Rplcmt	\$ -	\$ 215	\$ (215)	-100%	\$ 509	\$ 1,075	\$ (566)	-53%	\$ 509	\$ 702	\$ (193)	-27%	
Total Other Materials & Supplies -	\$ 33,572	\$ 31,625	\$ 1,947	6%	\$ 144,648	\$ 158,125	\$ (13,477)	-9%	\$ 144,648	\$ 122,075	\$ 22,573	18%	
<u>UTILITIES</u>													
505011 Gas & Electric	\$ 19,180	\$ 15,151	\$ 4,029	27%	\$ 82,234	\$ 75,755	\$ 6,479	9%	\$ 82,234	\$ 67,082	\$ 15,152	23%	
505021 Water & Garbage	\$ 11,100	\$ 9,274	\$ 1,826	20%	\$ 51,670	\$ 46,370	\$ 5,300	11%	\$ 51,670	\$ 37,743	\$ 13,927	37%	
505031 Telecommunications	\$ 6,308	\$ 8,021	\$ (1,713)	-21%	\$ 34,930	\$ 40,105	\$ (5,175)	-13%	\$ 34,930	\$ 31,887	\$ 3,043	10%	
Total Utilities -	\$ 36,588	\$ 32,446	\$ 4,142	13%	\$ 168,834	\$ 162,230	\$ 6,604	4%	\$ 168,834	\$ 136,712	\$ 32,122	23%	
<u>CASUALTY & LIABILITY</u>													
506011 Insurance - Property	\$ 3,828	\$ 4,678	\$ (850)	-18%	\$ 16,021	\$ 23,390	\$ (7,369)	-32%	\$ 16,021	\$ 13,013	\$ 3,008	23%	
506015 Insurance - PL & PD	\$ 34,362	\$ 35,000	\$ (638)	-2%	\$ 171,809	\$ 175,000	\$ (3,191)	-2%	\$ 171,809	\$ 210,540	\$ (38,731)	-18%	
506021 Insurance - Other	\$ 59	\$ 151	\$ (92)	-61%	\$ 1,007	\$ 755	\$ 252	33%	\$ 1,007	\$ 296	\$ 711	240%	
506123 Settlement Costs	\$ 954	\$ 12,500	\$ (11,546)	-92%	\$ 12,786	\$ 62,500	\$ (49,714)	-80%	\$ 12,786	\$ 23,429	\$ (10,643)	-45%	
506127 Repairs - Dist Prop	\$ (2,838)	\$ -	\$ (2,838)	0%	\$ (6,460)	\$ -	\$ (6,460)	0%	\$ (6,460)	\$ (80,921)	\$ 74,461	-92%	
Total Casualty & Liability -	\$ 36,365	\$ 52,329	\$ (15,964)	-31%	\$ 195,163	\$ 261,645	\$ (66,482)	-25%	\$ 195,163	\$ 166,357	\$ 28,806	17%	
<u>TAXES</u>													
507051 Fuel Tax	\$ 223	\$ 888	\$ (665)	-75%	\$ 3,809	\$ 4,440	\$ (631)	-14%	\$ 3,809	\$ 5,732	\$ (1,923)	-34%	
507201 Licenses & permits	\$ 2,092	\$ 980	\$ 1,112	113%	\$ 4,106	\$ 4,900	\$ (794)	-16%	\$ 4,106	\$ 4,035	\$ 71	2%	
507999 Other Taxes	\$ (1,606)	\$ 2,058	\$ (3,664)	-178%	\$ 12,035	\$ 10,290	\$ 1,745	17%	\$ 12,035	\$ 3,335	\$ 8,700	261%	
Total Utilities -	\$ 709	\$ 3,926	\$ (3,217)	-82%	\$ 19,950	\$ 19,630	\$ 320	2%	\$ 19,950	\$ 13,102	\$ 6,848	52%	

5-2.67

FY2008
Consolidated Operating Expenses
For the month ending - November 30, 2007

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual		\$ Var	% Var	
									FY08	FY07			
<u>PURCHASED TRANSPORTATION</u>													
503406 Contr/Paratrans	\$ 30,571	\$ 16,667	\$ 13,904	83%	\$ 159,352	\$ 83,335	\$ 76,017	91%	\$ 159,352	\$ 75,708	\$ 83,644	110%	7
Total Purchased Transportation -	\$ 30,571	\$ 16,667	\$ 13,904	83%	\$ 159,352	\$ 83,335	\$ 76,017	91%	\$ 159,352	\$ 75,708	\$ 83,644	110%	
<u>MISC</u>													
509011 Dues & Subscriptions	\$ 1,911	\$ 4,768	\$ (2,857)	-60%	\$ 9,167	\$ 23,840	\$ (14,673)	-62%	\$ 9,167	\$ 43,791	\$ (34,624)	-79%	
509085 Advertising - Rev Product	\$ -	\$ 1,250	\$ (1,250)	-100%	\$ -	\$ 6,250	\$ (6,250)	-100%	\$ -	\$ -	\$ -	0%	
509101 Emp Incentive Prog	\$ 3,587	\$ 485	\$ 3,102	640%	\$ 4,050	\$ 2,425	\$ 1,625	67%	\$ 4,050	\$ 229	\$ 3,821	1669%	
509121 Employee Training	\$ 7,605	\$ 1,625	\$ 5,980	368%	\$ 12,584	\$ 8,125	\$ 4,459	55%	\$ 12,584	\$ 10,372	\$ 2,212	21%	
509123 Travel	\$ 1,692	\$ 4,348	\$ (2,656)	-61%	\$ 13,386	\$ 21,740	\$ (8,354)	-38%	\$ 13,386	\$ 5,114	\$ 8,272	162%	
509125 Local Meeting Exp	\$ 196	\$ 529	\$ (333)	-63%	\$ 1,381	\$ 2,645	\$ (1,264)	-48%	\$ 1,381	\$ 3,244	\$ (1,863)	-57%	
509127 Board Director Fees	\$ 900	\$ 1,100	\$ (200)	-18%	\$ 5,750	\$ 5,500	\$ 250	5%	\$ 5,750	\$ 4,800	\$ 950	20%	
509150 Contributions	\$ -	\$ 54	\$ (54)	-100%	\$ 98	\$ 270	\$ (172)	-64%	\$ 98	\$ 240	\$ (142)	-59%	
509197 Sales Tax Expense	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ (4,445)	\$ 4,445	-100%	
509198 Cash Over/Short	\$ (16)	\$ -	\$ (16)	0%	\$ 72	\$ -	\$ 72	0%	\$ 72	\$ (8,318)	\$ 8,390	-101%	
Total Misc -	\$ 15,875	\$ 14,159	\$ 1,716	12%	\$ 46,488	\$ 70,795	\$ (24,307)	-34%	\$ 46,488	\$ 55,027	\$ (8,539)	-16%	
<u>LEASES & RENTALS</u>													
512011 Facility Rentals	\$ 56,500	\$ 59,559	\$ (3,059)	-5%	\$ 288,677	\$ 297,797	\$ (9,120)	-3%	\$ 288,677	\$ 316,599	\$ (27,922)	-9%	
512061 Equipment Rentals	\$ 2,129	\$ 6,273	\$ (4,144)	-66%	\$ 9,997	\$ 31,365	\$ (21,368)	-68%	\$ 9,997	\$ 34,828	\$ (24,831)	-71%	
Total Leases & Rentals -	\$ 58,629	\$ 65,832	\$ (7,203)	-11%	\$ 298,674	\$ 329,162	\$ (30,488)	-9%	\$ 298,674	\$ 351,427	\$ (52,753)	-15%	
Total Non-Personnel Expenses -	\$ 647,680	\$ 760,707	\$ (113,027)	-15%	\$ 3,087,740	\$ 3,803,537	\$ (715,797)	-19%	\$ 3,087,740	\$ 2,922,284	\$ 165,456	6%	
TOTAL OPERATING EXPENSE -	\$ 2,874,761	\$ 3,231,505	\$ (356,744)	-11%	\$ 13,969,196	\$ 16,157,527	\$ (2,188,331)	-14%	\$ 13,969,196	\$ 13,722,117	\$ 247,079	2%	

Current Period Notes:

- 1) **Total Personnel Expenses** are below budget due to not being at full complement.
- 2) **Prof & Tech Fees** are below budget. Negotiations for the year will not start until the March 2009 time frame.
- 3) **Temp Help** is over budget due to vacancies and work loads. This item is only budgeted in Admin.
- 4) **Security Services** are under budget due to the budget being straight lined and not knowing when additional security will be needed throughout the year.
- 5) **Repair - Equipment** is typically paid qtrly or annually on contracts. The budget was straight lined since we can not anticipate when these costs will be incurred.

5-2.68

FY2008
Consolidated Operating Expenses
For the month ending - November 30, 2007

Current Period				Year to Date				YTD Year Over Year Comparison				
<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>FY08</u>	<u>FY07</u>	<u>\$ Var</u>	<u>% Var</u>	<u>Notes</u>

6) **Fuels & Lube Rev Veh** is under budget. The budget was built on anticipating increased fuel prices for the year.

7) **Contr/Paratrans** is over budget. More than budgeted rides were needed for the month and YTD.

5-2.69

FY2008
CAPITAL BUDGET
For the month ending - November 30, 2007

	<u>YTD Actual</u>		<u>FY08 Budget</u>		<u>Remaining Budget</u>	<u>% Spent YTD</u>
<u>Grant-Funded Projects</u>						
MetroBase	\$ 1,959,964	\$	10,300,000	\$	8,340,036	19%
Purchase 1217 River Street	\$ -	\$	1,237,500	\$	1,237,500	0%
Purchase 1211 River Street	\$ -	\$	775,000	\$	775,000	0%
CNG Bus Conversions (40 Buses)	\$ 928,470	\$	6,800,000	\$	5,871,530	14%
Local Bus Replacement (8)	\$ -	\$	3,400,000	\$	3,400,000	0%
Pacific Station Project	\$ 3,387	\$	2,729,494	\$	2,726,107	0%
H17 Bus Replacement (5)	\$ -	\$	2,262,000	\$	2,262,000	0%
Hwy 17 Wireless (Air District)	\$ -	\$	42,500	\$	42,500	0%
Transmission	\$ -	\$	15,000	\$	15,000	0%
Subtotal Grant Funded Projects	\$ 2,891,821	\$	27,561,494	\$	24,669,673	10%
<u>District Funded Projects</u>						
<u>IT Projects</u>						
ATP - Hastus Run Time Analysis Program - IT/OPS	\$ -	\$	40,000	\$	40,000	0%
Qquest Time Clocks	\$ -	\$	9,000	\$	9,000	0%
ABS Financial System & Modules	\$ -	\$	8,000	\$	8,000	0%
ABS Laser Printer & Software for Checks	\$ 2,940	\$	7,200	\$	4,260	41%
Laptops (2) Fleet & Finance	\$ 4,598	\$	4,000	\$	(598)	115%
FAS - Fixed Asset Mgmt. Software	\$ -	\$	4,000	\$	4,000	0%
Web Access Control Appliance	\$ -	\$	3,000	\$	3,000	0%
Printer - Ops	\$ -	\$	1,800	\$	1,800	0%
<u>Facilities Repair & Improvements</u>						
Bus Stop Improvements (20 total)	\$ -	\$	164,251	\$	164,251	0%
Bus Stop Improvements (China Grade Turnout) **	\$ 1,482	\$	121,000	\$	119,518	1%
Bus Shelters - LNI	\$ 42,371	\$	45,000	\$	2,629	94%
2-way Radio & Telephone Recording System (Exacom System)	\$ -	\$	30,000	\$	30,000	0%
Reseal Operations Facility Roof	\$ -	\$	25,600	\$	25,600	0%
ParaCruz Vehicle Hoist	\$ -	\$	17,500	\$	17,500	0%
Replace HVAC at ParaCruz Facility	\$ -	\$	14,500	\$	14,500	0%
Repair Parking Lots (Greyhound, Soquel Park & Ride)	\$ 2,500	\$	5,000	\$	2,500	50%
Repair Sidewalks & Bus Lanes (Pacific Station)	\$ 4,480	\$	5,000	\$	520	90%
Cubicle Walls (ParaCruz)	\$ -	\$	10,000	\$	10,000	0%
Digital ID Card Processing Equip. for Pacific Station	\$ -	\$	15,000	\$	15,000	0%
Replace Toilets at Pacific Station & (1) Waterless	\$ -	\$	9,600	\$	9,600	0%
Bus Operators Lockers	\$ -	\$	4,800	\$	4,800	0%
Two-way Radio Portable Radio Hand-paks (4)	\$ -	\$	3,500	\$	3,500	0%
Coin Machine Replacement - Pacific Station	\$ -	\$	5,000	\$	5,000	0%
Money Counting Program - OPS	\$ -	\$	2,500	\$	2,500	0%

5-2.610

FY2008
CAPITAL BUDGET
For the month ending - November 30, 2007

	<u>YTD Actual</u>	<u>FY08 Budget</u>	<u>Remaining Budget</u>	<u>% Spent YTD</u>
<u>Revenue Vehicle Replacement</u>				
Purchase ParaCruz Vans (3)	\$ -	\$ 216,303	\$ 216,303	0%
Rebuild Bus Engines (16 remaining) 1998 Fleet	\$ 20,849	\$ 168,000	\$ 147,151	12%
New John Deere Engines (2)	\$ 38,217	\$ 76,435	\$ 38,218	50%
<u>Non-Revenue Vehicle Replacement</u>				
ParaCruz Staff Car	\$ -	\$ 20,000	\$ 20,000	0%
Facility Service Body Truck (2)	\$ -	\$ 60,000	\$ 60,000	0%
Pickup for Fleet (2)	\$ -	\$ 35,000	\$ 35,000	0%
Hybrid - Admin	\$ -	\$ 30,500	\$ 30,500	0%
Supervisor Vehicle	\$ -	\$ 29,500	\$ 29,500	0%
Shuttle Van	\$ -	\$ 27,500	\$ 27,500	0%
<u>Maint Equipment</u>				
Replace Repeater - Davenport	\$ -	\$ 15,000	\$ 15,000	0%
Wire Welder	\$ 1,649	\$ 2,039	\$ 390	81%
Forklift (Purchased from Casey Printing)	\$ 1,250	\$ 1,250	-	100%
<u>Admin</u>				
Purchase & Renovation of Vernon Bldg	\$ 3,997,564	\$ 6,964,902	\$ 2,967,338	57%
<hr/>				
Subtotal District Funded Projects	\$ 4,117,900	\$ 8,201,680	\$ 4,083,780	50%
<hr/>				
TOTAL CAPITAL PROJECTS	\$ 7,009,721	\$ 35,763,174	\$ 28,753,453	20%

5-2.611

FY2008
CAPITAL BUDGET
For the month ending - November 30, 2007

	<u>YTD Actual</u>	<u>FY08 Budget</u>	<u>Remaining Budget</u>	<u>% Spent YTD</u>
<u>CAPITAL FUNDING</u>				
Federal Capital Grants	\$ 2,891,821	\$ 3,798,527	\$ 906,706	76%
State/Other Capital Grants	\$ -	\$ 12,919,865	\$ 12,919,865	0%
AB 3090	\$ -	\$ 6,363,000	\$ 6,363,000	0%
STA Funding (Current Year & Prior Year Deferred)	\$ 4,117,900	\$ 7,087,337	\$ 2,969,437	58%
Alternative Fuel Conversion Fund	\$ -	\$ 462,000	\$ 462,000	0%
Bus Stop Improvement Reserves	\$ -	\$ 100,000	\$ 100,000	0%
District Reserves	\$ -	\$ 5,032,445	\$ 5,032,445	0%
TOTAL CAPITAL FUNDING	\$ 7,009,721	\$ 35,763,174	\$ 28,753,453	20%

5-2.612

GOVERNMENT TORT CLAIM

RECOMMENDED ACTION

TO: Board of Directors

FROM: District Counsel

RE: Claim of: Palmer, Felicia
Date of Incident: October, 2007

Received: 12/18/07 Claim #: 07-0042
Occurrence Report No.: MISC 07-20

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

- 1. Reject the claim entirely.
- 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. Allow the claim in full.
- 7. Allow the claim in part, in the amount of \$_____ and reject the balance.

By Margaret Gallagher
Margaret Gallagher
DISTRICT COUNSEL

Date: 12-26-07

I, Cindi Thomas, 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 25, 2008.

By _____
Cindi Thomas
RECORDING SECRETARY

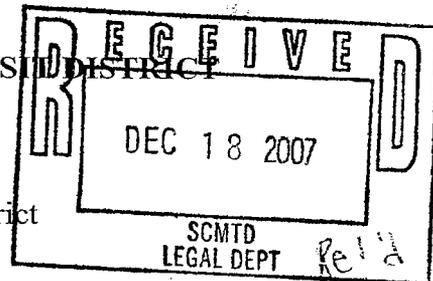
Date: _____

MG/lg
Attachment(s)

5-3.1

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

Claim # 07-0042



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: Felicia Palmer

Claimant's Address/Post Office Box: _____

Claimant's Phone Number: _____

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

3. Occurrence: Employee Elbowed me in my breast twice after he was told to stop

Date: 10/2007 Time: 2:50 Place: Santa Cruz Metro Lane #3

Circumstances of occurrence or transaction giving rise to claim: Employee had Elbowed me in my breast twice after I asked him to stop. The first time I said it nicely the second time I said it very rudely cause I was irritated.

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

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

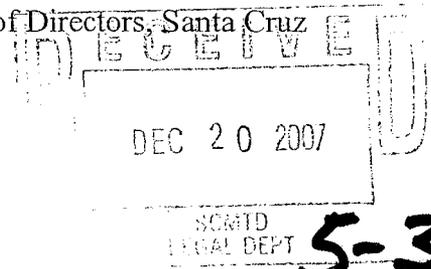
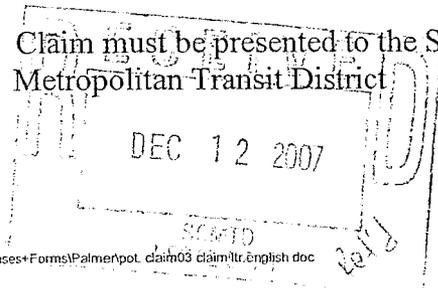
6. Amount claimed now \$ 25,000
Estimated amount of future loss, if known \$ 0
TOTAL \$ 25,000

7. Basis of above computations: Being sexually harassed by one of your drivers and having one witness

Felicia Palmer
CLAIMANT'S SIGNATURE (or Company Representative or Parent of Minor Claimant)

12/17/07
DATE

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



5-3.2



Agenda
METRO Advisory Committee
6:00 pm
January 16, 2008
920 Pacific Avenue
Santa Cruz, California

1. Roll Call
2. Agenda Additions/Deletions
3. Oral/Written Communication
4. Consideration of Minutes of December 2007
5. Ridership Report for November 2007
6. ParaCruz Operations Status Report for September 2007
7. Election of Officers
8. Discussion of MAC Orientation Procedure and Creating a Guideline Manual
9. Discussion of Creating a Planned Schedule of Events for the 2008 MAC Meetings
10. Distribution of MAC Vouchers
11. Communications to METRO General Manager
12. Communications to METRO Board of Directors
13. Items for Next Meeting Agenda
14. Adjournment

Next Meeting: Wednesday, February 20, 2008 @ 6:00 pm
Santa Cruz Metro Center Conference Room

5-4.1

**** REVISED ****

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes - METRO Advisory Committee (MAC)

November 28, 2007

A Regular Meeting of the METRO Advisory Committee (MAC) met on Wednesday, November 28, 2007 at the METRO Center Conference Room, 920 Pacific Avenue, Santa Cruz, CA.

Chair Robert Yount called the meeting to order at 6:12 p.m.

1. ROLL CALL:

MEMBERS PRESENT

Heidi Curry
Naomi Gunther
Mara Murphy (arrived after roll call)
Dennis Papadopulo
Stuart Rosenstein
Dave Williams
Robert Yount, Chair

MEMBERS ABSENT

None, all present

STAFF PRESENT

Ciro Aguirre, Operations Manager
Mary Ferrick, Base Superintendent
April Warnock, ParaCruz Scheduling Coord.

VISITORS PRESENT

Steve Prince, UTU

2. AGENDA ADDITIONS/DELETIONS

None

3. ORAL/Written COMMUNICATION

Oral: Dennis Papadopulo suggested that MAC designate a member to attend METRO training procedures for new drivers as had been done in the past with the METRO Accessible Services Transit Forum (MASTF). Mr. Papadopulo stated that he would be willing to participate in this capacity and asked to have this issue added to the December MAC Meeting Agenda.

Oral: Chair Robert Yount announced that he had oral surgery an hour prior to the meeting and would like to turn the meeting over to the Vice Chair when elected at this meeting.

4. CONSIDERATION OF MINUTES OF OCTOBER 17, 2007

ACTION: MOTION: DENNIS PAPADOPULO SECOND: DAVE WILLIAMS

ACCEPT AND FILE MINUTES OF THE OCTOBER 17, 2007 MEETING AS PRESENTED.

Motion passed with Naomi Gunther and Stuart Rosenstein abstaining and all Members being present.

5-4.2

5. RIDERSHIP REPORT FOR SEPTEMBERS 2007

Chair Robert Yount thanked the METRO Staff for including the Ridership Report for the same month of the previous year for comparison reasons in the MAC Packet.

Stuart Rosenstein asked if the Ridership Report is being provided in the revised format. Chair Robert Yount reported that the new format has been approved by the Board of Directors and will be provided in future MAC Packets.

Naomi Gunther inquired as to the productivity of the newly established University (UCSC) supplemental Route 27X. Ciro Aguirre reported that Route 27X is showing a slow growth in popularity primarily because it is new and transit riders are beginning to adjust to the schedule of the new route.

Dave Williams inquired as to the ridership data for special shuttle services such as the County Fair and Pajaro Dunes. Ciro Aguirre reported that the Pajaro Dunes (Palm Beach Shuttle) is paid for by the Pajaro Dunes Society and is ~~ran~~ **run** two (2) days a year during the 4th of July to reduce traffic in the area. Mr. Aguirre reported that this year the shuttle had fifty-five (55) riders in two (2) days verses forty-five (45) riders in 2006 which was ran three (3) days. Naomi Gunther stated that the County Fair shuttle ridership is included in the Ridership Report near the bottom.

Chair Robert Yount inquired as to the drop in ridership on the UCSC routes compared to the previous year. Naomi Gunther reported that the variance reflected is due to the school year starting late in the month this year.

MARA MURPHY ARRIVED AT THIS TIME

Stuart Rosenstein stated that the number of bikes on buses seemed to be low compared to the total number in ridership. Steve Prince, UTU Representative and METRO Bus Operator, reported that in his opinion the number of bikes on buses is actually high in comparison to ridership and stated that the buses have two to three spaces for bikes compared to a much larger capacity for standard riders.

6. PARACRUZ OPERATIONS STATUS REPORT FOR JULY 2007

Chair Robert Yount Stated that the ParaCruz service is constantly showing improvement.

Ciro Aguirre reported that METRO has incorporated the services of Courtesy Cab and Yellow Cab to provide rides for single rider trips in rural and outlying locations to reduce the number of unoccupied (Deadhead) trips of the ParaCruz vehicles. Mr. Aguirre stated the use of these services increases efficiency and directly affects the improvement indicated by the figures of the report.

April Warnock reported that an additional midsize ParaCruz vehicle has been put into service and will allow for an increase in rides provided.

7. ELECTION OF VICE CHAIR

Chair Robert Yount gave a brief description and history of the role of Vice Chair for MAC.

Chair Robert Yount opened up the meeting to nominations for Vice Chair.

Dave Williams nominated Naomi Gunther for the position of Vice Chair.

**ACTION: MOTION: DAVE WILLIAMS SECOND: STUART ROSENSTEIN
ELECT NAOMI GUNTHER AS VICE CHAIR OF MAC**

Motion passed unanimously with all Members being present.

Chair Robert Yount turned the meeting over to newly elected Vice Chair Naomi Gunther at this time.

8. PRESENTATION BY CATHERINE PATTERSON VALDEZ, DIVISION DIRECTOR OF LIFT LINE, ON THE MOBILITY OUTREACH AND EDUCATION (MORE) PROGRAM

April Warnock reported that Catherine Patterson Valdez was not available for the presentation and that Ms. Patterson Valdez would be available for the December MAC Meeting. Vice Chair Naomi Gunther differed this item to the December MAC Agenda.

9. DISCUSSION OF MAC MISSION AND ORIGINAL INTENT OF COMMITTEE FORMATION

Mara Murphy stated that she was unclear as to the duties and limitations of MAC. Ms. Murphy stated that she felt the discussions in MAC meetings sometimes got off transportation topics and focused on METRO management duties. Ms. Murphy stated that in her opinion METRO management is doing a good job in its day-to-day operations and she feels that MAC should focus more on public concerns and ridership issues. Ms. Murphy stated that an orientation outlining the mission and purpose of MAC would be valuable to her ability to address METRO and transportation issues.

Chair Robert Yount reported that a previous METRO Board Chair had explained to him that if the Board is concerned or involved with an issue then MAC is encouraged to also take the issue into consideration.

Chair Robert Yount reported that in the late 1980's there were public concerns that METRO was not meeting the public transportation needs of the elderly and disabled community. Mr. Yount stated that members of the public formed the METRO Accessible Services Transit Forum (MASTF) and was designated as an advisory group to the METRO Board. Mr. Yount stated that over time MASTF membership dropped and the group disbanded.

Chair Robert Yount reported that the METRO Board wanted an avenue to receive information from the public and METRO riders that they would otherwise not receive through regular communications and the METRO Advisory Committee (MAC) was formed to provide this service.

Chair Robert Yount reported that MAC is encouraged to present any item they feel is important to the Board and that the Board has addressed the majority of past recommendations from MAC.

Stuart Rosenstein stated that in his understanding MAC is designed to represent elderly, disabled, and the wide diversity of the community on transit issues.

Chair Robert Yount stated that in his opinion it is the responsibility of each MAC Member to be aware of current issues regarding METRO and transit issues. Mr. Yount suggested that each MAC member create a binder for MAC Agendas, Packets, notes, and informational items. Mr. Yount encouraged the MAC Members to review the current BOD Agendas and Packets and informed the members that they could view the information online and also could sign-up to receive an email with a link to the METRO website when new Board Agendas and Agenda Packets become available.

10. DISCUSSION OF ATTRACTING NEW MAC MEMBERSHIP AND MAC BYLAWS REGARDING CONFLICT OF INTEREST FOR MAC MEMBERSHIP

Chair Robert Yount reported that METRO District Counsel is in the process of creating verbiage for the MAC Bylaws Membership section to be reviewed by MAC and submitted to the Board for approval.

Chair Robert Yount reported that METRO is in the process of producing MAC promotional literature to be displayed and distributed on METRO buses and at the METRO Transit Stations.

Vice Chair Naomi Gunther inquired if previously displayed MAC information could be used on the buses. Ciro Aguirre stated that if the Board approved the materials and if the information was not outdated then it might be able to be displayed provided METRO has the original templates containing the information.

11. DISCUSSION OF TIME MANAGEMENT FOR MAC MEETINGS

Mara Murphy stated that in her opinion a conscientious commitment by MAC to stay on topic of the Item being discussed would streamline the discussion process and reduce the amount of time taken on each item. Ms. Murphy stated that she would like to have the meetings adjourn early when possible. Vice Chair Naomi Gunther requested that MAC Meetings begin on time whenever possible.

Chair Robert Yount stated that in his opinion reviewing the MAC Agenda Packet, particularly the Minutes from the previous meeting(s), and being aware of the issues the

Board is currently addressing prior to a MAC Meeting would increase the productivity of the meetings.

Heidi Curry inquired as to the time requirement of MAC Meetings and if two (2) hours is mandatory. Chair Robert Yount stated that it is not a mandatory requirement and that if all agenda items have been satisfactorily addressed then the meeting may adjourn early on an unanimous vote of the attending MAC members. Mr. Yount stated that the MAC Bylaws address this issue as well as other areas of interest that have been raised at the meetings. Dave Williams stated that the 2-hour meeting time was a cutoff time and not a required duration time.

Mara Murphy suggested planning out a yearly timeline for MAC Meetings and possibly eliminating meetings for certain months particularly in the summer. Ms. Murphy stated that in her opinion this might also make MAC more attractive to new members. Chair Robert Yount stated that such a schedule would also make MAC more accessible for UCSC students that might be interested in joining MAC.

12. DISCUSSION OF MAC BYLAWS REGARDING THE EXCUSED AND UNEXCUSED ABSENTEE DEFINITIONS

Chair Robert Yount reported that this item had been discussed at the previous two (2) MAC meetings and that the consensus was to eliminate the verbiage “excused” and “unexcused” and establish an allotted number of absences. Mara Murphy stated that the agreed number of absences would be no more than three in any twelve-month period.

ACTION: MOTION: DAVE WILLIAMS SECOND: ROBERT YOUNT

RECOMMEND TO THE BOARD OF DIRECTORS TO AMEND THE MAC BYLAWS, SECTION 3.3: ABSENCES; BY REMOVING THE VERBIAGE “EXCUSED” AND “UNEXCUSED” AND REPLACE CURRENT VERBIAGE OF THE FIRST SENTENCE TO STATE, “IF A MEMBER ACCUMULATES MORE THAN THREE (3) ABSENCES FROM COMMITTEE MEETINGS IN ANY TWELVE-MONTH PERIOD, THE POSITION SHALL AUTOMATICALLY BE DECLARED VACANT” AND THAT METRO DISTRICT COUNSEL WILL REVIEW AND MAKE ANY NECESSARY CHANGES IN ORDER TO HAVE THE VERBIAGE SATISFY ANY AND ALL LEGAL REQUIREMENTS.

Motion passed unanimously with all Members being present.

ACTION: AMMENDMENT: DAVE WILLIAMS SECOND: ROBERT YOUNT

RECOMMEND TO THE BOARD OF DIRECTORS TO AMEND THE MAC BYLAWS, SECTION 3.3: ABSENCES; BY REMOVING THE VERBIAGE “EXCUSED” AND “UNEXCUSED” AND REPLACE CURRENT VERBIAGE OF THE FIRST SENTENCE TO STATE, “IF A MEMBER ACCUMULATES MORE THAN THREE (3) ABSENCES FROM COMMITTEE MEETINGS IN ANY TWELVE-MONTH PERIOD, THE REMAINING COMMITTEE MEMBERS WILL REVIEW THE CERCUMSTANCES OF THE ABSENCES AND MAKE A GROUP DECISION BY MEANS OF A VOTE WHETHER THE POSITION

SHALL BE DECLARED VACANT OR IF THE MEMBER WILL RETAIN HIS/HER SEAT ON THE COMMITTEE” AND THAT METRO DISTRICT COUNSEL WILL REVIEW AND MAKE ANY NECESSARY CHANGES IN ORDER TO HAVE THE VERBIAGE SATISFY ANY AND ALL LEGAL REQUIREMENTS.

Motion passed unanimously with all Members being present.

13. COMMUNICATIONS TO METRO GENERAL MANAGER

METRO Legal Counsel to provide MAC with two (2) alternative wordings for consideration of the Membership section of the MAC Bylaws.

METRO Legal Counsel to review and generate the proposed changes to the Absences section of the MAC Bylaws to present to the Board for consideration.

METRO Staff to present MAC with an update on brochures and posters on buses to generate an interest in new MAC Membership.

14. COMMUNICATIONS TO METRO BOARD OF DIRECTORS

Consider suggested changes to the MAC Bylaws.

15. ITEMS FOR NEXT MEETING AGENDA

- Presentation by Catherine Patterson Valdez, Division Director of Lift Line, on the Mobility Outreach and Education (MORE) program.
- Consideration of Assigning a MAC Member to Attend Training Procedures of METRO Operators.
- Discussion of MAC Orientation Procedure and Creating a Guideline Manual.
- Discussion of Creating a Planned Schedule of Events for the 2008 MAC Meetings.
- Discussion of METRO Safety and Injury Policies and Procedures on Buses.

ADJOURN

There being no further business, Vice Chair Naomi Gunther thanked everyone for participating and adjourned the meeting at 7:49 p.m.

Respectfully submitted,



DALE HAMILTON
Administrative Assistant

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 25th, 2008
TO: Board of Directors
FROM: Wally Brondstatter, Acting Paratransit Administrator
SUBJECT: METRO PARACRUZ OPERATIONS STATUS REPORT

I. RECOMMENDED ACTION

This report is for information only- no action requested

II. SUMMARY OF ISSUES

- METRO ParaCruz is the federally mandated ADA complementary paratransit program of the Transit District, providing shared ride, door-to-door demand-response transportation to customers certified as having disabilities that prevent them from independently using the fixed route bus.
- METRO assumed direct operation of paratransit services November 1, 2004.
- Operating Statistics and customer feedback information reported are for the month of September 2007.
- A breakdown of pick-up times beyond the ready window is included.

III. DISCUSSION

METRO ParaCruz is the federally mandated ADA complementary paratransit program of the Transit District, providing shared ride, door-to-door demand-response transportation to customers certified as having disabilities that prevent them from independently using the fixed route bus.

METRO began direct operation of ADA paratransit service (METRO ParaCruz) beginning November 1, 2004. This service had been delivered under contract since 1992.

There has been discussion regarding ParaCruz on-time performance. It was noted that most statistical data continues to show improvement, the reported percentage of pick ups performed within the "ready window" has remained relatively consistent, hovering at roughly 90%. Staff was requested to provide a break down the pick-ups beyond the "ready window".

5-5.1

The table below displays the percentage of pick-ups within the “ready window” and a breakdown in 5-minute increments for pick-ups beyond the “ready window”.

	October 2006	October 2007
Total pick ups	7437	8449
Percent in “ready window”	88.91%	93.66%
1 to 5 minutes late	3.94%	2.41%
6 to 10 minutes late	2.15%	1.36%
11 to 15 minutes late	2.03%	1.10%
16 to 20 minutes late	.98%	.50%
21 to 25 minutes late	.55%	.28%
26 to 30 minutes late	.38%	.18%
31 to 35 minutes late	.22%	.14%
36 to 40 minutes late	.28%	.11%
41 or more minutes late (excessively late/missed trips)	.12%	.02%
Total beyond “ready window”	11.09%	6.34%

During the month of October 2007, ParaCruz received ten (10) service complaints and six (6) compliments. Six (6) of the complaints were found to be “not valid”. Two (2) of the three (3) valid service complaints were related to late pick-ups, one (1) related to driver overcharging client.

One (1) Customer Service Report was moved to ‘incident’ status.

5-5.2

Comparative Operating Statistics This Fiscal Year, Last Fiscal Year through October

	October 06	October 07	Fiscal 06-07	Fiscal 07-08
Requested	8474	8993	31,579	31627
Performed	7437	8449	28,471	29894
Cancels	17.71%	14.97%	17.79%	15.06%
No Shows	2.89%	2.01%	2.82%	2.28%
Total miles	51,677	53,628	200,145	195,014
Av trip miles	5.09	5.01	5.18	5.13
Within ready window	88.91%	93.66%	90.00%	93.82%
Excessively late/missed trips	9	1	76	12
Call center volume	6054	6436	24,224	24429
Call average seconds to answer	24	31	24	30
Hold times less than 2 minutes	95%	96%	95%	95%
Distinct riders	776	827	1,228	1,249
Most frequent rider	60 rides	56 rides	186 rides	189 rides
Shared rides	67.7%	67.9%	67.0%	64.6%
Passengers per rev hour	1.79	2.39	1.68	2.36
Rides by supplemental providers	9.33%	20.17%	8.46%	22.27%
Vendor cost per ride	\$24.18	\$22.27	\$23.16	\$22.83
ParaCruz driver cost per ride (estimated)	\$25.78	\$22.72	\$24.70	\$24.20
Rides < 10 miles	82.05%	82.63%	81.78%	82.95%
Rides > 10	17.95%	17.37%	18.22%	17.05%

IV. FINANCIAL CONSIDERATIONS

NONE

V. ATTACHMENTS

NONE

5-5.3

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 25, 2008
TO: Board of Directors
FROM: Tom Stickel, Manager of Fleet Maintenance
SUBJECT: CONSIDERATION OF CONTRACT RENEWAL WITH CRUZ CAR WASH FOR PARACRUZ VEHICLE WASHING SERVICES AND STEVE'S UNION FOR PARACRUZ FUELING SERVICES

I. RECOMMENDED ACTION

District staff is recommending that the Board of Directors authorize the General Manager to execute an amendment to the contract with Cruz Car Wash for ParaCruz vehicle washing services and to Steve's Union for ParaCruz vehicle fueling services to extend the term of the contracts for one (1) additional year and allow for the Cruz Car Wash Contract an increase in the rate of compensation equal to the annual percentage change in the consumer price index for the San Francisco-Oakland-San Jose area (3.3 %).

II. SUMMARY OF ISSUES

- The District has contracts with Cruz Car Wash for ParaCruz vehicle washing services and Steve's Union for ParaCruz vehicle fueling services that will both expire on February 28, 2008.
- At the option of the District, these contracts may be renewed for four (4) additional one-year terms.
- Both Contractors have indicated that they are interested in extending the contract one additional year to February 28, 2009.
- It is requested that the Board of Directors authorize the General Manager to execute amendments to both contracts to extend the contract terms for one additional year and allow an increase in compensation equal to the annual percentage change in the consumer price index for the San Francisco-Oakland-San Jose area (3.3%) for the Cruz Car Wash contract.

III. DISCUSSION

The District's current contracts with Cruz Car Wash for ParaCruz vehicle washing services and Steve's Union for ParaCruz vehicle fueling services are due to expire on February 28, 2008. Both contractors have provided good service under these contracts. An extension of the contracts would be favorable to the District. Section 4.01 of the contract allows the District the option to renew the contract for four (4) additional one-year terms. Both contractors have also reviewed the contracts and have indicated their desire to extend the contract for one additional year. Cruz

5-6.1

Car Wash has indicated that they will renew the contract for the additional one year term with an increase in compensation equal to the annual percentage change in the consumer price index for the San Francisco-Oakland-San Jose area (3.3 %) as allowed for under the contract.

District staff is recommending that the Board of Directors authorize the General Manager to execute amendments to the contract to extend both contract terms for one additional year and allow for the Cruz Car Wash Contract allow an increase in the rate of compensation equal to the annual percentage change in the consumer price index for the San Francisco-Oakland-San Jose area (3.3 %).

IV. FINANCIAL CONSIDERATIONS

Funding for these contracts are contained in the operating budget for ParaCruz.

V. ATTACHMENTS

- Attachment A:** Letter from Cruz Car Wash
- Attachment B:** Letter from Steve's Union
- Attachment C:** Cruz Car Wash Contract Amendment
- Attachment D:** Steve's Union Contract Amendment

5-6.2



Full Service Car Wash & Gas
Express Detail Service

Wednesday, January 02, 2008

Lloyd Longnecker
Santa Cruz Metropolitan Transit District
110 Vernon Street
Suite B
Santa Cruz, CA 95060

Re: District Contract No. 04-10 for washing of ParaCruz vehicles

Dear Lloyd,

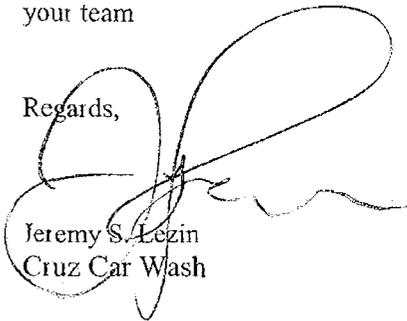
Cruz Car Wash agrees to a third amendment to the abovementioned contract, starting on March 1st 2008 and extending until February 28th of 2009

My research indicates that the overall CPI for San Francisco-Oakland-San Jose last year was 3.3% (three point three percent). Our current negotiated rate for Deluxe car washes is \$15.28. With the 3.3% increase, it results in a price of \$15.78 (Fifteen dollars and seventy eight cents) for a full-service Deluxe wash.

We will continue to offer our Express Exterior wash for the same price as last year (\$8.00) with no increase.

Thank you for your continued business and we look forward to another great year working with your team.

Regards,



Jeremy S. Lezin
Cruz Car Wash

Attachment **B**

Steve's Union Service
1500 Soquel Dr
Santa Cruz, CA 95065
831 476 3857

December 31, 2007

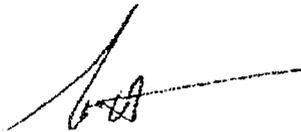
Mr Lloyd Longnecker
Santa Cruz Metro
Purchasing Agent

Dr. Mr Longnecker,

I am in agreement to extend the contract for an additional one year period.

PARA CRUZ FUELING CONTRACT

Sincerely,



Steve Oneto

5-6.61

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
THIRD AMENDMENT TO CONTRACT NO. 360
FOR PARACRUZ VEHICLE WASHING SERVICES**

This Third Amendment to Contract No. 360 for ParaCruz vehicle washing services is made effective March 1, 2008 between the Santa Cruz Metropolitan Transit District, a political subdivision of the State of California ("District") and CRUZ CAR WASH ("Contractor").

I. RECITALS

1.1 District and Contractor entered into a Contract for ParaCruz vehicle washing services ("Contract") on March 1, 2005.

1.2 The Contract allows for the extension upon mutual written consent.

Therefore, District and Contractor amend the Contract as follows:

II. TERM

2.1 Article 4.01 is amended to include the following language:

This Contract shall continue through February 28, 2009. This Contract may be mutually extended by agreement of both parties.

III. COMPENSATION

3.1 Article 5.01 is amended to include the following language:

Effective March 1, 2008, the rate for vehicle washing services will be increased by the annual percentage change in the consumers priced index for the San Francisco-Oakland-San Jose area (3.3%). Contractor will provide Express Exterior vehicle washing services when requested by District for a rate of \$8.00 per vehicle.

IV. REMAINING TERMS AND CONDITIONS

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

SIGNATURES ON NEXT PAGE

5-6.c1

V. AUTHORITY

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

Signed on _____

DISTRICT--SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Leslie R. White
General Manager

CONTRACTOR--CRUZ CAR WASH

By _____
Jeremy S. Lezin
President

Approved as to Form:

Margaret R. Gallagher
District Counsel

5-6. c2

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
THIRD AMENDMENT TO CONTRACT NO. 361
FOR PARACRUZ VEHICLE FUELING SERVICES**

This Third Amendment to Contract No. 361 for ParaCruz vehicle fueling services is made effective March 1, 2008 between the Santa Cruz Metropolitan Transit District, a political subdivision of the State of California ("District") and STEVE'S UNION SERVICE ("Contractor").

I. RECITALS

- 1.1 District and Contractor entered into a Contract for ParaCruz vehicle fueling services ("Contract") on March 1, 2005.
- 1.2 The Contract allows for the extension upon mutual written consent.

Therefore, District and Contractor amend the Contract as follows:

II. TERM

- 2.1 Article 4.01 is amended to include the following language:

This Contract shall continue through February 28, 2009. This Contract may be mutually extended by agreement of both parties.

III. REMAINING TERMS AND CONDITIONS

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

IV. AUTHORITY

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

SIGNATURES ON NEXT PAGE

5-6.d1

Signed on _____

DISTRICT
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Leslie R. White
General Manager

CONTRACTOR
STEVE'S UNION SERVICE

By _____
Steve Oneto
President

Approved as to Form:

Margaret R. Gallagher
District Counsel

5-6.d2

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

STAFF REPORT

DATE: January 25, 2008

TO: Board of Directors

FROM: Margaret Gallagher, District Counsel

SUBJECT: CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT WITH SUE CLARKE FOR AUDITING OF THE TALKING BUSES EXTERNAL ANNOUNCEMENTS AT THE WATSONVILLE TRANSIT CENTER AND THE BART CAVALLARO TRANSIT CENTER

I. RECOMMENDED ACTION

Authorize the General Manager to Execute a Contract with Sue Clarke for Auditing of the external route announcements at the Watsonville Transit Center and the Cavallaro Transit Center.

II. SUMMARY OF ISSUES

- Santa Cruz METRO is required by the Americans with Disabilities Act to make Call Stop Announcements. The announcements can be made either through the use of Talking Bus Equipment or by the individual bus operators. METRO purchased Talking Bus Equipment for purposes of making the required announcements.
- Sue Clarke has been auditing the Talking Bus external announcements at the Watsonville Transit Center and Bart Cavallaro Transit Center since July 1, 2007. The information contained in Ms. Clarke's audit reports is provided in the quarterly Call Stop Reports provided to the Board of Directors. Sue Clarke's contract expired on 12/31/07.

III. DISCUSSION

Santa Cruz METRO is required by the Americans with Disabilities Act to make Call Stop Announcements. The announcements can be made either through the use of Talking Bus Equipment or by the individual bus operators. METRO purchased Talking Bus Equipment for purposes of making the required announcements. The equipment provides for internal and external announcements. The external announcements which announce the route the bus is taking are made at the Transit Centers and at the bus stops. These announcements alert potential passengers that a particular bus will be following a specific route. These announcements are critical to insure that all passengers know which bus they should board to get to their destination. METRO staff has determined that at the Transit Centers the external announcements should call out the routes four times before the bus departs from the center. The purpose of the contract with Sue Clarke is so that she can verify that the bus operators are allowing sufficient time for the four announcements to be made. This verification system would insure that METRO can properly

defend itself should anyone dispute that METRO is calling out the stops in compliance with the law.

Attached is the current contract for Sue Clarke, who has been auditing the required external announcements at the Watsonville Transit Center and Bart Cavallaro Transit Center since July 1, 2007. Her contract expired on 12/31/07.

The information contained in Ms. Clarke's audits has been provided in the quarterly call stop audit reports since July, 2007. This information is useful in determining whether or not the bus operators are insuring that the external announcements are being made in compliance with the Call Stop Policy.

IV. FINANCIAL CONSIDERATIONS

Ms. Clarke has been auditing 10 hours per week. She is paid at the rate of \$25.00 per hour, or \$250.00 per week.

V. ATTACHMENTS

Attachment A: Current Independent Contractor Agreement

5-7.2

Contract No. _____

INDEPENDENT CONTRACTOR AGREEMENT

THIS CONTRACT is entered into this 1st day of July, 2007, by and between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, hereinafter called METRO, and Susan Clarke, hereinafter called CONTRACTOR. The parties agree as follows:

1. METRO NEEDS:

METRO has a need for Call Stop Surveyors who will audit the METRO buses at the Watsonville Transit center and the Bart Cavallaro Transit Center to determine how many times those buses audited make the external route announcements before departing from the transit centers. Contractor has a desire to audit buses at these transit centers for METRO under the terms and conditions set forth herein.

2. DUTIES:

CONTRACTOR agrees to exercise special skill to accomplish the following result: **Audit External Bus Announcements at the Watsonville Transit Center and the Bart Cavallaro Transit Center and provide information to METRO re each audit and its results.**

3. COMPENSATION:

In consideration for CONTRACTOR accomplishing said result, METRO agrees to pay CONTRACTOR as follows: **\$25.00 per hour to a maximum of 10 hours per week. Contractor shall bill the District monthly setting forth the time, date, location, bus number and audit results of each bus audited and the specific times and dates that Contractor was in audit status.**

4. TERM: The term of this contract shall be effective through December 31, 2007.

5. EARLY TERMINATION:

Either party hereto may terminate this contract at any time by giving (30) days written notice to the other party.

6. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS:

CONTRACTOR shall exonerate, indemnify, defend, and hold harmless METRO (which for the purpose of paragraphs 5 and 6 shall include, without limitation, its officers, agents, employees and volunteers) from and against:

- A. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which METRO 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 CONTRACTOR'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the

5-7.a1

By their signatures to this Agreement, each of the undersigned certifies that it is his considered judgment that the CONTRACTOR engaged under this Agreement is in fact an independent contractor.

9. NONASSIGNMENT.

CONTRACTOR shall not assign this Agreement without prior written consent of the METRO.

10. RETENTION AND AUDIT OF RECORDS.

CONTRACTOR shall retain records pertinent to this Agreement for a period of not less than five (5) years after final payment under this Agreement or until a final audit report is accepted by METRO, whichever comes first. CONTRACTOR hereby agrees to be subject to the examination and audit by the METRO, the Auditor General of the State of California, or the designee of either for a period of five (5) years after final payment under this Agreement.

11. ATTACHMENTS

This Agreement includes the following attachments (identify by name or write "NONE"):

NONE

12. NOTICES:

Any notice, demand, request, consent approval or communication that either party desires or is required to give to the other party 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 hours from the time of mailing if mailed as provided in this Article 12.

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

CONTRACTOR:
Susan Clarke
325 Vista Robles Drive
Ben Lomond, CA 95005

13. TIME OF THE ESSENCE:

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

5-7.a2

a judgment for purposes of determining whether a party is entitled to recover his costs of attorney's fees.

21. AUTHORITY

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

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

METRO

By: [Signature]

370 Encinal Street, Ste. 100
Santa Cruz, CA 95060
(831) 426-6080

APPROVED AS TO FORM:

By: [Signature]
District Counsel

CONTRACTOR

[Signature]

By: SUSAN CLARKE

Address:

325 VISTA ROBLES DR
BEN LOMOND CA 95005

Telephone:

(831) 336-3021

Federal Tax ID No:

530-36-5050

DISTRIBUTION:

Contractor
Administration
Finance
Purchasing
Department Manager

5-7.23

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 25, 2008
TO: Board of Directors
FROM: Frank L. Cheng, Project Manager
SUBJECT: CONSIDERATION OF METROBASE STATUS REPORT

I. RECOMMENDED ACTION

That the Board of Directors accept and file the MetroBase Status Report.

II. SUMMARY OF ISSUES

- Service Building work
 - Arntz Builders completing punch-list items.
 - Harris & Associates working with Arntz Builders for closeout material information.
- Maintenance Building
 - West Bay Builders continuing site work on 120 Golf Club Drive property
 - Storm Sewer connection work continuing on Golf Club Drive.
 - METRO waiting on PG&E final electrical design drawings.
 - METRO has received AT&T final telecom plans.

III. DISCUSSION

Arntz Builders is completing punch-list items to finalize Service & Fueling Building. Harris & Associates is working with Arntz Builders for closeout material information. METRO is finalizing negotiations with Arntz Builders for completion of the Service & Fueling Building.

West Bay Builders is continuing site work and steel framing on 120 Golf Club Drive property. West Bay Builders is continuing work on Golf Club Drive for storm and sewer work. West Bay Builders completed the work that was needed for the storm drain on Highway 9 and continuing the work up Golf Club Drive towards the site.

In regards to electrical, METRO has not received confirmation from PG&E in regards to the final design drawings that was applied in December 2006. METRO staff is continually contacting PG&E representatives for any information. In regards to AT&T, METRO has received final plans for telecommunication materials needed for the project.

Information for the MetroBase Project can be viewed at <http://www.scmttd.com/metrobase>
Information on the project, contact information, and MetroBase Hotline number (831) 621-9568 can be viewed on the website.

5-8.1

New updates on the MetroBase Project:

- Arntz working on non-conformance issues.
- West Bay Builders continuing site work on 120 Golf Club Drive property.
- METRO waiting on PG&E final electrical design drawings.
- METRO has received AT&T final telecom plans.

Previous information regarding the MetroBase Project:

A. Service & Fueling Building (IFB 05-12)

- Arntz working on punch-list items and non-conformances.
- Arntz Builders completed trash enclosure and street repaving of Highway 9.
- On January 26, 2007, Board of Directors went on a tour of the MetroBase Project.
- Received Caltrans Encroachment Permit. Work completed.
- Department of Fish&Game approved work on outfall construction completed.
- Concrete Driven Piles completed end of May 2006.
- Arntz Builders providing training to METRO employees.
- Public Outreach Newsletter sent to areas possibly affected by construction.
- Notice to Proceed issue effective January 9, 2006 with 365 calendar day construction period.

B. Maintenance Building (IFB 06-01)

- On November 20, 2006, METRO received signed copies of IFB 06-01 from West Bay Builders including agreement to Labor Harmony provisions included in award letter.
- IFB 06-01 Maintenance Building awarded to West Bay Builders for \$15,195,000 contingent upon Labor Harmony provision in award letter.
- Tilt-up panels installed, West Bay Builders working on steel joists.
- RNL contract modified for added Maintenance Building scope
- Harris & Associates contract modified for added Maintenance Building scope.
- Weekly Construction Meetings.

IV. FINANCIAL CONSIDERATIONS

Funds for the construction of the Service & Fueling, and Maintenance Building Components of the MetroBase Project are available within the funds the METRO has secured for the Project.

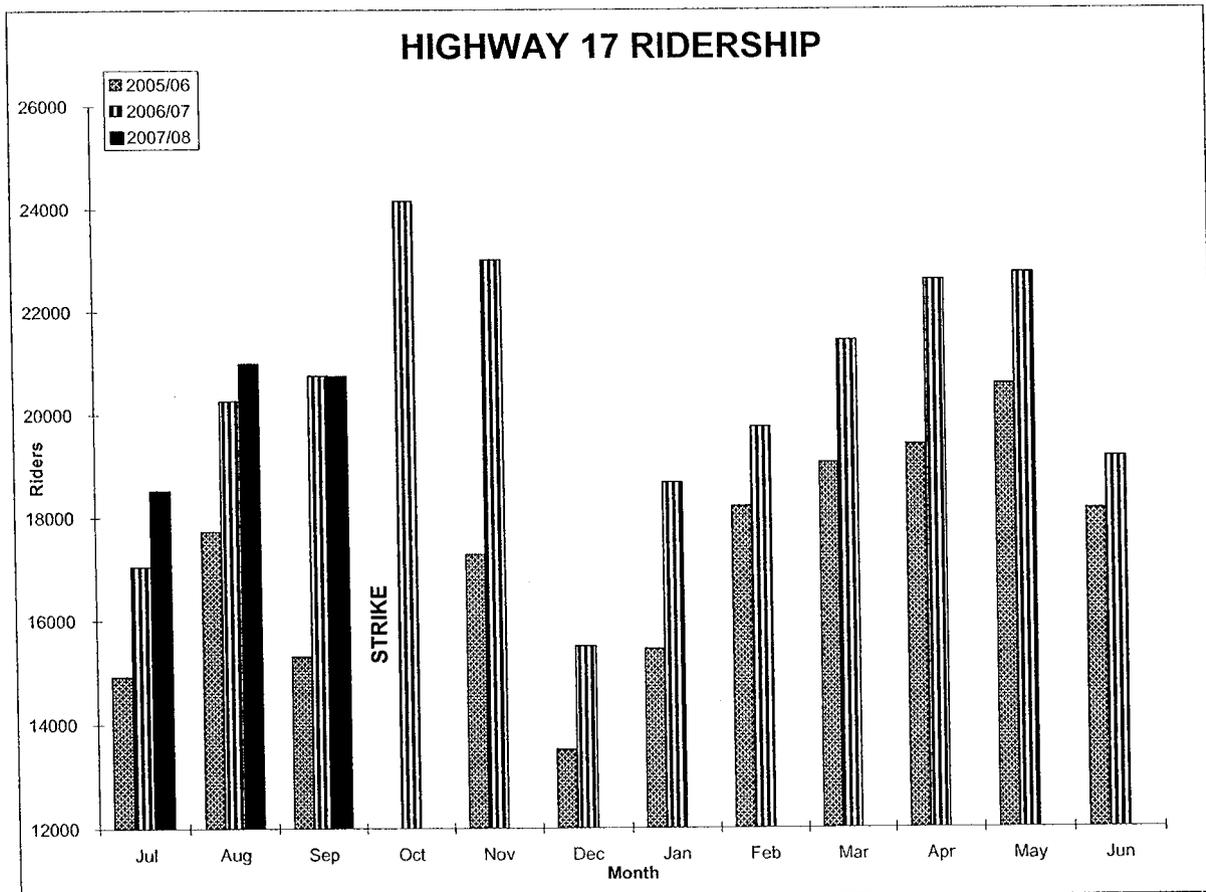
V. ATTACHMENTS

Attachment: NONE

5-8.2

HIGHWAY 17 - SEPTEMBER 2007

	SEPTEMBER			YTD		
	This Year	Last Year	%	This Year	Last Year	%
FINANCIAL						
Cost	\$ 132,181	\$ 129,292	2.2%	\$ 419,792	\$ 399,882	5.0%
Farebox	\$ 70,230	\$ 72,427	(3.0%)	\$ 195,411	\$ 194,645	0.4%
Operating Deficit	\$ 51,027	\$ 46,584	9.5%	\$ 192,947	\$ 181,537	6.3%
Santa Clara Subsidy	\$ 25,514	\$ 23,292	9.5%	\$ 96,474	\$ 90,768	6.3%
METRO Subsidy	\$ 25,514	\$ 23,292	9.5%	\$ 96,474	\$ 90,768	6.3%
San Jose State Subsid	\$ 2,434	\$ 2,018	20.6%	\$ 3,169	\$ 2,985	6.1%
AMTRAK Subsidy	\$ 8,490	\$ 8,263	2.7%	\$ 28,264	\$ 20,716	36.4%
STATISTICS						
Passengers	20,736	20,751	(0.1%)	60,243	58,061	3.8%
Revenue Miles	39,594	39,594	0.0%	124,280	123,208	0.9%
Revenue Hours	1,485	1,485	0.0%	4,660	4,621	0.9%
Passengers/Day	691	692	(0.1%)	655	159	311.6%
Passengers/Weekday	832	882	(5.7%)	773	195	296.7%
Passengers/Weekend	410	311	31.7%	385	78	391.9%
PRODUCTIVITY						
Cost/Passenger	\$ 6.37	\$ 6.23	2.3%	\$6.97	\$6.89	1.2%
Revenue/Passenger	\$ 3.39	\$ 3.49	(3.0%)	\$3.24	\$3.35	(3.2%)
Subsidy/Passenger	\$ 2.58	\$ 2.34	10.1%	\$3.26	\$3.18	2.4%
Passengers/Mile	0.52	0.52	(0.1%)	0.48	0.47	2.9%
Passengers/Hour	13.96	13.97	(0.1%)	12.93	12.57	2.9%
Recovery Ratio	53.1%	56.0%	(5.2%)	46.5%	48.7%	(4.4%)



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 25, 2008

TO: Board of Directors

FROM: Margaret Gallagher, District Counsel

SUBJECT: CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A NEW ONE-YEAR LEASE FOR WATSONVILLE TRANSIT CENTER KIOSK #6 FOR THE CURRENT TENANT

I. RECOMMENDED ACTION

Authorize the General Manager to execute a new 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

- Romualdo Palacios, dba Santa Martha has been leasing Kiosk #6 for almost five (5) years from METRO.
- Santa Martha's Lease terminates on January 31, 2008. As a result METRO was required to competitively advertise the tenancy.
- The kiosk space was advertised for several weeks in November and December 2007 in the local papers. The only response to the ad has been Romualdo Palacios's application.
- Mr. Palacios wishes to begin a new lease beginning February 1, 2008 for a one-year initial period, with four options to renew the lease, each for an additional one-year period.

III. DISCUSSION

Romulado Palacios has been operating his business successfully at the Watsonville Transit Center since February 1, 2003. Santa Martha's lease term will terminate on January 31, 2008. In anticipation of the Lease ending, the kiosk was advertised during the months of November and December. Only one applicant, Romualdo Palacios, completed an application and provided financial information pursuant to the District's requirement.

Mr. Palacios wishes to continue leasing kiosk #6 to operate a variety store. He currently sells clothing, music, toys and other miscellaneous items. He wishes to lease the kiosk for a one-year initial term, but with options to renew the lease for four additional one-year periods under the same terms and conditions. It is recommended that the rent be set at a rate of \$300.00 per month with a CPI increase to be effective on February 1, 2009.

IV. FINANCIAL CONSIDERATIONS

The annual rent for the new kiosk Lease's initial one-year term 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, 2008, 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

Attachment A

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, 2008 and shall expire at 12:01 a.m. on January 31, 2009 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 (90) day 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, 2008. 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:

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

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.

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

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, customers or any other person in or about the Premises; whether such damage or injury is caused by or

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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, cover, re-configure, reposition or otherwise modify any part of the building in which the Premises are

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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.

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

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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.
- 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

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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:

- 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.

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- 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;
 - 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.

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- 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.

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.

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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 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

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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.
- 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

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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.
- 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.

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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.

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.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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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.

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.

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

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 Persons with Disabilities

Tenant shall comply with Section 504 of the Rehabilitation Act of 1973, as amended, pertaining to the prohibition against discrimination of qualified persons with disabilities in federally-assisted programs and with the provisions of the Americans with Disabilities Act (ADA) and their implementing regulations including the requirements to provide an accessible path of travel within the premises and providing reasonable accommodations to customers in compliance with Title 3 of the ADA.

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":
 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.

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

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 refrain from unlawful discrimination/harassment/retaliation against other customers and/or members of the public based on race, religion, color, national origin, ancestry, physical or mental disability, genetic characteristics, medical condition, marital status, sex, age, sexual orientation (including homosexuality, bisexuality, or heterosexuality), or pregnancy, childbirth or related medical conditions or because of participation in protected activities. Each tenant shall make good faith efforts to prevent and/or stop unlawful discrimination and harassment from taking place.

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. Tenant is required to operate, manage and maintain its business at the Premises in accordance with all federal and state laws and regulations.

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.

20.1.26 Use of Definitions

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

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

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.
- m. **LIEN:** A charge imposed 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.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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- 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.

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.

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 25, 2008
TO: Board of Directors
FROM: Mark J. Dorfman, Assistant General Manager
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

- UCSC Fall service began on September 24, 2007.
- There were 19 school-term days for November 2007 versus 19 school-term days for November 2006.
- Overall UCSC trips increased by 4.7%
- Student trips for November 2007 increased by 5.4% versus November 2006.
- Faculty/staff trips for November 2007 decreased by (5.2%) versus November 2006.
- Revenue received from UCSC for November 2007 was \$278,654.62 versus \$253,496.74 for November 2006, an increase of 9.9%.

III. DISCUSSION

UCSC ridership throughout the County continues to increase. A breakdown of ridership figures reveals that on routes that directly serve the campus, UC ridership increased by 4.8%. Further analysis shows that for those routes serving the Laurel-Walnut/Bay corridor, UC ridership increased by 5.3% in November 2007 over the year before; On Route 19, which serves the Lower Bay corridor, UC ridership decreased (3.3%); Route 10, which serves High Street, UC ridership increased 14.5% over last year; and on Route 20 and UC Supplemental service, which serves the Westside of Santa Cruz, UC ridership increased by a modest 0.8%

Staff also continues to monitor UCSC ridership (both student and staff) on routes that do not directly serve UCSC. Over the last couple of years METRO has seen some increases in UCSC ridership in other parts of the County. In November, local Santa Cruz routes actually saw a decrease in UC ridership of (30.7%) while Capitola ridership increased by 106.2% (134 riders this year versus 65 last year). Routes 66 and 68, which serve the Live Oak area also saw a decrease in UC riders of (8.7%). On routes in San Lorenzo Valley, including Scotts Valley, there was a slight decrease in UC ridership of 0.2% overall.

5-11.1

However, it should be noted that in Scotts Valley on the Route 31 UCSC ridership increased 68.1% (195 UC riders this year versus 116 last year). In Watsonville UCSC ridership was down in November about (23.2%) from last year on the four local routes serving Watsonville.

IV. FINANCIAL CONSIDERATIONS

NONE

V. ATTACHMENTS

- Attachment A: UC Ridership Chart**
- Attachment B: UC Student Billable Trips**
- Attachment C: UCSC Faculty / Staff Billable Trips**

5-11.2

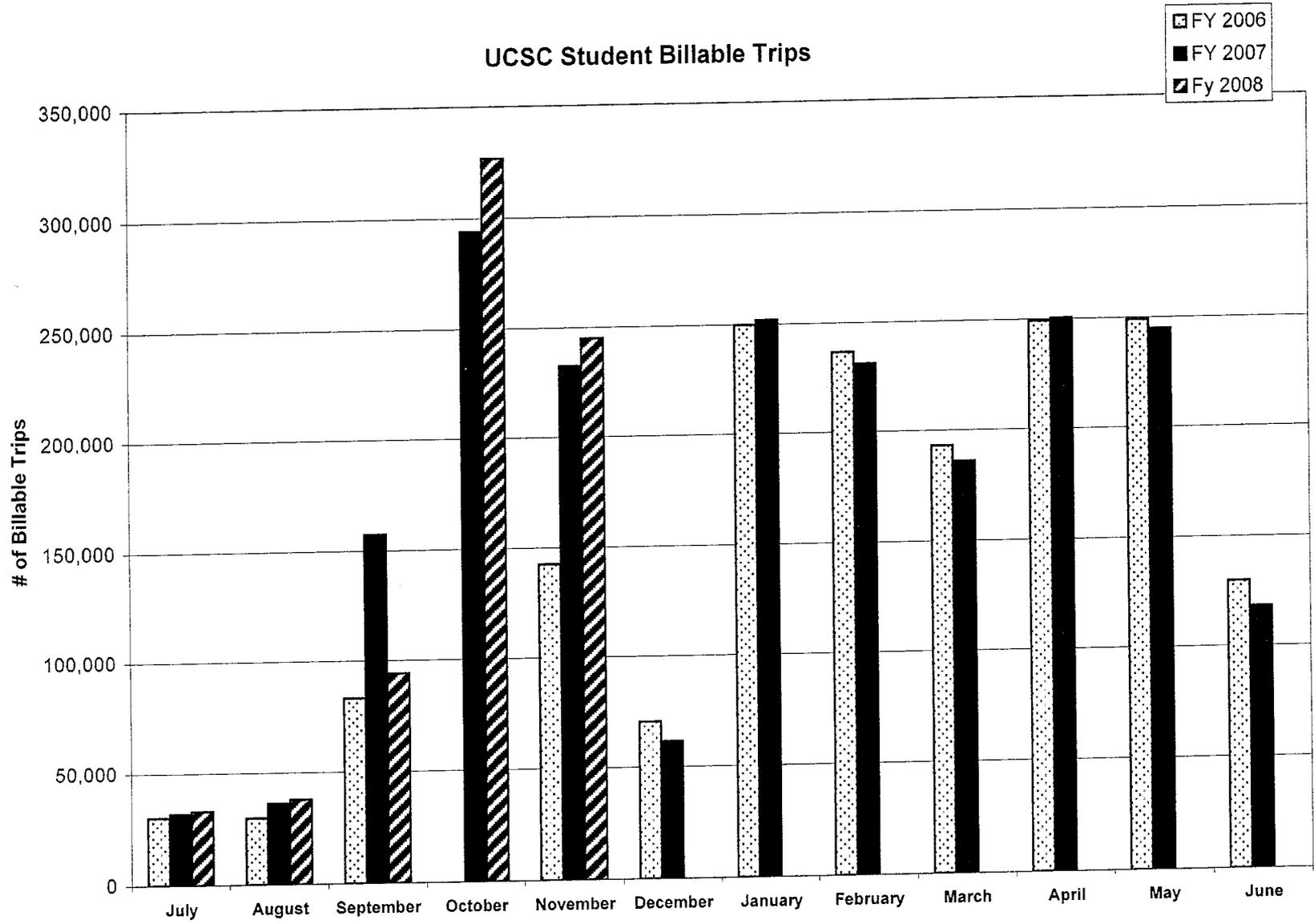
UC Ridership Chart

Nov-07	Student Ridership			Faculty/ Staff Ridership			Average Student Ridership Per School Term Day			Average Faculty/Staff Ridership Per Weekday		
	FY 2007	FY 2006	%	FY 2007	FY 2006	%	FY 2007	FY 2006	%	FY 2007	FY 2006	%
Regular Service	228,658	216,945	5.4%	15,261	16,135	-5.4%	10,390.1	9,882.6	5.1%	714.3	755.5	-5.5%
Supplemental	6,060	11,473	-47.2%	245	456	-46.3%	318.9	603.8	-47.2%	12.9	24.0	-46.3%
Night Owl	5,724	4,013	42.6%	35	27	29.6%	157.2	86.7	81.3%	1.2	0.8	46.7%
27x	4,498	-	n/a	220	-	n/a	236.7	-	n/a	11.6	-	n/a
TOTAL	244,940	232,431	5.4%	15,761	16,618	-5.2%	11,102.9	10,573.2	5.0%	739.9	780.3	-5.2%

5-11.01

Attachment A

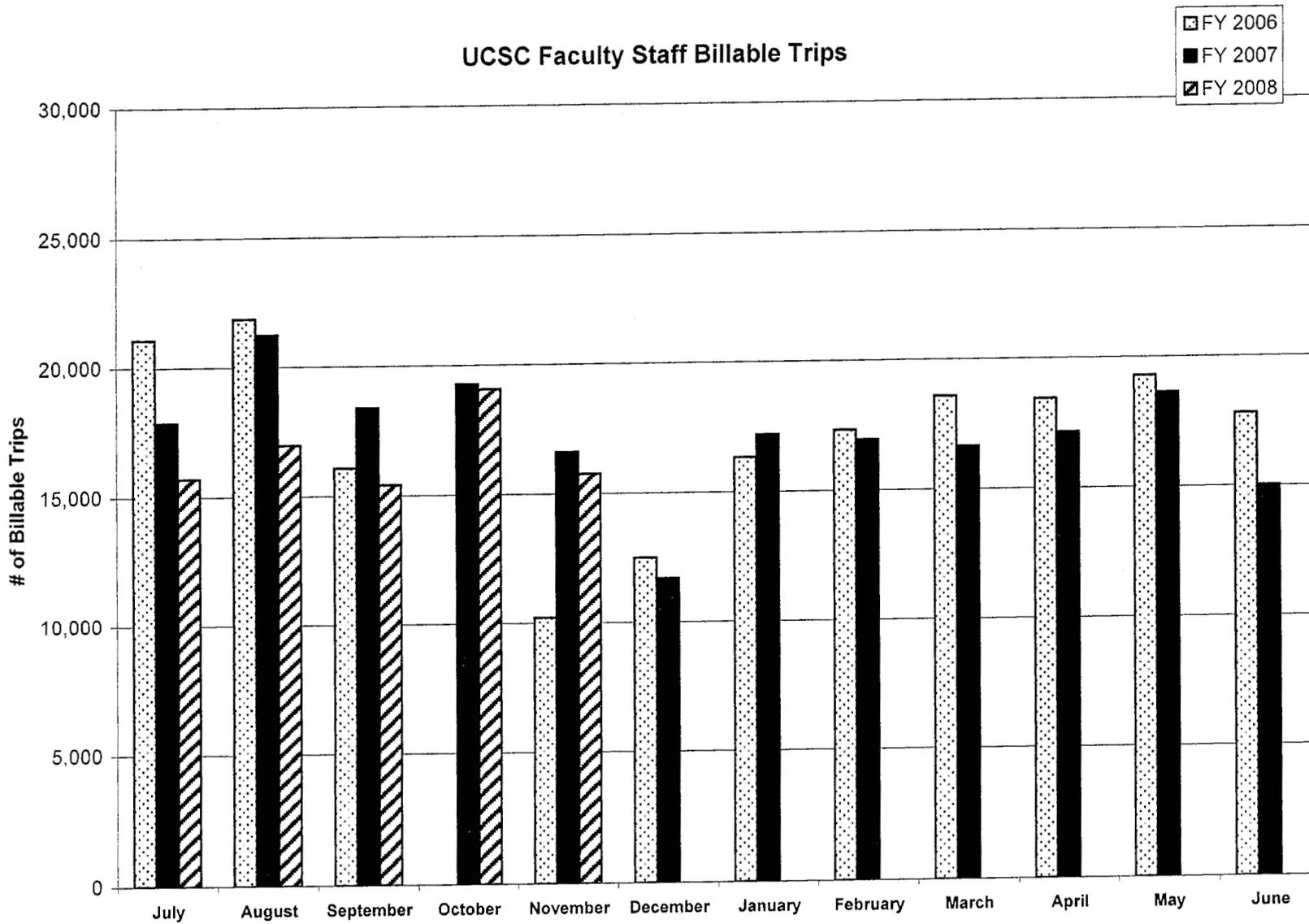
5-11.61



Attachment B

5-11.01

UCSC Faculty Staff Billable Trips



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 25, 2008

TO: Board of Directors

FROM: Leslie R. White, General Manager

SUBJECT: CONSIDERATION OF HOLDING A PUBLIC HEARING REGARDING THE YIELD TO BUS PROGRAM, AND OF ADOPTION OF A RESOLUTION AUTHORIZING THE REINSTATEMENT OF THE YIELD TO BUS PROGRAM EFFECTIVE FEBRUARY 1, 2008.

I. RECOMMENDED ACTION

That the Board of Directors hold a Public Hearing regarding the reinstatement of the Yield to Bus Program and approve a Resolution reinstating the Yield to Bus Program pursuant to AB 1492 enacted by the California State Legislature and signed into law by the Governor.

II. SUMMARY OF ISSUES

- METRO and the Santa Clara Valley Transportation Authority operated a Yield to Bus Program from 2000 through 2003.
- On December 31, 2003 the authority for the Yield to Bus Program expired and the program was discontinued.
- In 2007 Assembly Member John Laird introduced AB 1492 which provided the authority for METRO and VTA to reinstate the Yield to Bus Program on a permanent basis.
- Through the legislative process the authority for the Yield to Bus Program was modified to allow for a voluntary compliance program rather than the infraction based compliance in the prior program. This modification was mad to address the concerns that were expressed by the California Highway Patrol and Caltrans.
- AB 1492 was passed, with modifications, by both houses of the Legislature and signed into law by the Governor.
- In order to implement the Yield to Bus Program provided for in AB 1492, as enacted, it is necessary for the Board of Directors to hold a Public Hearing and adopt an implementing Resolution.
- Staff recommends that the Board of Directors hold a Public Hearing on the reinstatement of the Yield to Bus Program on January 25, 2008.

- Staff recommends that the Board of Directors, after considering public comments, adopt a Resolution reinstating the Yield to bus Program on a voluntary compliance basis as provided for in AB 1492.

III. DISCUSSION

In 1999 the California State Legislature passed AB1812 (Keeley) which established a demonstration program whereby buses re-entering traffic from bus stops were given the “right of way” and motorists were required to yield. The demonstration program was scheduled to expire on December 31, 2002. However, in 2002, the Legislature passed AB 629 (Oropeza) that extended the program for an additional year. In 2003 AB557 (Lowenthal) would have made the yield law permanent and extended the local option authority to all the transit systems in the state. While AB 557 passed the Assembly with some amendments it encountered the fierce opposition of the Chair of the Transportation Committee (Senator Kevin Murray D-Culver City) in the Senate. Senator Murray successfully convinced the Senate Transportation Committee to defeat AB557. As a result of Senator Murray’s actions the authority for the use of the yield signs on buses expired on midnight December 31, 2003. At METRO’s request Assembly Member John Laird requested an opinion from the Legislative Counsel as to whether current state statutes require that the yield sign be either removed or obscured. The Legislative Counsel indicated that the yield signs must be either removed from the buses or obscured from view effective January 01, 2004, which they were.

In order to reactivate the Yield to Bus signs, it was necessary to have the Legislature pass a new Bill authorizing the use of the signs. On 2007 Assembly Member John Laird introduced AB 1492 which authorized reinstatement of the original Yield to Bus on a permanent basis for METRO and VTA. During the legislative process both the California Highway Patrol and Caltrans formally opposed the Bill as written. In order to address the concerns that were expressed and to obtain support from the Governors Office the Bill was modified to only require voluntary compliance by motorists.

AB 1492 was passed, with modifications, by both houses of the Legislature and signed into law by the Governor. In order to implement the Yield to Bus Program provided for in AB 1492, as enacted, it is necessary for the Board of Directors to hold a Public Hearing and adopt an implementing Resolution.

Staff recommends that the Board of Directors hold a Public Hearing on the reinstatement of the Yield to Bus Program on January 25, 2008. Staff recommends that the Board of Directors, after considering public comments, adopt a Resolution reinstating the Yield to bus Program on a voluntary compliance basis as provided for in AB 1492.

IV. FINANCIAL CONSIDERATIONS

As the original signs for the Yield to Bus Program are still installed on the METRO fleet the cost to reactivate them should the program be approved will be minimal.

V. ATTACHMENTS

Attachment A: AB 1492

Attachment B: Resolution Reinstating the Yield to Bus Program

BILL NUMBER: AB 1492 CHAPTERED
BILL TEXT

CHAPTER 451
FILED WITH SECRETARY OF STATE OCTOBER 10, 2007
APPROVED BY GOVERNOR OCTOBER 10, 2007
PASSED THE SENATE SEPTEMBER 11, 2007
PASSED THE ASSEMBLY SEPTEMBER 12, 2007
AMENDED IN SENATE AUGUST 31, 2007
AMENDED IN ASSEMBLY APRIL 18, 2007

INTRODUCED BY Assembly Member Laird
(Coauthor: Assembly Member Beall)

FEBRUARY 23, 2007

An act to add Section 24617 to the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 1492, Laird. Vehicles: transit buses: right-of-way.

Existing law requires a driver to yield the right-of-way to an approaching authorized emergency vehicle that is sounding a siren and has at least one lighted lamp exhibiting a red light.

This bill would, in the Santa Cruz Metropolitan Transit District and the Santa Clara Valley Transportation Authority, if the applicable entity approves a resolution, authorize a transit bus to be equipped with a specified yield right-of-way sign on the left rear of the bus. The bill would require a participating transit agency to undertake a public education program to encourage motorists to yield to a transit bus when the sign is activated.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 24617 is added to the Vehicle Code, to read:

24617. (a) A transit bus may be authorized to be equipped with a yield right-of-way sign on the left rear of the bus. The yield right-of-way sign may flash simultaneously with the rear turn signal lamps, but is not required to do so. The sign shall be both of the following:

(1) Designed to warn a person operating a motor vehicle approaching the rear of the bus that the bus is entering traffic.

(2) Illuminated by a red flashing light when the bus is signaling in preparation for entering a traffic lane after having stopped to receive or discharge passengers.

(b) Nothing in this section requires a transit agency to install the yield right-of-way sign described in subdivision (a).

(c) This section does not relieve the driver of a transit bus from the duty to drive the bus with due regard for the safety of all persons and property. This section does not exempt the driver of a transit bus from the requirements of Section 21804.

(d) This section applies only to the Santa Cruz Metropolitan Transit District and the Santa Clara Valley Transportation Authority, if the governing board of the applicable district approves a resolution, after a public hearing on the issue, requesting that this

7.a1

section be made applicable to it.

(e) Each participating transit agency shall undertake a public education program to encourage motorists to yield to a transit bus when the sign specified in subdivision (a) is activated.

SEC. 2. The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of unique circumstances of community familiarity with the program in Section 1, applicable only to the Santa Cruz Metropolitan Transit District and the Santa Clara County Transit District.

7.a2

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

Attachment B

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

**RESOLUTION OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
AUTHORIZING THE IMPLEMENTATION, EFFECTIVE FEBRUARY 1, 2008, OF THE
YIELD TO BUS PROGRAM AS PROVIDED FOR IN AB 1492 ENACTED INTO LAW
IN 2007 BY THE LEGISLATURE AND GOVERNOR OF THE STATE OF
CALIFORNIA**

WHEREAS, the Santa Cruz Metropolitan Transit District was formed to provide public transportation to all of the citizens of Santa Cruz County; and

WHEREAS, the Santa Cruz Metropolitan Transit District operated a Yield to Bus Program from 2000 to 2003; and

WHEREAS, the authority for the Yield to Bus Program expired December 31, 2003; and

WHEREAS, Assembly Member John Laird introduced and obtained enactment of AB 1492 which authorizes the implementation of the Yield to Bus Program in Santa Cruz and Santa Clara Counties; and

WHEREAS, AB 1492 requires the adoption of a Resolution authorizing the implementation of the Yield to Bus Program to initiate the program; and

WHEREAS, the implementation of the Yield to Bus program will improve bus operations, increase safety, and increase service reliability.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Santa Cruz Metropolitan Transit District does hereby authorize the implementation of a Yield to Bus Program effective February 1, 2008 pursuant to the provisions of AB 1492 as enacted into law by the Legislature and Governor of the State of California.

BE IT FURTHER RESOLVED, that a copy of this resolution be entered into the official records of the Santa Cruz Metropolitan Transit District.

PASSED AND ADOPTED this 25th day of January 2008 by the following vote:

AYES:

7.61

Resolution No. _____

Page 2

NOES:

ABSTAIN:

ABSENT:

APPROVED _____

MARCELA TAVANTZIS
Board Chair

ATTEST _____

LESLIE R. WHITE
General Manager

APPROVED AS TO FORM:

MARGARET GALLAGHER
District Counsel

7.62

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 11, 2008

TO: Board of Directors

FROM: Tom Stickel, Manager of Maintenance

SUBJECT: CONSIDERATION OF AWARD OF CONTRACT WITH WEBER-HAYES AND ASSOCIATES FOR PHASE I AND II ENVIRONMENTAL SITE ASSESSMENTS FOR THE PROPERTIES LOCATED AT 920 AND 912 PACIFIC AVENUE, SANTA CRUZ

ACTION REQUESTED AT THE JANUARY 11, 2008 BOARD MEETING

I. RECOMMENDED ACTION

District Staff recommends that the Board of Directors authorize the General Manager to execute a contract with Weber-Hayes and Associates for Phase I and II Environmental Site Assessments for the properties located at 920 and 912 Pacific Avenue, Santa Cruz for a total amount not to exceed \$33,760.

II. SUMMARY OF ISSUES

- A competitive procurement was conducted to solicit proposals from qualified firms.
- One firm submitted a proposal for the District's review.
- District staff reviewed and evaluated the proposal and performed a cost analysis.
- District staff is recommending that a contract be established with Weber-Hayes and Associates for Phase I and II Environmental Site Assessments for the properties located at 920 and 912 Pacific Avenue, Santa Cruz for a total amount not to exceed \$33,760.

III. DISCUSSION

The Santa Cruz Metropolitan Transit District (District) requested proposals from qualified Consulting engineers, geologists and other professional firms to perform Phase I and II Environmental Site Assessments (Drilling & Sampling Program) to the properties located at 920 and 912 Pacific Avenue, Santa Cruz. The goal of the proposed research, sampling work and assessment work, is to determine whether recognized environmental conditions have created a significant impact for potential mixed-use development (commercial retail and residential). Tasks will include compilation of Phase I research and assessment of site conditions, and Phase II drilling for inspection of Site soils and the collection of representative soil and groundwater

samples. A summary report should concisely present site conditions, assess environmental conditions, and present remedial options and budgets for any additional work that may be required.

On December 7, 2007 District Request for Proposals No. 08-20 was mailed to twenty-five firms, was legally advertised, and a notice was posted on the District's web site. On December 28, 2007, one proposal was received and opened. District staff have reviewed and evaluated the proposal and performed a cost analysis.

District staff is recommending that the Board of Directors authorize the General Manager to execute a contract with Weber-Hayes and Associates for Phase I and II Environmental Site Assessments for the properties located at 920 and 912 Pacific Avenue, Santa Cruz for an amount not to exceed \$ 33,760. Contractor will provide all services and reports meeting all District specifications and requirements.

IV. FINANCIAL CONSIDERATIONS

Funding for this contract is contained in the capital budget under grant-funded projects.

V. ATTACHMENTS

Attachment A: Contract with Weber-Hayes and Associates

Note: The RFP along with its Exhibits and any Addendum(s) are available for review at the Administration Office of METRO or online at www.scmttd.com

**CONTRACT FOR PHASE I AND II ENVIRONMENTAL SITE ASSESSMENTS
FOR PROPERTIES LOCATED AT
912 AND 920 PACIFIC AVENUE, SANTA CRUZ (08-20)**

THIS CONTRACT is made effective on February 1, 2008 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("District"), and WEBER HAYES AND ASSOCIATES ("Contractor").

1. RECITALS

1.01 District's Primary Objective

District is a public entity whose primary objective is providing public transportation and has its principal office at 370 Encinal Street, Suite 100, Santa Cruz, California 95060.

1.02 District's Need for Phase I and II Environmental Site Assessments for Properties Located at 912 and 920 Pacific Avenue, Santa Cruz

District has the need for Phase I and II Environmental Site Assessments for Properties Located at 912 and 920 Pacific Avenue, Santa Cruz. In order to obtain these services, the District issued a Request for Proposals, dated December 7, 2007, setting forth specifications for such services. The Request for Proposals is attached hereto and incorporated herein by reference as Exhibit "A".

1.03 Contractor's Proposal

Contractor is a firm/individual qualified to provide Phase I and II Environmental Site Assessments for Properties Located at 912 and 920 Pacific Avenue, Santa Cruz and whose principal place of business is 120 Westgate Drive, Watsonville. Pursuant to the Request for Proposals by the District, Contractor submitted a proposal for Phase I and II Environmental Site Assessments for Properties Located at 912 and 920 Pacific Avenue, Santa Cruz, which is attached hereto and incorporated herein by reference as Exhibit "B."

1.04 Selection of Contractor and Intent of Contract

On January 25, 2008, District selected Contractor as the offeror whose proposal was most advantageous to the District, to provide the Phase I and II Environmental Site Assessments for Properties Located at 912 and 920 Pacific Avenue, Santa Cruz described herein. This Contract is intended to fix the provisions of these services.

District and Contractor agree as follows:

2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

2.01 Documents Incorporated in this Contract

The documents below are attached to this Contract and by reference made a part hereof. This is an integrated Contract. This writing constitutes the final expression of the parties' contract, and it is a complete and exclusive statement of the provisions of that Contract, except for written amendments, if any, made after the date of this Contract in accordance with Section 13.14.

A. Exhibit "A"

Santa Cruz Metropolitan Transit District's "Request for Proposals" dated December 7, 2007

B. Exhibit "B" (Contractor's Proposal)

Contractor's Proposal to the District for Phase I and II Environmental Site Assessments for Properties Located at 912 and 920 Pacific Avenue, Santa Cruz, signed by Contractor and dated December 27, 2007.

2.02 Conflicts

Where in conflict, the provisions of this writing supersede those of the above-referenced documents, Exhibits "A" and "B". Where in conflict, the provisions of Exhibit "A" supercede Exhibit "B".

2.03 Recitals

The Recitals set forth in Article 1 are part of this Contract.

3. DEFINITIONS

3.01 General

The terms below (or pronouns in place of them) have the following meaning in the contract:

3.01.01 CONTRACT - The Contract consists of this document, the attachments incorporated herein in accordance with Article 2, and any written amendments made in accordance with Section 13.14.

3.01.02 CONTRACTOR - The Contractor selected by District for this project in accordance with the Request for Proposals issued December 7, 2007.

3.01.03 CONTRACTOR'S STAFF - Employees of Contractor.

3.01.04 DAYS - Calendar days.

3.01.05 OFFEROR - Contractor whose proposal was accepted under the terms and conditions of the Request for Proposals issued December 7, 2007.

3.01.06 PROVISION - Any term, agreement, covenant, condition, clause, qualification, restriction, reservation, or other stipulation in the contract that defines or otherwise controls, establishes, or limits the performance required or permitted by either party.

3.01.07 SCOPE OF WORK (OR "WORK") - The entire obligation under the Contract, including, without limitation, all labor, equipment, materials, supplies, transportation, services, and other work products and expenses, express or implied, in the Contract.

4. TIME OF PERFORMANCE

4.01 Term

The term of this Contract will be for a period not to exceed one (1) year and shall commence upon the issuance of the contract by the District.

5. COMPENSATION

5.01 Terms of Payment

District shall compensate Contractor in an amount not to exceed the amounts/rates agreed upon by the District. District shall reasonably determine whether work has been successfully performed for purposes of payment. Compensation shall be made within thirty (30) days of District written approval of Contractor's written invoice for said work. Contractor understands and agrees that if he/she exceeds the \$33,760 maximum amount payable under this contract, that it does so at its own risk.

5.02 Invoices

Contractor shall submit invoices with a purchase order number provided by the District on a monthly basis. Contractor's invoices shall include detailed records showing actual time devoted, work accomplished, date work accomplished, personnel used, and amount billed per hour. Expenses shall only be billed if allowed under the Contract. Telephone call expenses shall show the nature of the call and identify location and individual called. Said invoice records shall be kept up-to-date at all times and shall be available for inspection by the District (or any grantor of the District, including, without limitation, any State or Federal agency providing project funding or reimbursement) at any time for any reason upon demand for not less than four (4) years after the date of expiration or termination of the Contract. Under penalty of law, Contractor represents that all amounts billed to the District are (1) actually incurred; (2) reasonable in amount; (3) related to this Contract; and (4) necessary for performance of the project.

6. NOTICES

All notices under this Contract shall be deemed duly given upon delivery, if delivered by hand; or three (3) days after posting, if sent by registered mail, receipt requested; to a party hereto at the address hereinafter set forth or to such other address as a party may designate by notice pursuant hereto.

DISTRICT

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

CONTRACTOR

Weber Hayes and Associates
120 Westgate Drive
Watsonville CA 95076
Attention: President

7. AUTHORITY

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

Signed on _____

DISTRICT--SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Leslie R. White
General Manager

CONTRACTOR—WEBER HAYES AND ASSOCIATES

Patrick Hoban
President

Approved as to Form:

Margaret Rose Gallagher
District Counsel

8.a4

EXHIBIT -A-

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

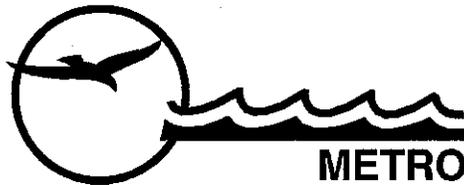
Request for Proposals (RFP)

For Phase I And II Environmental Site Assessments

District RFP No. 08-20

Date Issued: December 7, 2007

Proposal Deadline: 5:00 P.M., December 28, 2007



Contents of this RFP

Part I.	Instructions to Offerors
Part II.	General Information Form
Part III.	Specifications
Part IV.	General Conditions
Part V.	Contract/Agreement
Part VI.	FTA Requirements for Non-Construction Contracts
Part VII.	Protest Procedures

PART I

INSTRUCTIONS TO OFFERORS

1. **GENERAL:** These instructions form a part of the contract documents and shall have the same force as any other portion of the contract. Failure to comply may subject the proposal to immediate rejection.
2. **OFFEROR RESPONSIBILITY:** The District has made every attempt to provide all information needed by offerors for a thorough understanding of project terms, conditions, and requirements. It is expressly understood that it is the responsibility of offerors to examine and evaluate the work required under this RFP and the terms and conditions under which the work is performed. By submitting a proposal, Offeror represents that it has investigated and agrees to all terms and conditions of this RFP.
3. **DELIVERY OF PROPOSALS TO THE DISTRICT:** Proposals (1 original and 4 copies) must be delivered to the District Purchasing Office, 110 Vernon Street, Suite B, Santa Cruz, California, 95060 on or before the deadline noted in the RFP.

Any contract or purchase order entered into as a result of this RFP shall incorporate the RFP and the proposal submitted by successful offeror. In the event of conflict between the proposal and any other contract document, the other contract document shall prevail unless specified otherwise by the District. Telephone or electronic proposals will not be accepted.

4. **LATE PROPOSALS:** Proposals received after the date and time indicated herein shall not be accepted and shall be returned to the Offeror unopened.

Requests for extensions of the proposal closing date or time will not be granted. Offerors mailing proposals should allow sufficient mail time to ensure timely receipt of their proposals before the deadline, as it is the offerors responsibility to ensure that proposals arrive before the closing time.

5. **MULTIPLE PROPOSALS:** An offeror may submit more than one proposal. At least one of the proposals shall be complete and comply with all requirements of this RFP. However, additional proposals may be in abbreviated form, using the same format, but providing only the information that differs in any way from the information contained in the master proposal. Master proposals and alternate proposals should be clearly labeled.
6. **PARTIAL PROPOSALS:** No partial proposals shall be accepted.
7. **WITHDRAWAL OR MODIFICATION OF PROPOSALS:** Proposals may not be modified after the time and date proposals are opened. Proposals may be withdrawn by Offeror before proposal opening upon written request of the official who is authorized to act on behalf of the Offeror.
8. **CHANGES TO THE RFP RECOMMENDED BY OFFERORS:** All requests for clarification or modification of the RFP shall be made in writing. Offerors are required to provide the value of each proposed modification and a brief explanation as to why the change is requested. Value shall be defined as the cost or savings to the District and the advantage to the District of the proposed change.
9. **ADDENDA:** Modifications to this RFP shall be made only by written addenda issued to all RFP holders of record. Verbal instructions, interpretations, and changes shall not serve as official expressions of the District, and shall not be binding. All cost adjustments or other changes resulting from said addenda shall be taken into consideration by offerors and included in their proposals.
10. **OFFEROR'S PROPOSAL TO THE DISTRICT:** Offerors are expected to thoroughly examine the scope of work and terms and conditions of the RFP. Offerors' terms, conditions, and prices shall constitute a firm offer to the District that cannot be withdrawn by the Offeror for ninety (90) calendar days after the closing date for

proposals, unless a longer time period is specified by the District in the RFP. Offerors shall identify all proprietary information in their proposals. Information identified as proprietary shall not be made available to the public or other offerors.

11. **SINGLE OFFEROR RESPONSIBILITY:** Single Offeror responsibility is required under this RFP. Each Offeror responding to this RFP must respond to all professional services and provide all materials, equipment, supplies, transportation, freight, special services, and other work described or otherwise required herein.
12. **EXPERIENCE AND QUALIFICATIONS:** Offeror may be required upon request of the District to substantiate that Offeror and its proposed subcontractors have the skill, experience, licenses, necessary facilities, and financial resources to perform the contract in a satisfactory manner and within the required time.
13. **SUBCONTRACTING:** The requirement for single-point responsibility does not prohibit subcontracts or joint ventures provided that the single successful Offeror assumes the following responsibilities: (1) serves as the sole general contractor with the District; (2) assumes full responsibility for the performance of all its subcontractors, joint venturers, and other agents; (3) provides the sole point of contact for all activities through a single individual designated as project manager; (4) submits information with its proposal documenting the financial standing and business history of each subcontractor or joint venturer; and, (5) submits copies of all subcontracts and other agreements proposed to document such arrangement.

Without limiting the foregoing, any such legal documents submitted under item "5" above must (a) make the District a third-party beneficiary thereunder; (b) grant to the District the right to receive notice of and cure any default by the successful offeror under the document; and (c) pass through to the District any and all warranties and indemnities provided or offered by the subcontractor or similar party.

14. **EVALUATION CRITERIA AND AWARD OF CONTRACT:** The award of the contract will be made to the responsible Offeror whose proposal is most advantageous to the District. Specific evaluation criteria are identified in the Specifications section of the RFP.
15. **DISTRICT'S PREROGATIVE:** The District reserves the right to contract with any single firm or joint venture responding to this RFP (without performing interviews), based solely upon its evaluation and judgment of the firm or joint venture in accordance with the evaluation criteria. This RFP does not commit the District to negotiate a contract, nor does it obligate the District to pay for any costs incurred in preparation and submission of proposals or in submission of a contract.

The District reserves and holds at its discretion the following rights and options in addition to any others provided by the Public Utility Code, Section 98000 and the Public Contract Code: (1) to reject any or all of the proposals; (2) to issue subsequent requests for proposals; (3) to elect to cancel the entire request for proposals; (4) to waive minor informalities and irregularities in proposals received; (5) to enter into a contract with any combination of one or more prime contractors, subcontractors, or service providers; (6) to approve or disapprove the use of proposed subcontractors and substitute subcontractors; (7) to negotiate with any, all, or none of the respondents to the RFP.

16. **EXECUTION OF CONTRACT:** The final contract shall be executed by the successful offeror and returned to the District Administrative Office no later than ten (10) calendar days after the date of notification of award by the District. All required bonds and insurance certificates shall also be submitted by this deadline. In the event successful offeror does not submit any or all of the aforementioned documents on or before the required deadline, the District may award the contract to another offeror; in such event, District shall have no liability and said party shall have no remedy of any kind against the District.
17. **DISADVANTAGED AND WOMEN'S BUSINESS ENTERPRISES:** The Board of Directors of the Santa Cruz Metropolitan Transit District has adopted a Disadvantaged Business Enterprise Policy to promote the participation of disadvantaged business enterprises (DBE) in all areas of District contracting to the maximum extent practicable. Consistent with the DBE Policy, the successful offeror selected for this project shall take all necessary and reasonable steps to ensure that DBE firms have the maximum practicable opportunity to participate in the performance of this project and any subcontracting opportunities thereof.

18. NONDISCRIMINATION: The Santa Cruz Metropolitan Transit District will not discriminate with regard to race, color, creed, ancestry, national origin, religion, sex, sexual preference, marital status, age, medical condition or disability in the consideration for award of contract.

***ADDITIONAL INSTRUCTIONS TO OFFERORS ARE SET FORTH IN
OTHER SECTIONS OF THIS REQUEST FOR PROPOSALS***

Listing of major sub consultants proposed (if applicable), their phone numbers, and areas of responsibility (indicate which firms are DBE's):

**CERTIFICATION OF PROPOSED CONTRACTOR REGARDING DEBARMENT,
SUSPENSION AND OTHER INELIGIBILITY AND VOLUNTARY EXCLUSION**

(Contractor) _____ certifies to the best of its knowledge and belief, that it and its principals:

Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;

Have not within a three year period preceding this bid been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;

Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and

Have not within a three year period preceding this bid had one or more public transactions (Federal, State or local) terminated for cause or default.

If the Proposed Subcontractor is unable to certify to any of the statements in this certification, it shall attach an explanation to this certification.

(Contractor) _____, CERTIFIES OR AFFIRMS THE TRUTHFULNESS AND ACCURACY OF THE CONTENTS OF THE STATEMENTS SUBMITTED ON OR WITH THIS CERTIFICATION AND UNDERSTANDS THAT THE PROVISIONS OF 31 U.S.C. SECTIONS 3801 ET. SEQ. ARE APPLICABLE THERETO.

Signature and Title of Authorized Official

LOBBYING CERTIFICATION
(Only for Contracts above \$100,000)

Lobbying Certification for Contracts Grants, Loans and Cooperative Agreements (Pursuant to 49 CFR Part 20, Appendix A)

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal Contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions and as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96).
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and Contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Bidder/Offeror certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Bidder/Offeror understands and agrees that the provisions of 31 U.S.C. A 3801, et. seq. apply to this certification and disclosure, if any.

Firm Name _____

Signature of Authorized Official _____

Name and Title of Authorized Official _____

Date _____

**BUY AMERICA PROVISION
(Only for Contracts above \$100,000)**

This procurement is subject to the Federal Transit Administration Buy America Requirements in 49 CFR part 661.

A Buy American Certificate, as per attached format, must be completed and submitted with the bid. A bid which does not include the certificate will be considered non-responsive.

A false certification is a criminal act in violation of 18 U.S.C. 1001. Should this procurement be investigated, the successful bidder/proposer has the burden of proof to establish that it is in compliance.

A waiver from the Buy America Provision may be sought by SCMTD if grounds for the waiver exist.

Section 165(a) of the Surface Transportation Act of 1982 permits FTA participation on this contract only if steel and manufactured products used in the contract are produced in the United States.

BUY AMERICA CERTIFICATE

The bidder hereby certifies that it will comply with the requirements of Section 165(a) or (b) (3) of the Surface Transportation Assistance Act of 1982, and the applicable regulations in 49 CFR Part 661.

Date: _____

Signature: _____

Company Name: _____

Title: _____

OR

The bidder hereby certifies that it cannot comply with the requirements of Section 165(a) or (b) (3) of the Surface Transportation Act of 1982, but may qualify for an exception to the requirement pursuant to Section 165(b)(2) or (b)(4) of the Surface Transportation Assistance Act of 1982, as amended, and regulations in 49 CFR 661.7.

Date: _____

Signature: _____

Company Name: _____

Title: _____

CONTRACTOR DBE INFORMATION

CONTRACTOR'S NAME _____
 DBE GOAL FROM CONTRACT _____ %
 FED. NO. _____
 COUNTY _____
 AGENCY _____
 CONTRACT NO. _____

CONTRACTOR'S ADDRESS _____

 PROPOSAL AMOUNT \$ _____
 PROPOSAL OPENING DATE _____
 DATE OF DBE CERTIFICATION _____
 SOURCE ** _____

This information must be submitted during the initial negotiations with the District. By submitting a proposal, offeror certifies that he/she is in compliance with the District's policy. Failure to submit the required DBE information by the time specified will be grounds for finding the proposal non-responsive.

CONTRACT ITEM NO.	ITEM OF WORK AND DESCRIPTION OF WORK OR SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED *	CERTIFICATION FILE NUMBER	NAME OF DBE	DOLLAR AMOUNT DBE ***	PERCENT DBE
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TOTAL CLAIMED DBE PARTICIPATION \$ _____ _____ %

SIGNATURE OF CONTRACTOR

DATE

AREA CODE/TELEPHONE

(Detach from proposal if DBE information is not submitted with proposal.)

- * If 100% of item is not to be performed or furnished by DBE, describe exact portion, including plan location of work to be performed, of item to be performed or furnished by DBE.
- ** DBE's must be certified on the date proposals are opened.
- *** Credit for a DBE supplier who is not a manufacturer is limited to 60% of the amount paid to the supplier.

NOTE: Disadvantaged business must renew their certification annually by submitting certification questionnaires in advance of expiration of current certification. Those not on a current list cannot be considered as certified.

CONTRACTOR DBE INFORMATION

CONTRACT ITEM NO.	ITEM OF WORK AND DESCRIPTION OF WORK OR SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED *	CERTIFICATION FILE NUMBER	NAME OF DBE	DOLLAR AMOUNT DBE ***	PERCENT DBE
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TOTAL CLAIMED DBE
PARTICIPATION \$ _____ %

PART III

SPECIFICATIONS FOR PHASE I/II ENVIRONMENTAL SITE ASSESSMENTS

1. INTRODUCTION

The Santa Cruz Metropolitan Transit District (District) is requesting proposals from qualified firms to undertake the following activities related to **Phase I/II Environmental Site Assessment (Drilling & Sampling Program)**

- Parcel #1: 920 Pacific Ave (005-152-31, 34,000 sq-ft)
- Parcel #2: 912 Pacific Ave (005-152-05, 12,900 sq-ft)

Consulting engineers, geologists and other professional firms experienced in the field of subsurface assessment of chemical releases to soil and groundwater are being invited to submit bids to complete a combined Phase I - Phase II Environmental Site Assessment for the adjoining two subject parcels identified above (“Site”). The goal of the proposed research, sampling work and assessment work, is to determine whether **recognized environmental conditions**¹ have created a significant impact for potential mixed-use development (commercial retail and residential). Tasks will include compilation of Phase I research and assessment of site conditions, and Phase II drilling for inspection of Site soils and the collection of representative soil and groundwater samples. A summary report should concisely present site conditions, assess environmental conditions, and present remedial options and budgets for any additional work that may be required.

2. BACKGROUND

The Site is located in the downtown area of Santa Cruz and is used as a passenger bus terminal for the Santa Cruz Metropolitan Bus District (“City of Santa Cruz Metro Center”). No fueling or maintenance operations take place on-site. The flat-lying, 1.1-acre site is encapsulated by 2 buildings, walkways and asphalt and limited landscaping. Some historical land use information is presented in Article 4 below.

3. SCOPE OF WORK

This RFP is for completing a Phase I Environmental Site Assessment (ESA) on the aforementioned subject property and Limited Phase II Investigation to inspect shallow soil and groundwater.

- < PHASE I ESA: The Phase I ESA investigation must meet ASTM Standards on Environmental Site Assessments for Commercial Real Estate, E1527 and E1528. The Phase I ESA guidelines were designed to establish good site assessment practices that satisfy the due diligence responsibilities of participants in commercial real estate transactions and development. Investigative tasks include completion of a site survey, interview, research of regulatory files, and review of historical land use documents.
- < Limited PHASE II drilling program: A limited Phase II drilling and sampling program shall be conducted to confirm that historical land use at the site did not significantly impact the environmental quality of shallow soils and groundwater. Specifically, a minimum of 16 borings will be drilled across the site to cover known and unknown land uses. A minimum of three soil samples will be collected from each boring (collected from depths of 2.5 feet, 5 feet, and 7.5 feet below ground surface) and tested for:
 - o PNAs by EPA Method 8270 (low-detection limits),
 - o Total Extractable Petroleum Hydrocarbons (diesel/motor oil), and

¹ ASTM Standard E 1527-05 definition: *Recognized Environmental Condition* - the presence or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release, a past release, or a material threat of a release of any hazardous substances or petroleum products into structures on the property or into the ground, groundwater, or surface water of the property.

- Priority Pollutant Metals.

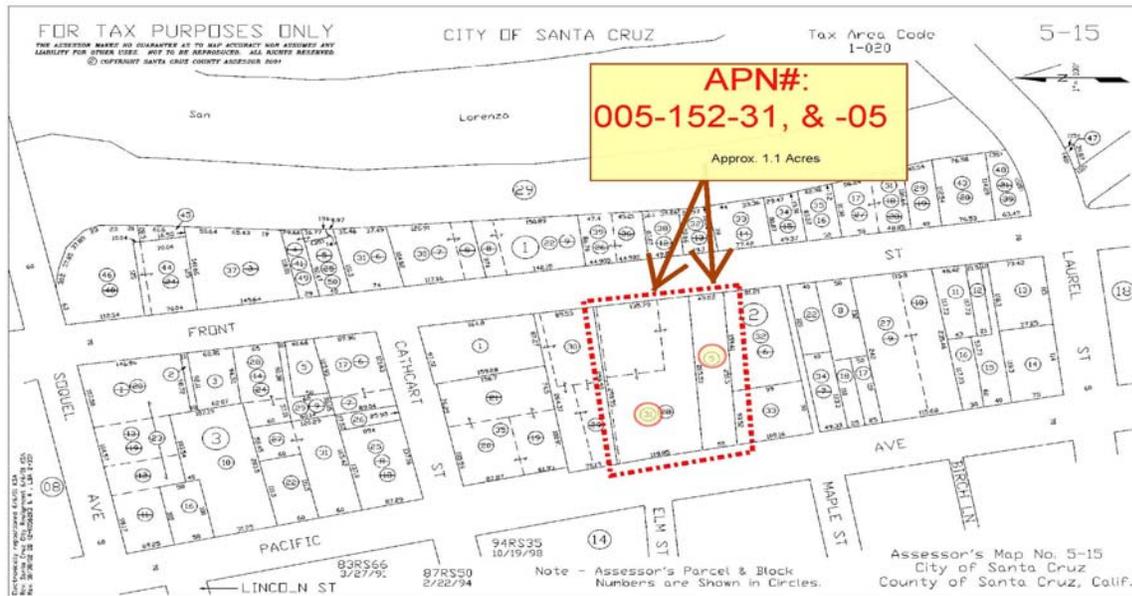
A minimum of 6 groundwater samples will be analyzed from selected borings across the site and tested for:

- PNAs by EPA Method 8270 (low-detection limits),
- Total Extractable Petroleum Hydrocarbons (diesel/motor oil), and BTEX
- Priority Pollutant Metals.

The exploratory borings should be drilled using a GeoProbe Direct Push sampling rig, to limit the generation of soil cuttings and for low-access drilling inside the site structures (as needed). Soil samples should be continuously cored in 4 or 5-foot intervals to a depth of approximately 12 feet to help determine the visual presence of contamination (discoloration/odor/smear zones). The borings must be carefully logged by an experienced environmental geologist or engineer and an electronic field meter calibrated to detect volatile organic compounds must be used to monitor potential volatile organic vapors.

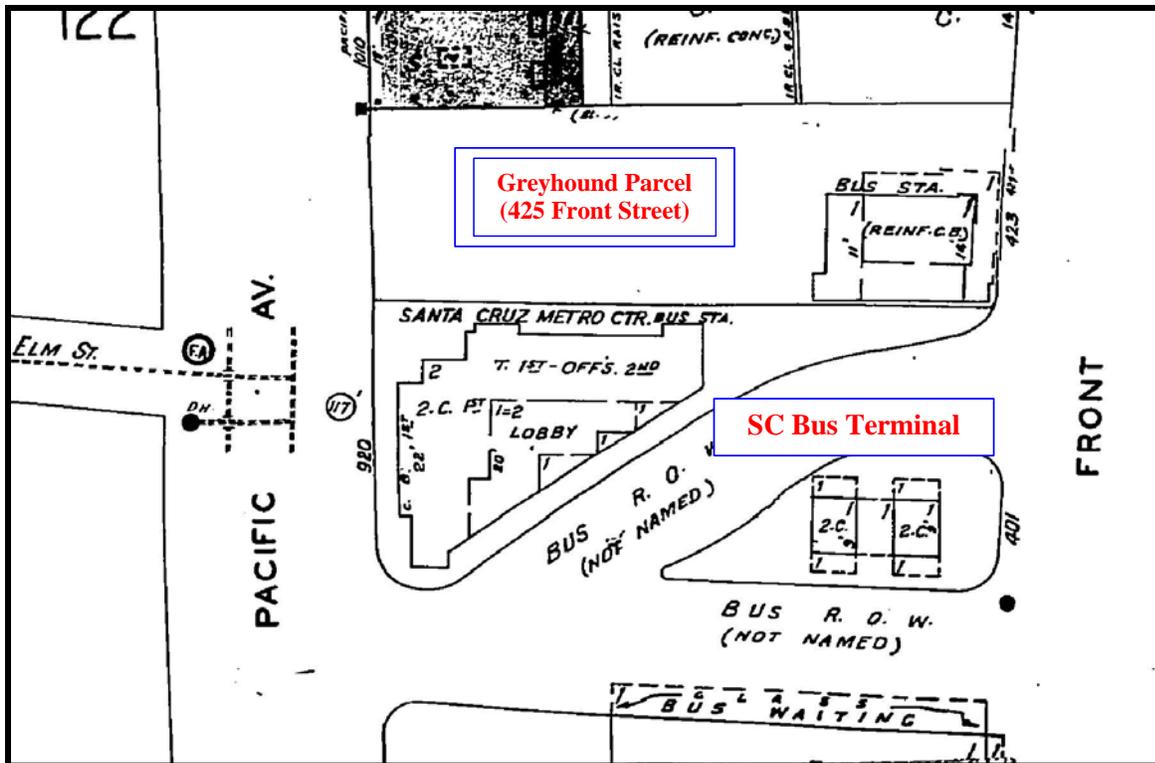
The summary report, signed by a registered geologist or engineer with experience in environmental assessment, should include scaled maps showing both the boring locations and analytical results, tables presenting the laboratory results, descriptions of field work, and a discussion of the findings including regulatory implications, if any.

4. HISTORICAL LAND USE INFORMATION

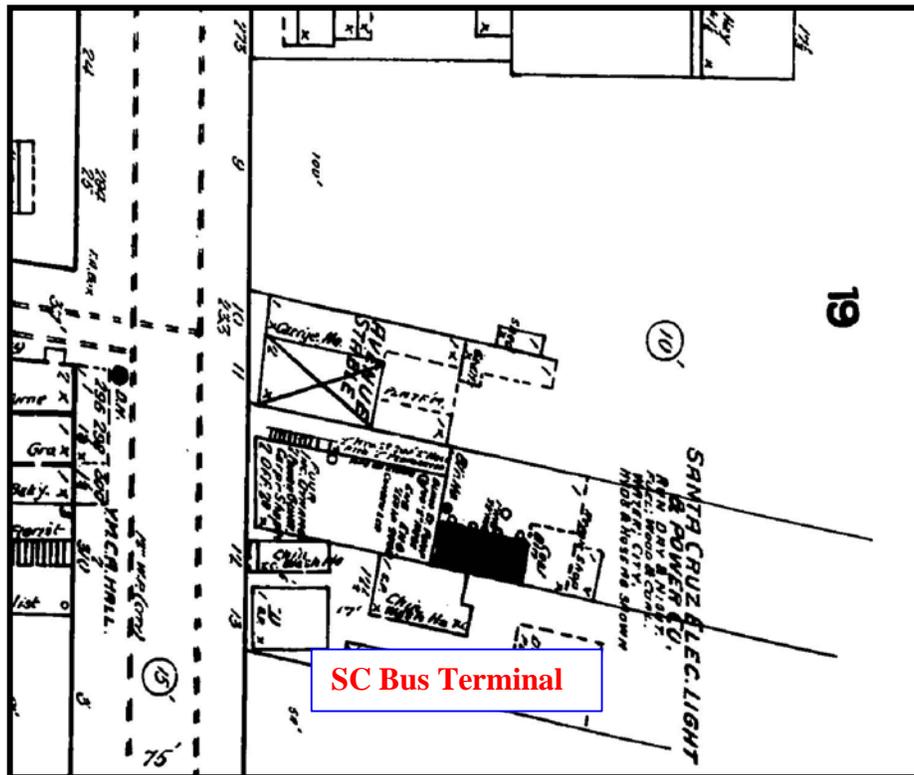


Historical Land Use Information Of note: A commercial power plant was present on the SC Bus Terminal property in the early 1900's. The power plant was identified as the "*Santa Cruz Electric Light and Power Company*" and appeared to contain a number of large boilers and an aboveground oil tank. Research documents show this power company development is linked with other local gasification plants of that era (at least 3 known locations in downtown Santa Cruz). Gasification plant sites of this era commonly maintained waste pits on accessible lands for the storage and disposal of coal tar sludge and residues containing Polynuclear Aromatics (PNAs), and metals (lead, aluminum, iron, cyanide).





ABOVE: Historic Insurance Map (1988)
 Showing Current Layout of the Bus Station Parcel



ABOVE: Historic Insurance Map (1892)
 SC Bus Terminal parcel to the South (SC Electric Light & Power Company)

Historical Information: Gasification Plants: In the late-1800's and early-1900's manufactured gas plants (MGPs) used to produce public utility and commercial-grade gas via extraction from coal and/or heavy oil. These MGP sites stored and used various raw fuels such as coal, coke, and gas oil, to produce gas. Mixed aqueous/hydrocarbon condensates generated from the gas production and gas scrubbing processes were treated to remove particulates, inorganic wastes (cyanide, ammonia, metals), and water-soluble organic compounds (phenols). Unmarketable coal tar residues and process waste waters from city gasification plants were largely disposed of at or near the plant site as a matter of convenience, typically released to nearby rivers or to surface impoundments (Villaume, 1983).

**Table 1
Coal-Derived Chemicals**

Conventional	Inorganics	Metals	Volatile Aromatics	Phenolics	PAHs
pH 5 Day BOD Chemical Oxygen Demand Total Organic Carbon Total Suspended Solids Oil and Grease Phenols (4-AAP)	Ammonia Cyanide Nitrate Sulfate Sulfide Thiocyanates	Aluminum Antimony Arsenic Barium Cadmium Chromium Copper Iron Lead Manganese Mercury Nickel Selenium Silver Vanadium Zinc	Benzene Ethylbenzene Toluene Total Xylene	Phenol 2-Methylphenol 4-Methylphenol 2,4 - Dimethylphenol	Acenaphthene Acenaphthylene Anthracene Benzo(a)anthracene Benzo(a)pyrene Benzo(b)fluoranthene Benzo(g,h,i)perylene Benzo(k)fluoranthene Chrysene Dibenzo(a,h)anthracene Fluoranthene Naphthalene Indeno(1,2,3-c,d)pyrene Phenanthrene Pyrene

**Short list of potential waste chemicals generated from Manufactured Gas Plant processing
(Source: Wisconsin Dept. of Natural Resources, 1996)**

More often than not, the persistent wastes and by products found at former MGP's are organic in nature. Coal and oil tars (the primary organic waste product from MGP processing), light oils and aqueous condensates from gas scrubbing, and heavier solid residuals (i.e. coke and pitch) are the most common of the organic wastes. Coal tar and its by-products are dominated by aromatic hydrocarbons and PNAs (aka: PAHs), which are generally the organic chemical contaminants that drive assessment and clean up of former MGP sites (see Table, above). The PNA compounds serve in essence as an indicator list for the complex mixture of compounds that are present in coal tars and other MGP wastes (Wisconsin Dept. of Natural Resources, 2005).

A general list of waste products that can be found at former MGP's includes tars; oils; inorganic spent oxides (ferrocyanide); benzene, toluene, ethylbenzene, and xylene (BTEX); volatile organic compounds (VOCs); semi-volatile organic compounds (SVOCs); phenolics; polynuclear aromatic hydrocarbons (PNAs); cyanides; thiocyanates; metals (arsenic, chromium, copper, lead, nickel, and zinc); ammoniates; nitrates; sludges; ash; ammonia; lime wastes; and sulfates/sulfides (Fischer, 1999).

5. Proposal Requirements

A original proposal with four copies referencing this proposal number, stating the cost of the requested assessment, proposing firm's qualifications, and time to complete assessment should be sent to:

Lloyd Longnecker, Purchasing Agent
Santa Cruz Metropolitan Transit District
110 Vernon Street
Suite B
Santa Cruz, CA 95060

The District may request additional information while reviewing proposals. Three copies of each completed assessment are required.

6. Evaluation Criteria

The District will rank the proposals based on the following criteria in descending order of priority:

Criteria	Points Possible
1. Past record of firm's performance and experience, including any experience in downtown Santa Cruz	30
2. Cost Proposal	30
3. Qualifications of Personnel assigned to contract	25
4. Capacity and commitment of staff resources to perform the work in an efficient and timely manner	10
5. DBE Participation	5
Total Points Possible	100

PART IV

GENERAL CONDITIONS TO THE CONTRACT

1. GENERAL PROVISIONS

1.01 Governing Law & Compliance with All Laws

This Contract is governed by and construed in accordance with the laws of California. Each party will perform its obligations hereunder in accordance with all applicable laws, rules, and regulations now or hereafter in effect. Contractor shall ensure throughout the terms of this Agreement that all federal, state and local laws and requirements are met including any requirements District is obligated to perform because of receipt of grant funding. Contractor shall also be required to fulfill its obligation as a federal and/or state and/or local sub-recipient of grant funding.

1.02 Right to Modify Contract

District may extend the term of this Contract, expand the Scope of Work, or otherwise amend the Contract. Any such extension, expansion or amendment shall be effective only upon written agreement of the parties in accordance with Section 13.14.

2. TERMINATION

2.01 Termination for Convenience

2.01.01 The performance of Work under this Contract may be terminated by the District upon fifteen (15) days' notice at any time without cause for any reason in whole or in part, whenever the District determines that such termination is in the District's best interest.

2.01.02 Upon receipt of a notice of termination, and except as otherwise directed by the District, the Contractor shall: (1) stop work under the Contract on the date and to the extent specified in the notice of termination; (2) place no further orders or subcontracts for materials, services, or facilities, except as may be necessary for completion of such portion of the Work under the Contract as is not terminated; (3) terminate all orders and subcontracts to the extent that they relate to the performance of work terminated by the notice of termination; (4) assign to the District in the manner, at the time, and to the extent directed by the District all of the rights, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the District shall have the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts; (5) settle all outstanding liabilities and claims arising out of such termination or orders and subcontracts, with the approval or ratification of the District, to the extent the District may require, which approval or ratification shall be final for all the purposes of this clause; (6) transfer title to the District and deliver in the manner, at the time, and to the extent, if any, directed by District the fabricated or unfabricated parts, work in progress, completed work, supplies and other material produced as a part of, or acquired in connection with the performance of, the work terminated and the completed or partially completed plans, drawings, information and other property which, if the Contract had been completed, would have been required to be furnished to the District; (7) use its best efforts to sell, in the manner, at the time, to the extent, and at the price(s) directed or authorized by the District, any property of the types referred to above provided, however, that the Contract shall not be required to extend credit to any purchaser, and may acquire any such property under the conditions prescribed by and at a price(s) approved by the District, and provided further, that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made to the District to the Contractor under this Contract or shall otherwise be credited to the price or cost of the Work covered by this Contract or paid in such other manner as the District may direct; (8) complete performance of

such part of the Work as shall not have been terminated by the notice of termination; and (9) take such action as may be necessary, or as the District may direct, for the protection or preservation of the property related to this Contract which is in the possession of the Contractor and in which the District has or may acquire an interest.

2.02 Termination for Default

2.02.01 The District may, upon written notice of default to the Contractor, terminate the whole or any part of this Contract if the Contractor: (1) fails to complete the Scope of Work within time period stated in the Specifications section of the IFB; (2) fails to perform any of the other provisions of the Contract; or (3) fails to make progress as to endanger performance of this Contract in accordance with its provisions.

2.02.02 If the Contract is terminated in whole or in part for default, the District may procure, upon such terms and in such manner as the District may deem appropriate, supplies or services similar to those so terminated. Without limitation to any other remedy available to the District, the Contractor shall be liable to the District for any excess costs for such similar supplies or services, and shall continue the performance of this Contract to the extent not terminated under the provisions of this clause.

2.02.03 If, after notice of termination of this Contract under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, or that the default was excusable under the provisions of this clause, the rights and obligations of Contractor and District shall be considered to have been terminated pursuant to termination for convenience of the District pursuant to Article 2.01 from the date of Notification of Default.

2.03 No Limitation

The rights and remedies of the District provided in this Article 2 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

3. FORCE MAJEURE

3.01 General

Neither party hereto shall be deemed to be in default of any provision of this Contract, or for any failure in performance, resulting from acts or events beyond the reasonable control of such party. For purposes of this Contract, such acts shall include, but not be limited to, acts of God, civil or military authority, civil disturbance, war, strikes, fires, other catastrophes, or other "force majeure" events beyond the parties' reasonable control; provided, however, that the provisions of this Section 3 shall not preclude District from canceling or terminating this Contract (or any order for any product included herein), as otherwise permitted hereunder, regardless of any force majeure event occurring to Contractor.

3.02 Notification by Contractor

Contractor shall notify District in writing as soon as Contractor knows, or should reasonably know, that a force majeure event (as defined in Section 3.01) has occurred that will delay completion of the Scope of Work. Said notification shall include reasonable proofs required by the District to evaluate any Contractor request for relief under this Article 3. District shall examine Contractor's notification and determine if the Contractor is entitled to relief. The District shall notify the Contractor of its decision in writing. The District's decision regarding whether or not the Contractor is entitled to force majeure relief shall be final and binding on the parties.

3.03 Losses

Contractor is not entitled to damages, compensation, or reimbursement from the District for losses resulting from any "force majeure" event.

4. PROFESSIONAL STANDARDS

Contractor shall at all times during the term of this Contract possess the technical ability, experience, financial ability, overall expertise, and all other skills, licenses, and resources necessary to perform and complete the scope of work in a timely, professional manner so as to meet or exceed the provisions of this Contract.

5. PROFESSIONAL RELATIONS

5.01 Independent Contractor

No relationship of employer and employee is created by this Contract. In the performance of its work and duties, Contractor is at all times acting and performing as an independent contractor in the practice of its profession. District shall neither have nor exercise control or direction over the methods by which Contractor performs services pursuant to this Contract (including, without limitation, its officers, shareholders, and employees); provided, however, that Contractor agrees that all work performed pursuant to this Contract shall be in strict accordance with currently approved methods and practices in its profession, and in accordance with this Contract. The sole interest of District is to ensure that such services are performed and rendered in a competent and cost effective manner.

5.02 Benefits

Contractor (including, without limitation, its officers, shareholders, subcontractors and employees) has no claim under this Contract or otherwise against the District for social security benefits, workers' compensation benefits, disability benefits, unemployment benefits, vacation pay, sick leave, or any other employee benefit of any kind.

6. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS

6.01 Scope

Contractor shall exonerate, indemnify, defend, and hold harmless District (which for the purpose of Articles 6 and 7 shall include, without limitation, its officers, agents, employees and volunteers) from and against:

6.01.01 Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which District 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, or arising out of, or in any manner connected with the Contractor's performance under the provisions of this Contract. Such indemnification includes any damage to the person(s) or property (ies) of Contractor and third persons.

6.01.02 Any and all Federal, state and local taxes, charges, fees, or contributions required to be paid with respect to Contractor, Contractor's officers, employees and agents engaged in the performance of this Contract (including, without limitation, unemployment insurance, social security, and payroll tax withholding).

7. INSURANCE

7.01 General

Contractor, at its sole cost and expense, for the full term of this Contract (and any extensions thereof), shall obtain and maintain at minimum all of the following insurance coverage. Such insurance coverage shall be primary coverage as respects District and any insurance or self-insurance maintained by District shall be excess of Contractor's insurance coverage and shall not contribute to it.

7.02 Types of Insurance and Minimum Limits

Contractor shall obtain and maintain during the term of this Contract:

- (1) Worker's Compensation and Employer's Liability Insurance in conformance with the laws of the State of California (not required for Contractor's subcontractors having no employees).
- (2) Contractor's vehicles used in the performance of this Contract, including owned, non-owned (e.g. owned by Contractor's employees), leased or hired vehicles, shall each be covered with Automobile Liability Insurance in the minimum amount of \$1,000,000.00 combined single limit per accident for bodily injury and property damage.
- (3) Contractor shall obtain and maintain Comprehensive General Liability Insurance coverage in the minimum amount of \$1,000,000.00 combined single limit, including bodily injury, personal injury, and property damage. Such insurance coverage shall include, without limitation:
 - (a) Contractual liability coverage adequate to meet the Contractor's indemnification obligations under this contract.
 - (a) Full Personal Injury coverage.
 - (a) Broad form Property Damage coverage.
 - (a) A cross-liability clause in favor of the District.
- (4) Contractor shall obtain and maintain Professional Liability Insurance coverage in the minimum amount of \$1,000,000.00.

7.03 Other Insurance Provisions

- (1) As to all insurance coverage required herein, any deductible or self-insured retention exceeding \$5,000.00 shall be disclosed to and be subject to written approval by District.
- (2) If any insurance coverage required hereunder is provided on a "claims made" rather than "occurrence" form, Contractor shall maintain such insurance coverage for three (3) years after expiration of the term (and any extensions) of this Contract.
- (3) All required Automobile Liability Insurance and Comprehensive or Commercial General Liability Insurance shall contain the following endorsement as a part of each policy: "The Santa Cruz Metropolitan Transit District is hereby added as an additional insured as respects the operations of the named insured."
- (4) All the insurance required herein shall contain the following clause: "It is agreed that this insurance shall not be canceled until thirty (30) days after the District shall have been given written notice of such cancellation or reduction."
- (5) Contractor shall notify District in writing at least thirty (30) days in advance of any reduction in any insurance policy required under this Contract.
- (6) Contractor agrees to provide District at or before the effective date of this Contract with a certificate of insurance of the coverage required.
- (6) All insurance shall be obtained from brokers or carriers authorized to transact business in California and are satisfactory to the District.

8. SINGLE PROPOSAL

If only one proposal is received in response to the RFP, Offeror may be required to submit to District within five (5) days of District demand, a detailed cost proposal. The District may conduct a cost or price analysis of the cost proposal to determine if the proposal price(s) are fair and reasonable. Offeror shall cooperate with District in compiling and submitting detailed information for the cost and price analysis.

9. NO DISCRIMINATION

The Contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or, sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR, Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as recipient deems appropriate.

10. DISADVANTAGED BUSINESS ENTERPRISES

The Board of Directors of the Santa Cruz Metropolitan Transit District has adopted a Disadvantaged Business Enterprise Policy to promote the participation of disadvantaged business enterprises (DBE's) in all areas of District contracting to the maximum extent practicable. Consistent with the DBE Policy, the Contractor shall take all necessary and reasonable steps to ensure that DBE firms have the maximum practicable opportunity to participate in the performance of this project and any subcontracting opportunities thereof.

I. PROMPT PAYMENT

11.01 Prompt Progress Payment to Subcontractors

The prime contractor or subcontractor shall pay to any subcontractor not later than 10-days of receipt of each progress payment, in accordance with the provision in Section 7108.5 of the California Business and Professions Code concerning prompt payment to subcontractors. The 10-days is applicable unless a longer period is agreed to in writing. Any delay or postponement of payment over 30-days may take place only for good cause and with the District's prior written approval. Any violation of Section 7108.5 shall subject the violating contractor or subcontractor to the penalties, sanctions, and other remedies of that Section. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of a dispute involving late payment or nonpayment by the contractor, deficient subcontractor performance, and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

A. Prompt Payment of Withheld Funds to Subcontractors

The District shall hold retainage from the prime contractor and shall make prompt and regular incremental acceptances of portions, as determined by the District of the contract work and pay retainage to the prime contractor based on these acceptances. The prime contractor or subcontractor shall return all monies withheld in retention from all subcontractors within 30 days after receiving payment for work satisfactorily completed and accepted including incremental acceptances of portions of the contract work by the District. Any delay or postponement of payment may take place only for good cause and with the District's prior written approval. Any violation of these provisions shall subject the violating prime contractor to the penalties, sanctions, and other remedies specified in Section 7108.5 of the California Business Professions Code. This requirement shall not be construed to limit or impair any contractual, administrative, or judicial remedies, otherwise available to the contractor or subcontractor in the event of: a dispute involving late payment or nonpayment by the contractor; deficient subcontractor performance; and/or noncompliance by a subcontractor. This clause applies to both DBE and non-DBE subcontractors.

Prime subcontractors must include the prompt payment language of paragraph 1 in all subcontracts, regardless of subcontractor's DBE status. Failure of a prime contractor to uphold prompt payment requirements for subcontractors will result in District withholding reimbursement for completed work.

12. RESERVED

13. MISCELLANEOUS PROVISIONS

13.01 Successors and Assigns

The Contract shall inure to the benefit of, and be binding upon, the respective successors and assigns, if any, of the parties hereto, except that nothing contained in this Article shall be construed to permit any attempted assignment which would be unauthorized or void pursuant to any other provision of this Contract.

13.02 Survival of Rights and Obligations

In the event of termination, the rights and obligations of the parties which by their nature survive termination of the services covered by this Contract shall remain in full force and effect after termination. Compensation and revenues due from one party to the other under this Contract 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 as provided in Section 13.15; and the hold harmless agreement contained in Article 6 shall survive.

13.03 Limitation on District Liability

The District's liability is, in the aggregate, limited to the total amount payable under this Contract.

13.04 Drug and Alcohol Policy

Contractor shall not use, possess, manufacture, or distribute alcohol or illegal drugs during the performance of the Contract or while on District premises or distribute same to District employees.

13.05 Publicity

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

13.06 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.

13.07 Attorneys' Fees

In the event that suit is brought to enforce or interpret any part of this Contract, the prevailing party shall be entitled to recover as an element of its 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 its costs of suit, whether or not the suit proceeds to final judgment. A party not entitled to recover its 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 its costs or attorney's fees.

13.08 No Conflict of Interest

Contractor represents that it currently has no interest, and shall not have any interest, direct or indirect, that would conflict in any manner with the performance of services required under this Contract.

13.09 Prohibition of Discrimination against Qualified Handicapped Persons

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

13.10 Cal OSHA/Hazardous Substances

13.10.01 Contractor 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 District property, (2) ensure that its employees take appropriate protective measures, and (3) provide the District's Manager of Facility Maintenance with a Material Safety Data Sheet (MSDS) for all hazardous substances to be used on District property.

13.10.02 Contractor shall comply with Cal OSHA regulations and the Hazardous Substance Training and Information Act. Further, said parties shall indemnify the District against any and all damage, loss, and injury resulting from non-compliance with this Article.

13.10.03 Contractor will comply with the Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) California Health and Safety Code Section 25249.5 - 25249.13. Contractor 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.

13.10.04 Contractor shall be solely responsible for any hazardous material, substance or chemical released or threatened release caused or contributed to by Contractor. Contractor shall be solely responsible for all clean-up efforts and costs.

13.11 Non-Assignment of Contract

The Contractor shall not assign, transfer, convey, sublet, or otherwise dispose of the Contract or Contractor's right, title or interest in or to the same or any part thereof without previous written consent by the District; and any such action by Contractor without District's previous written consent shall be void.

13.12 No Subcontract

Contractor shall not subcontract or permit anyone other than Contractor or its authorized staff and subcontractors to perform any of the scope of work, services or other performance required of Contractor under this Contract without the prior written consent of the District. Any such action by Contractor without District's previous consent shall be void.

13.13 Severability

If any provision of this Contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall continue in full force and effect, and shall in no way be affected, impaired or invalidated.

13.14 All Amendments in Writing

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

13.15 Audit

This Contract is subject to audit by Federal, State, or District personnel or their representatives at no cost for a period of four (4) years after the date of expiration or termination of the Contract. Requests for audits shall be made in writing, and Contractor shall respond with all information requested within ten (10) calendar days of the date of the request. During the four-year period that the Contract is subject to audit, Contractor shall maintain detailed records substantiating all costs and expenses billed against the Contract.

13.16 Smoking Prohibited

Contractor, its employees and agents shall not smoke in any enclosed area on District premises or in a District vehicle.

13.17 Responsibility for Equipment

13.17.01 District 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 Contractor, or any of its employees, even though such equipment be furnished, rented or loaned to Contractor by District.

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

13.18 Grant Contracts

13.18.01 Contractor shall ensure throughout the terms of this Agreement that all federal, state and local laws and requirements are met including any requirements District is obligated to perform because of receipt of grant funding. Contractor shall also be required to fulfill its obligation as a federal and/or state and/or local sub-recipient of grant funding.

13.19 Time of the Essence

13.19.01 Time is of the essence in this Contract

PART V

PROFESSIONAL SERVICES CONTRACT FOR _____ (08-20)

THIS CONTRACT is made effective on _____, 2007 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("District"), and _____ ("Contractor").

1. RECITALS

1.01 District's Primary Objective

District is a public entity whose primary objective is providing public transportation and has its principal office at 370 Encinal Street, Suite 100, Santa Cruz, California 95060.

1.02 District's Need for _____ Services

District has the need for _____ Services. In order to obtain these services, the District issued a Request for Proposals, dated December 7, 2007, setting forth specifications for such services. The Request for Proposals is attached hereto and incorporated herein by reference as Exhibit "A".

1.03 Contractor's Proposal

Contractor is a firm/individual qualified to provide _____ Services and whose principal place of business is _____. Pursuant to the Request for Proposals by the District, Contractor submitted a proposal for _____ Services, which is attached hereto and incorporated herein by reference as Exhibit "B."

1.04 Selection of Contractor and Intent of Contract

On _____, District selected Contractor as the offeror whose proposal was most advantageous to the District, to provide the _____ Services described herein. This Contract is intended to fix the provisions of these services.

District and Contractor agree as follows:

2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

2.01 Documents Incorporated in this Contract

The documents below are attached to this Contract and by reference made a part hereof. This is an integrated Contract. This writing constitutes the final expression of the parties' contract, and it is a complete and exclusive statement of the provisions of that Contract, except for written amendments, if any, made after the date of this Contract in accordance with Section 13.14.

A. Exhibit "A"

Santa Cruz Metropolitan Transit District's "Request for Proposals" dated December 7, 2007

B. Exhibit "B" (Contractor's Proposal)

Contractor's Proposal to the District for _____ Services, signed by Contractor and dated December 28, 2007.

2.02 Conflicts

Where in conflict, the provisions of this writing supersede those of the above-referenced documents, Exhibits "A" and "B". Where in conflict, the provisions of Exhibit "A" supercede Exhibit "B".

2.03 Recitals

The Recitals set forth in Article 1 are part of this Contract.

3. DEFINITIONS

3.01 General

The terms below (or pronouns in place of them) have the following meaning in the contract:

3.01.01 CONTRACT - The Contract consists of this document, the attachments incorporated herein in accordance with Article 2, and any written amendments made in accordance with Section 13.14.

3.01.02 CONTRACTOR - The Contractor selected by District for this project in accordance with the Request for Proposals issued December 7, 2007.

3.01.03 CONTRACTOR'S STAFF - Employees of Contractor.

3.01.04 DAYS - Calendar days.

3.01.05 OFFEROR - Contractor whose proposal was accepted under the terms and conditions of the Request for Proposals issued December 7, 2007.

3.01.06 PROVISION - Any term, agreement, covenant, condition, clause, qualification, restriction, reservation, or other stipulation in the contract that defines or otherwise controls, establishes, or limits the performance required or permitted by either party.

3.01.07 SCOPE OF WORK (OR "WORK") - The entire obligation under the Contract, including, without limitation, all labor, equipment, materials, supplies, transportation, services, and other work products and expenses, express or implied, in the Contract.

4. TIME OF PERFORMANCE

4.01 Term

The term of this Contract will be for a period not to exceed one (1) year and shall commence upon the issuance of the contract by the District.

At the option of the District, this contract agreement may be renewed for four (4) additional one (1) year terms upon mutual written consent.

5. COMPENSATION

5.01 Terms of Payment

District shall compensate Contractor in an amount not to exceed the amounts/rates agreed upon by the District. District shall reasonably determine whether work has been successfully performed for purposes of payment. Compensation shall be made within thirty (30) days of District written approval of Contractor's written invoice for said work. Contractor understands and agrees that if he/she exceeds the \$_____ maximum amount payable under this contract, that it does so at its own risk.

5.02 Invoices

Contractor shall submit invoices with a purchase order number provided by the District on a monthly basis. Contractor's invoices shall include detailed records showing actual time devoted, work accomplished, date work accomplished, personnel used, and amount billed per hour. Expenses shall only be billed if allowed under the Contract. Telephone call expenses shall show the nature of the call and identify location and individual called. Said invoice records shall be kept up-to-date at all times and shall be available for inspection by the District (or any grantor of the District, including, without limitation, any State or Federal agency providing project funding or reimbursement) at any time for any reason upon demand for not less than four (4) years after the date of expiration or termination of the Contract. Under penalty of law, Contractor represents that all amounts billed to the District are (1) actually incurred; (2) reasonable in amount; (3) related to this Contract; and (4) necessary for performance of the project.

6. NOTICES

All notices under this Contract shall be deemed duly given upon delivery, if delivered by hand; or three (3) days after posting, if sent by registered mail, receipt requested; to a party hereto at the address hereinunder set forth or to such other address as a party may designate by notice pursuant hereto.

DISTRICT

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

CONTRACTOR

Attention: _____

7. AUTHORITY

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

Signed on _____

DISTRICT
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Leslie R. White
General Manager

CONTRACTOR

By _____

Approved as to Form:

Margaret Rose Gallagher
District Counsel

PART VI

FEDERAL TRANSIT ADMINISTRATION REQUIREMENTS FOR NON-CONSTRUCTION CONTRACTS

1.0 GENERAL

This Contract is subject to the terms of a financial assistance contract between the Santa Cruz Metropolitan Transit District and the Federal Transit Administration (FTA) of the United States Department of Transportation.

2.0 INTEREST TO MEMBERS OF OR DELEGATES TO CONGRESS

In accordance with 18 U.S.C. 431, no member of, nor delegates to, the Congress of the United States shall be admitted to a share or part of this Contract or to any benefit arising therefrom.

3.0 INELIGIBLE CONTRACTORS

Neither Contractor, subcontractor, nor any officer or controlling interest holder of Contractor or subcontractor, is currently, or has been previously, on any debarred bidders list maintained by the United States Government.

4.0 EQUAL EMPLOYMENT OPPORTUNITY (Not applicable to contracts for standard commercial supplies and raw materials)

In connection with the execution of this Contract, the Contractor shall not discriminate against any employee or application for employment because of race, religion, color, sex, age (40 or over), national origin, pregnancy, ancestry, marital status, medical condition, physical handicap, sexual orientation, or citizenship status. The Contractor shall take affirmative action to insure that applicants employed and that employees are treated during their employment, without regard to their race, religion, color, sex national origin, etc. Such actions shall include, but not be limited to the following: Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and, selection for training including apprenticeship. Contractor further agrees to insert a similar provision in all subcontracts, except subcontracts for standard commercial supplies or raw materials.

5.0 TITLE VI CIVIL RIGHTS ACT OF 1964

During the performance of this Contract, the Contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "Contractor"), agrees as follows:

5.1 Compliance with Regulations

The Contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the "Regulations"), which are herein incorporated by reference and made a part of this Contract.

5.2 Nondiscrimination

The Contractor, with regard to the work performed by it during the Contract, shall not discriminate on the grounds of race, religion, color, sex, age or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor shall not participate either directly or indirectly in the discrimination prohibited in Section 21.5 of the Regulations, including employment practices when the Contract covers a program set forth in Appendix B of the regulations.

5.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment

In all solicitations either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the Contractor of the Contractor's obligations under this Contract and the Regulations relative to nondiscrimination on the grounds of race, religion, color, sex, age or national origin.

5.4 Information and Reports

The Contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the District or the Federal Transit Administration (FTA) to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information is required or a Contractor is in the exclusive possession of another who fails or refuses to furnish this information, the Contractor shall so certify to the District, or the Federal Transit Administration, as appropriate, and shall set forth what efforts it has made to obtain the information.

5.5 Sanctions for Noncompliance

In the event of the Contractor's noncompliance with the nondiscrimination provisions of this Contract, the District shall impose such contract sanctions as it or the Federal Transit Administration may determine to be appropriate, including, but not limited to:

- (a) Withholding of payments to the Contractor under the Contract until the Contractor complies; and/or,
- (b) Cancellation, termination or suspension of the Contract, in whole or in part.

5.6 Incorporation of Provisions

The Contractor shall include the provisions of Paragraphs (1) through (6) of this section in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The Contractor shall take such action with respect to any subcontract or procurement as the District or the Federal Transit Administration may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the Contractor may require the District to enter into such litigation to protect the interests of the District, and, in addition, the Contractor may request the services of the Attorney General in such litigation to protect the interests of the United States.

6.0 CLEAN AIR AND FEDERAL WATER POLLUTION CONTROL ACTS (Applicable only to contracts in excess of \$100,000)

Contractor shall comply with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act (42 USC 1857[h]), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR, Part 15), which prohibit the use under non-exempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. Contractor shall report all violations to FTA and to the USEPA Assistant Administrator for Enforcement (EN0329).

7.0 CONSERVATION

Contractor shall recognize mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 USC Section 6321, et seq.).

8.0 AUDIT AND INSPECTION OF RECORDS (Applicable only to sole source or negotiated contracts in excess of \$10,000)

Contractor agrees that the District, the Comptroller General of the United States, or any of their duly authorized representatives shall, for the purpose of audit and examination, be permitted to inspect all work, materials, payrolls and other data and records with regard to the project, and to audit the books, records and accounts with regard to the project. Further, Contractor agrees to maintain all required records for at least three years after District makes final payments and all other pending matters are closed.

9.0 LABOR PROVISIONS (Applicable only to contracts of \$2,500.00 or more that involve the employment of mechanics or laborers)

9.1 Overtime Requirements

No Contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any work week in which he or she is employed on such work to work in excess of eight (8) hours in any calendar day or in excess of forty (40) hours in such work week unless such laborer or mechanic receives compensation at a rate not less than one and one-half (1 1/2) times the basic rate of pay for all hours worked in excess of eight (8) hours in any calendar day or in excess of forty (40) hours in such work week, whichever is greater.

9.2 Violation; Liability for Unpaid Wages; Liquidated Damages

In the event of any violation of the clause set forth in subparagraph (b)(1) of 29 CFR Section 5.5, the Contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such district or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (b)(1) of which such individual was required or permitted to work in excess of eight (8) hours in excess of the standard work week of forty (40) hours without payment of the overtime wages required by the clause set forth in subparagraph (b)(1) of 29 CFR Section 5.5.

9.3 Withholding for Unpaid Wages and Liquidated Damages

DOT or the District shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any monies payable on account of work performed by the Contractor or subcontractor under any such contract or any other Federal contract with the same prime Contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Contractor, such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (b)(2) of 29 CFR Section 5.5.

9.4 Nonconstruction Grants

The Contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three (3) years from the completion of

the Contract for all laborers and mechanics, including guards and watchmen, working on the Contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made and actual wages paid. Further, the District shall require the contracting officer to insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the Contractor or subcontractor for inspection, copying or transcription by authorized representatives of DOT and the Department of Labor, and the Contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

9.5 Subcontracts

The Contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (5) of this paragraph and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in subparagraphs (1) through (5) of this paragraph.

10.0 CARGO PREFERENCE (Applicable only to Contracts under which equipment, materials or commodities may be transported by ocean vehicle in carrying out the project)

The Contractor agrees:

- 10.1 To utilize privately owned United States-flag commercial vessels to ship at least fifty percent (50%) of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners and tankers) involved, whenever shipping any equipment, materials or commodities pursuant to this section, to the extent such vessels are available at fair and reasonable rates for United States- flag commercial vessels.
- 10.2 To furnish within 30 days following the date of loading for shipments originating within the United States, or within thirty (30) working days following the date of loading for shipment originating outside the United States, a legible copy of a rated, "on-board" commercial ocean bill-of-lading in English for each shipment of cargo described in paragraph (1) above, to the District (through the prime Contractor in the case of subcontractor bills-of-lading) and to the Division of National Cargo, Office of Market Development, Maritime Administration, 400 Seventh Street, S.W., Washington D. C. 20590, marked with appropriate identification of the project.
- 10.3 To insert the substance of the provisions of this clause in all subcontracts issued pursuant to this Contract.

11.0 BUY AMERICA PROVISION

This procurement is subject to the Federal Transportation Administration Buy America Requirements in 49 CFR 661. A Buy America Certificate, if required format (see Form of Proposal or Bid Form) must be completed and submitted with the proposal. A proposal that does not include the certificate shall be considered non-responsive. A waiver from the Buy America Provision may be sought by the District if grounds for the waiver exist. Section 165a of the Surface Transportation Act of 1982 permits FTA participation on this Contract only if steel and manufactured products used in the Contract are produced in the United States. In order for rolling stock to qualify as a domestic end product, the cost of components produced in the United States must exceed sixty percent (60%) of the cost of all components, and final assembly must take place in the United States.

12.0 DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION

12.1 Policy

It is the policy of the U.S. Department of Transportation that Disadvantaged Business Enterprises as defined in 49 CFR Part 26 shall have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this Agreement. Consequently, the DBE requirements of 49 CFR Part 26 apply to this Agreement.

12.2 DBE Obligation

District and Contractor agree to insure that Disadvantaged Business Enterprises as defined in 49 CFR Part 26 have the maximum opportunity to participate in the performance of contracts and subcontracts under this Agreement. In this regard, District and Contractor shall take all necessary and reasonable steps in accordance with 49 CFR Part 26 to insure that Disadvantaged Business Enterprises have the maximum opportunity to compete for and perform Contracts. District and Contractor shall not discriminate on the basis of race, creed, color, national origin, age or sex in the award and performance of DOT-assisted Contracts.

12.3 Transit Vehicle Manufacturers

Transit vehicle manufacturers must certify compliance with DBE regulations.

13.0 CONFLICT OF INTEREST

No employee, officer or agent of the District shall participate in selection, or in the award of administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when (1) the employee, officer or agent; (2) any member of his or her immediate family; (3) his or her partner; or (4) an organization that employs, or is about to employ, has a financial or other interest in the firm selected for award. The District's officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from Contractors, potential Contractors or parties of sub agreements.

14.0 MOTOR VEHICLE EMISSION REQUIREMENTS (Applicable only to Contracts involving the purchase of new motor vehicles)

The Contractor must provide a certification that:

- (a) The horsepower of the vehicle is adequate for the speed, range, and terrain in which it will be required and also to meet the demands of all auxiliary equipment.
- (b) All gases and vapors emanating from the crankcase of a spark-ignition engine are controlled to minimize their escape into the atmosphere.
- (c) Visible emission from the exhaust will not exceed No. 1 on the Ringlemann Scale when measured six inches (6") from the tail pipe with the vehicle in steady operation.
- (d) When the vehicle has been idled for three (3) minutes and then accelerated to eighty percent (80%) of rated speed under load, the opacity of the exhaust will not exceed No. 2 on the Ringlemann Scale for more than five (5) seconds, and not more than No. 1 on the Ringlemann Scale thereafter.

15.0 MOTOR VEHICLE SAFETY STANDARDS (Applicable only to contracts involving the purchase of new motor vehicles)

The Contractor will assure that the motor vehicles purchased under this contract will comply with the Motor Vehicle Safety Standards as established by the Department of Transportation at 49 CFR Parts 390 and 571.

16.0 DEBARRED BIDDERS

The Contractor, including any of its officers or holders of a controlling interest, is obligated to inform the District whether or not it is or has been on any debarred bidders' list maintained by the United States Government. Should the Contractor be included on such a list during the performance of this project, Contractor shall so inform the District.

17.0 PRIVACY (Applicable only to Contracts involving the administration of any system of records as defined by the Privacy Act of 1974, on behalf of the Federal Government)

17.1 General

The District and Contractor agree:

- (a) To comply with the Privacy Act of 1974, 5 U.S.C. 552a (the Act) and the rules and regulations issued pursuant to the Act when performance under the Contract involves the design, development or operation of any system of records on individuals to be operated by the District, its contractors or employees to accomplish a Government function.
- (b) To notify the Government when the District or Contractor anticipates operating a system of records on behalf of the Government in order to accomplish the requirements of this Agreement, if such system contains information about individuals which information will be retrieved by the individual's name or other identifier assigned to the individual. A system of records subject to the Act may not be employed in the performance of this Agreement until the necessary approval and publication requirements applicable to the system have been carried out. The District or Contractor, as appropriate, agrees to correct, maintain, disseminate, and use such records in accordance with the requirements of the Act, and to comply with all applicable requirements of the Act.
- (c) To include the Privacy Act Notification contained in this Agreement in every subcontract solicitation and in every subcontract when the performance of Work under the proposed subcontract may involve the design, development or operation of a system of records on individuals that is to be operated under the Contract to accomplish a Government function; and
- (d) To include this clause, including this paragraph in all in subcontracts under which Work for this Agreement is performed or which is awarded pursuant to this Agreement or which may involve the design, development, or operation of such a system of records on behalf of the Government.

17.2 Applicability

For purposes of the Privacy Act, when the Agreement involves the operation of a system of records on individuals to accomplish a Government function, the District, third party contractors and any of their employees are considered to be employees of the Government with respect to the Government function and the requirements of the Act, including the civil and criminal penalties for violations of the Act, are applicable except that the criminal penalties shall not apply with regard to contracts effective prior to September 27, 1975. In addition, failure to comply with the provisions of the Act or of this clause will make this Agreement subject to termination.

17.3 Definitions

The terms used in this clause have the following meanings:

- (a) "Operation of a system of records" means performance of any of the activities associated with maintaining the system of records on behalf of the Government including the collection, use and dissemination of records.
- (b) "Records" means any item, collection or grouping of information about an individual that is maintained by the District or Contractor on behalf of the Government, including, but not limited to, his education, financial transactions, medical history, and criminal or employment history and that contains his name, or the identifying number, symbol or other identifying particular assigned to the individual, such as a finger or voice print or a photograph.
- (c) "System of records" on individuals means a group of any records under the control of the District or Contractor on behalf of the Government from which information is retrieved by the name of the individual or by some identifying number, symbol or other identifying particular assigned to the individual.

18.0 PATENT RIGHTS (Applicable only to research and development contracts)

If any invention, improvement or discovery of the District or contractors or subcontractors is conceived or first actually reduced to practice in the course of or under this project which invention, improvement, or discovery may be patentable under the Patent Laws of the United States of America or any foreign country, the District (with appropriate assistance of any contractor or subcontractor involved) shall immediately notify the Government (FTA) and provide a detailed report. The rights and responsibilities of the District, third party contractors and subcontractors and the Government with respect to such invention will be determined in accordance with applicable Federal laws, regulations, policies and any waivers thereof.

19.0 RIGHTS IN DATA (Applicable only to research and development contracts)

The term "subject data" as used herein means recorded information, whether or not copyrighted, that is delivered or specified to be delivered under this Contract. The term includes graphic or pictorial delineation in media such as drawings or photographs; text in specifications or related performance or design-type documents, machine forms such as punched cards, magnetic tape or computer memory printouts; and information retained in computer memory. Examples include, but are not limited to, engineering drawings and associated lists, specifications, standards, process sheets, manuals, technical reports, catalog item identifications and related information. The term does not include financial reports, cost analyses and similar information incidental to contract administration.

All "subject data" first produced in the performance of this Agreement shall be the sole property of the Government. The District and Contractor agree not to assert any rights at common law or equity and not to establish any claim to statutory copyright in such data. Except for its own internal use, the District and Contractor shall not publish or reproduce such data in whole or in part, or in any manner or form, nor authorize others to do so, without the written consent of the Government until such time as the Government may have released such data to the public. This restriction, however, does not apply to Agreements with academic institutions.

The District and Contractor agree to grant and do hereby grant to the Government and to its officers, agents, and employees acting within the scope of their official duties, a royalty-free, non-exclusive and irrevocable license throughout the world:

- (a) To publish, translate, reproduce, deliver, perform, use and dispose of, in any manner, any and all data not first produced or composed in the performance of this Contract but which is incorporated in the work furnished under this Contract; and
- (b) To authorize others so to do.

District and Contractor shall indemnify and save and hold harmless the Government, its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by the District and Contractor of proprietary rights, copyrights or

rights of privacy, arising out of the publication, translation, reproduction, delivery, performance, use, or disposition of any data furnished under this Contract.

Nothing contained in this clause shall imply a license to the Government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Government under any patent.

The third and fourth paragraphs under Section 19.0 above are not applicable to material furnished to the District or Contractor by the Government and incorporated in the work furnished under the Contract, provided that such incorporated material is identified by the District or Contractor at the time of delivery of such work.

In the event that the project, which is the subject of this Agreement, is not completed, for any reason whatsoever, all data generated under that project shall become subject data as defined in the Rights in Data clause in this Contract and shall be delivered as the Government may direct. This clause shall be included in all subcontracts under this Contract.

20.0 NEW RESTRICTIONS ON LOBBYING

20.1 Prohibition

- (a) Section 1352 of Title 31, U.S. Code, provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (b) The prohibition does not apply as follows:
 - (i) Agency and legislative liaison by Own Employees.
 - (ii) Professional and technical services by Own Employees.
 - (iii) Reporting for Own Employees.
 - (iv) Professional and technical services by Other than Own Employees.

20.2 Disclosure

- (a) Each person who requests or receives from an agency a Federal contract shall file with that agency a certification, included in Form of Proposal or Bid Forms, that the person has not made, and will not make, any payment prohibited by Section 20.1 of this clause.
- (b) Each person who requests or receives from an agency a Federal contract shall file with that agency a disclosure form, Standard Form-LLL, "Disclosure of Lobbying Activities," if such person has made or has agreed to make any payment using non- appropriated funds (to include profits from any covered Federal action), which would be prohibited under Section 20.1 of this clause if paid for with appropriated funds.
- (c) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under paragraph (c)(2) of this section. An event that materially affects the accuracy of the information reported includes:

- (i) a cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or
 - (ii) a change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or
 - (iii) a change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.
- (d) Any person who requests or receives from a person referred to in paragraph (c)(i) of this section a subcontract exceeding \$100,000 at any tier under a Federal contract shall file a certification, and a disclosure form, if required, to the next tier above.
- (e) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraph (c)(i) of this section. That person shall forward all disclosure forms to the agency.

20.3 Agreement

In accepting any contract resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

20.4 Penalties.

- (a) Any person who makes an expenditure prohibited under Section 20.1 of this clause shall be subject to a civil penalty of not less than \$10,000 for each such expenditure.
- (b) Any person who fails to file or amend the disclosure form to be filed or amended if required by this clause, shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
- (c) Contractors may rely without liability on the representations made by their sub- contractors in the certification and disclosure form.

20.5 Cost allowability

Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of Part 31 of the Federal Acquisition Regulation.

PART VII

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT PROTEST PROCEDURES

PROCUREMENT PROTESTS

All protests shall be filed, handled and resolved in a manner consistent with the requirements of Federal Transit Administration (FTA) Circular 4220.1E Third Party Contracting Guidelines dated June 19, 2003 and the Santa Cruz Metropolitan Transit District's (DISTRICT) Protest Procedures which are on file and available upon request.

Current FTA Policy states that: "Reviews of protests by FTA will be limited to:

- (1) a grantee's failure to have or follow its protest procedures, or its failure to review a complaint or protest; or
- (2) violation of Federal law or regulation.

An appeal to FTA must be received by the cognizant FTA regional or Headquarters Office within five (5) working days of the date the protester learned or should have learned of an adverse decision by the grantee or other basis of appeal to FTA" (FTA Circular 4220.1E, Section 7, paragraph 1., Written Protest Procedures)

Protests relating to the content of this Request for Proposal (RFP) package must be filed within ten (10) calendar days after the date the RFP is first advertised. Protests relating to a recommendation for award solicited by this RFP must be filed by an interested party within five (5) calendar days after the staff's written recommendation and notice of intent to award is issued to the offerors. The date of filing shall be the date of receipt of protests or appeals by the DISTRICT.

All Protests shall be filed in writing with the Assistant General Manager, Santa Cruz Metropolitan Transit District, 370 Encinal Street, Suite 100, Santa Cruz, CA 95060. **No other location shall be acceptable.** The DISTRICT will respond in detail to each substantive issue raised in the protest. The Assistant General Manager shall make a determination on the protest normally within ten (10) working days from receipt of protest. Any decision rendered by the Assistant General Manager may be appealed to the Board of Directors. The Protester has the right within five (5) working days of receipt of determination to file an appeal restating the basis of the protest and the grounds of the appeal. In the appeal, the Protester shall only be permitted to raise factual information previously provided in the protest or discovered subsequent to the Assistant General Manager's decision and directly related to the grounds of the protest. The Board of Directors has the authority to make a final determination and the Board of Director's decision shall constitute the DISTRICT's final administrative remedy.

In the event the protestor is not satisfied with the DISTRICT's final administrative determination, they may proceed within 90 days of the final decision to State Court for judicial relief. The Superior Court of the State of California for the County of Santa Cruz is the appropriate judicial authority having jurisdiction over Proposal Protest(s) and Appeal(s). Bid includes the term "offer" or "proposal" as used in the context of negotiated procurements.

The Offeror may withdraw its protest or appeal at any time before the DISTRICT issues a final decision.

Should the DISTRICT postpone the date of proposal submission owing to a protest or appeal of the solicitation specifications, addenda, dates or any other issue relating to this procurement, the DISTRICT shall notify, via addendum, all parties who are on record as having obtained a copy of the solicitation documents that an appeal/protest had been filed, and the due date for proposal submission shall be postponed until the DISTRICT has issued its final decision.

A letter of protest must set forth the grounds for protest and shall be fully supported with technical data, test results, or other pertinent information related to the subject being protested. The Protestor is responsible for adhering to the DISTRICT's protest procedures.

An Offeror may seek FTA review of the DISTRICT's decision. A protest appeal to the FTA must be filed in accordance with the provisions of FTA circular 4220.1E. Any appeal to the FTA shall be made not later than five (5) working days after a final decision is rendered under the DISTRICT's protest procedure. Protest appeals should be filed with:

Federal Transit Administration
Regional Administrator Region IX
201 Mission Street, Suite 2210
San Francisco, CA 94105-1839



Weber, Hayes & Associates
Hydrogeology and Environmental Engineering
120 Westgate Dr , Watsonville, CA 95076
(831) 722-3580 Fax (831) 722-1159
www.weber-hayes.com

December 28, 2007

Santa Cruz Metropolitan Transit District (SCMTD)
Mr. Lloyd Longnecker, District Purchasing Office
110 Vernon Street, Suite B
Santa Cruz, California 95060

RFP Response: **District RFP No. 08-20**
Phase I/II Environmental Site Assessment (ESA)
City of Santa Cruz Metro Center, 912-920 Pacific Avenue, Santa Cruz

Dear Mr. Longnecker,

Weber, Hayes and Associates (WHA) is pleased to present this proposal to complete Phase I ESA research and Phase II soil and groundwater testing in order to characterize the site for potential transition to commercial-residential land use. Our goal will be to determine whether historical land use has significantly impacted subsurface soils and groundwater beneath the site to a degree that would require remediation or monitoring prior to site redevelopment.

EXPERIENCE AND REFERENCES

We feel that Weber, Hayes and Associates have unique experience and site-specific knowledge to effectively complete this requested scope of work and the experience to use this data to obtain regulatory clearance of environmental liabilities. We have completed an identical assessment on the adjoining Greyhound parcel and can combine efforts to cost-effectively gain due diligence, health-based regulatory clearance.

Weber, Hayes and Associates (WHA) have extensive local experience conducting the investigation, cleanup, and closure of fuel release sites, since 1988. Our webpage, www.weber-hayes.com, details our experience in several large fuel and MTBE cleanups, as well as presenting:

- Resumes of our staff (including Registered Geologists and Professional Engineers)
- Client List
- Our Insurance Coverage, which includes \$2M in general, contractors, and professional liability.

WHA has earned a solid reputation for attention to regulatory schedules and requirements, excellent communication, cost effectiveness, experience getting projects successfully into and reimbursed by the State funding programs, and technical ability. WHA client references and contact persons at local Public Agencies where we have conducted similar work include:

Greyhound Santa Cruz Bus Depot:

Project: Phase I/II ESA, Follow-up Characterization Drilling & Characterization Investigation,
Contacts: June Weinrich, Suzanne Varco, Mike Crim

District RFP No. 08-20
Phase I/II Environmental Site Assessment
City of Santa Cruz Metro Center
December 28, 2007

City of Santa Cruz Public Works

Project: Front Street Garage Site Commingled Plume cleanup project
Contact: Matt Farrell, (408) 975-3714, Suzanne Healy, 420-5131

City of Santa Cruz Redevelopment Agency

Project: Salz Tannery Redevelopment, Brownsfield consulting, and various ESA's
Contact: Ceil Cirillo, Joe Hall, 420-5150

Santa Cruz County Environmental Health

Project: Selected to lead the Venture Oil Abandoned Site Cleanup project, Watsonville
Contact: Steve Schneider 454-2022, Scott Carson 454-2758

Santa Cruz County Sanitation District

Project: Selected as consultant for multiple County fuel cleanup and monitoring sites,
including application to State UST Fund for reimbursement
- Contact: Russ Bateson, Director, 477-3945

We have strong, working relationships with staff from the three overseeing agencies regulating your fuel leak site (Department of Toxic Substances Control, Santa Cruz County Health Services Agency, CRWQCB-Central Coast Region). More information on successful site closures is available on our webpage, www.weber-hayes.com

SCOPE OF WORK

This scope of work is based on and follows the *Specifications for Phase I/II Environmental Site Assessments* section of SCMTD's RFP (Part III of RFP# 08-20). Specifically, the scope of work includes:

- PHASE I ESA: The *Phase I ESA* investigation will meet ASTM Standards on *Environmental Site Assessments for Commercial Real Estate*, E1527 and E1528. The *Phase I ESA* guidelines are designed to establish good site assessment practices that satisfy the due diligence responsibilities of participants in commercial real estate transactions and development. Investigative tasks will include completion of a site survey, interview, research of regulatory files, and review of historical land use documents.
- Limited PHASE II drilling program: The limited Phase II drilling and sampling program will be conducted to determine whether historical land use at the site has significantly impacted the environmental quality of shallow soils and groundwater. Specifically, a minimum of 16 borings will be drilled across the site to cover known and unknown land uses. The exploratory borings will be drilled using a GeoProbe Direct Push sampling rig, to limit the generation of soil cuttings and for low-access drilling inside the site structures (as needed). Soil samples will be continuously cored in 4 or 5-foot intervals to a depth of approximately 12 feet to help determine the visual presence of contamination (discoloration/odor/smear zones). The borings

will be carefully logged by an experienced environmental geologist or engineer and an electronic field meter calibrated to detect volatile organic compounds will be used to monitor potential volatile organic vapors

A minimum of three soil samples will be collected from each boring (collected from depths of 2.5 feet, 5 feet, and 7.5 feet below ground surface) and tested for:

- PNAs by EPA Method 8270 (low-detection limits),
- Total Extractable Petroleum Hydrocarbons (diesel/motor oil), and
- Priority Pollutant Metals

A minimum of 6 groundwater samples will be analyzed from selected borings across the site and tested for:

- PNAs by EPA Method 8270 (low-detection limits),
- Total Extractable Petroleum Hydrocarbons (diesel/motor oil), and BTEX
- Priority Pollutant Metals.

- Data Analysis and Reporting: The summary report, signed by a registered geologist or engineer with experience in environmental assessment, should include scaled maps showing both the boring locations and analytical results, tables presenting the laboratory results, descriptions of field work, and a discussion of the findings including regulatory implications, if any

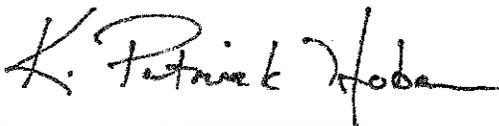
COST ESTIMATE

We estimate the cost to complete this scope of work will be **\$33,760** (see detailed cost estimate attached). The work will be provided on a time and materials basis under the rates specified in our *Schedule of Charges* (attached) in force at the time the work is conducted. We will not exceed the total estimated cost without your authorization. Additional services authorized by you will be billed under our normal *Schedule of Charges*.

Thank you for considering Weber, Hayes and Associates for your environmental remediation work. If you have any questions about this proposal please call us at 831.722-3580, or reply by e-mail to pat@weber-hayes.com.

Sincerely yours,

Weber, Hayes and Associates



Patrick Hoban, PG
Senior Geologist

Attachments: Cost Estimate, *Schedule of Charges*



Weber, Hayes & Associates
 Hydrogeology and Environmental Engineering
 120 Westgate Dr., Watsonville, CA 95076
 (831) 722-3580 Fax (831) 722-1159
 www.weber-hayes.com

SCHEDULE OF CHARGES

♦ January 2007

PERSONNEL CHARGES

Word Processing/Administrative Support	\$50 per hour
Information Technician	\$60 per hour
Draftsperson	\$65 per hour
Field Technician	\$65 per hour
Senior Technician	\$75 per hour
Staff Geologist/Engineer	\$85 per hour
Project Geologist/Engineer	\$100 per hour
Senior Geologist/Engineer	\$120 per hour
Principal Geologist	\$140 per hour
Associate	\$200 per hour

Court Appearances as an expert witness will be charged at a rate of \$1600 per day (minimum half day charge of \$800).

Travel Time is billed in accordance with the above schedule, to a maximum of 8 hours per day.

Charges for special outside services, equipment, and facilities not furnished directly by Weber, Hayes and Associates will be billed at cost plus 15 percent. Such charge may include, but are not limited to, the following services:

Printing and reproduction	Special permits, fees, etc.
Rental of field equipment	Travel expenses
Subcontractors	Meals and lodging per diem
Shipping Costs	Rental and operation of drilling or excavation equipment

♦ Weber, Hayes and Associates have increased the hourly rates, as shown on the Schedule of Charges. This is our first increase in five years. The new rates are effective as of January 2007. We will honor not-to-exceed budget amounts for existing contract. Thank you for the opportunity to serve you.

Listing of major sub consultants proposed (if applicable), their phone numbers, and areas of responsibility (indicate which firms are DBE's):

LAB = Entech Analytical, (408) 588-0200

Driller = Environmental Control Associates (ECA)
(831) 662-8179

**CERTIFICATION OF PROPOSED CONTRACTOR REGARDING DEBARMENT,
SUSPENSION AND OTHER INELIGIBILITY AND VOLUNTARY EXCLUSION**

(Contractor) WEBER, HAYES and Associates certifies to the best of its knowledge and belief, that it and its principals:

Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;

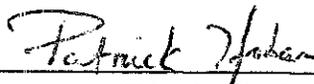
Have not within a three year period preceding this bid been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;

Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and

Have not within a three year period preceding this bid had one or more public transactions (Federal, State or local) terminated for cause or default.

If the Proposed Subcontractor is unable to certify to any of the statements in this certification, it shall attach an explanation to this certification

(Contractor) WEBER Hayes & Assoc., CERTIFIES OR AFFIRMS THE TRUTHFULNESS AND ACCURACY OF THE CONTENTS OF THE STATEMENTS SUBMITTED ON OR WITH THIS CERTIFICATION AND UNDERSTANDS THAT THE PROVISIONS OF 31 U.S.C. SECTIONS 3801 ET. SEQ. ARE APPLICABLE THERETO.



Signature and Title of Authorized Official

Contract: less than \$100,000

LOBBYING CERTIFICATION
(Only for Contracts above \$100,000)

Lobbying Certification for Contracts Grants, Loans and Cooperative Agreements (Pursuant to 49 CFR Part 20, Appendix A)

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal Contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal Contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for making lobbying contacts to an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form--LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions and as amended by "Government wide Guidance for New Restrictions on Lobbying," 61 Fed. Reg. 1413 (1/19/96).
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and Contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

The Bidder/Offeror certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, the Bidder/Offeror understands and agrees that the provisions of 31 U.S.C. A 3801, et seq. apply to this certification and disclosure, if any.

Firm Name Weber, Hayes and Associates

Signature of Authorized Official Patrick Hoban

Name and Title of Authorized Official Patrick Hoban, President

Date 12/27/07

BUY AMERICA PROVISION
(Only for Contracts above \$100,000)

This procurement is subject to the Federal Transit Administration Buy America Requirements in 49 CFR part 661.

A Buy American Certificate, as per attached format, must be completed and submitted with the bid. A bid which does not include the certificate will be considered non-responsive.

A false certification is a criminal act in violation of 18 U.S.C. 1001. Should this procurement be investigated, the successful bidder/proposer has the burden of proof to establish that it is in compliance.

A waiver from the Buy America Provision may be sought by SCMTD if grounds for the waiver exist.

Section 165(a) of the Surface Transportation Act of 1982 permits FTA participation on this contract only if steel and manufactured products used in the contract are produced in the United States.

BUY AMERICA CERTIFICATE

The bidder hereby certifies that it will comply with the requirements of Section 165(a) or (b) (3) of the Surface Transportation Assistance Act of 1982, and the applicable regulations in 49 CFR Part 661.

Date: December 27, 2007
Signature: Patrick Hoban
Company Name: Weber, Hayes and Associates
Title: President

OR

The bidder hereby certifies that it cannot comply with the requirements of Section 165(a) or (b) (3) of the Surface Transportation Act of 1982, but may qualify for an exception to the requirement pursuant to Section 165(b)(2) or (b)(4) of the Surface Transportation Assistance Act of 1982, as amended, and regulations in 49 CFR 661.7.

Date: _____
Signature: _____
Company Name: _____
Title: _____

CONTRACTOR DBE INFORMATION

(Disadvantaged Business Enterprises)

CONTRACTOR'S NAME Weber Hayes and Associates
 DBE GOAL FROM CONTRACT minority - probably 0%
 FED. NO. 17-0267762
 COUNTY Santa Cruz, CA
 AGENCY SCMTA
 CONTRACT NO. District REP # 08-20

CONTRACTOR'S ADDRESS 120 Westgate Drive
Woodsonville, CA 95076

PROPOSAL AMOUNT \$ 33760

PROPOSAL OPENING DATE Issued: Dec 7, 2007; Deadline: Dec 28, 2007

DATE OF DBE CERTIFICATION NA

SOURCE ** NA

This information must be submitted during the initial negotiations with the District. By submitting a proposal, offeror certifies that he/she is in compliance with the District's policy. Failure to submit the required DBE information by the time specified will be grounds for finding the proposal non-responsive.

CONTRACT ITEM NO.	ITEM OF WORK AND DESCRIPTION OF WORK OR SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED *	CERTIFICATION FILE NUMBER	NAME OF DBE	DOLLAR AMOUNT DBE ***	PERCENT DBE
TOTAL CLAIMED DBE PARTICIPATION \$ <u>0</u> %					

SIGNATURE OF CONTRACTOR Patrick Hoban
 AREA CODE/TELEPHONE (831) 722-3580

DATE Dec 27, 2007

(Detach from proposal if DBE information is not submitted with proposal.)

* If 100% of item is not to be performed or furnished by DBE, describe exact portion, including plan location of work to be performed, of item to be performed or furnished by DBE.
 ** DBE's must be certified on the date proposals are opened.
 *** Credit for a DBE supplier who is not a manufacturer is limited to 60% of the amount paid to the supplier.

NOTE: Disadvantaged business must renew their certification annually by submitting certification questionnaires in advance of expiration of current certification. Those not on a current list cannot be considered as certified.

CONTRACTOR DBE INFORMATION

CONTRACT ITEM NO.	ITEM OF WORK AND DESCRIPTION OF WORK OR SERVICES TO BE SUBCONTRACTED OR MATERIALS TO BE PROVIDED *	CERTIFICATION FILE NUMBER	NAME OF DBE	DOLLAR AMOUNT DBE ***	PERCENT DBE
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NA.

P.H.

TOTAL CLAIMED DBE PARTICIPATION \$ 0 %

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 11, 2008

TO: Board of Directors

FROM: Tom Stickel, Manager of Maintenance

**SUBJECT: CONSIDERATION OF AMENDMENT TO CONTRACT FOR
CONSTRUCTION OF A BUS TURNAROUND AT CHINA GRADE AND
HWY 236 WITH GRANITE CONSTRUCTION COMPANY**

ACTION REQUESTED AT THE JANUARY 11, 2008 BOARD MEETING

I. RECOMMENDED ACTION

METRO Staff recommends that the Board of Directors authorize the General Manager to execute a contract amendment for construction of a bus turnaround at China Grade and Highway 236 with Granite Construction Company to revise the language on contract time of performance.

II. SUMMARY OF ISSUES

- On October 12, 2007, METRO's Board of Directors approved a contract for the construction of a bus turnaround at China Grade and HWY 236 with Granite Construction Company, Inc. for an amount not to exceed \$ 105,105.
- On December 14, 2007, METRO's Board of Directors approved a contract amendment to reimburse Contractor \$1,757 for double permit requirements and preparation of Water Pollution Control Plan (WPCP) as required by the Caltrans encroachment permit.
- Due to delays encountered with the Caltrans double permit approval process, METRO staff is recommending that a contract amendment be processed with Granite Construction Company to revise the language on contract time of performance.

III. DISCUSSION

METRO issued a fixed-price contract for the construction of a bus turnaround at China Grade and Highway 236 with Granite Construction Company on October 12, 2007. On December 14, 2007, a contract amendment was approved to reimburse Contractor an additional \$1,757 for double permit requirements and preparation of Water Pollution Control Plan as required by the Caltrans encroachment permit. Contractor is currently waiting on approval of the WPCP and issuance of Caltrans notice to proceed. Once approved and permit issued by Caltrans, construction can be scheduled and completed within 2-3 weeks (weather permitting). Current contract language requires completion of all construction by February 3, 2008. Contractor has requested a revision to the contract that states construction will be completed within 90 calendar days from the date of receipt by Contractor of the approved Caltrans double encroachment permit.

METRO staff is recommending that a contract amendment be processed with Granite Construction Company to revise the language on contract time of performance.

IV. FINANCIAL CONSIDERATIONS

No additional funding for this contract amendment is required.

V. ATTACHMENTS

Attachment A: Contract Amendment with Granite Construction Company

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
SECOND AMENDMENT TO CONTRACT NO. 08-07
FOR CONSTRUCTION OF A BUS TURNAROUND AT CHINA GRADE AND HWY 236**

This Second Amendment to Contract No. 08-07 for construction of a bus turnaround at China Grade at Hwy 236 and related site work is made effective January 11, 2008 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("District") and GRANITE CONSTRUCTION COMPANY ("Contractor").

I. RECITALS

- 1.1 District and Contractor entered into a Contract for construction of a bus turnaround at China Grade at Hwy 236 and related site work ("Contract") on October 24, 2007.
- 1.2 Contractor requests a change on the term of the contract due to delays encountered with the Caltrans encroachment permit process.

Therefore, District and Contractor amend the Contract as follows:

II. Term

- 2.1 Article 3, TIME OF PERFORMANCE, items 3.01 General and 3.02 Term are *revised* as follows:

3.01 General

The work under this Contract shall be completed ninety (90) calendar days after the date of *receipt by Contractor of approved Caltrans Double Encroachment Permit* commencement specified in the Notice to Proceed, unless modified by the parties under Part III, section 13.14 of the General Conditions, Instructions and Information for Bidders of this Contract or terminated pursuant to Part III, section 2. *All work must be completed by May 15, 2008.*

3.02 Term

The term of this Contract commences on the date of *receipt by Contractor of approved Caltrans Double Encroachment Permit* execution and shall remain in force for 90 calendar days after the date of commencement specified in the Notice to Proceed. METRO and Contractor may extend the term of this Contract at any time for any reason upon mutual written consent.

III. REMAINING TERMS AND CONDITIONS

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

IV. AUTHORITY

- 4.1 Each party has full power to enter into and perform this Second Amendment to the Contract

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

Signed on _____

DISTRICT--SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Leslie R. White
General Manager

CONTRACTOR--GRANITE CONSTRUCTION COMPANY

Jigisha Desai,
Vice President

Approved as to Form:

Margaret R. Gallagher
District Counsel

9.a2²

GOVERNMENT TORT CLAIM

RECOMMENDED ACTION

TO: Board of Directors

FROM: District Counsel

RE: Claim of: Arntz Builders
Date of Incident: 9/26/07

Received: 11/12/07 Claim #: 07-0040
Occurrence Report No.: MISC 07-18

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

- 1. Reject the claim entirely.
- 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. Allow the claim in full.
- 7. Allow the claim in part, in the amount of \$ _____ and reject the balance.

By Margaret Gallagher
Margaret Gallagher
DISTRICT COUNSEL

Date: 12-28-07

I, Cindi Thomas, 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 11, 2008.

By _____
Cindi Thomas
RECORDING SECRETARY

Date: _____

MG/lg
Attachment(s)

10.1

Interstate Fence Co.



The Chain Link Fence Specialists

1579 Aborn Road
San Jose, CA 95121
(408)532-9700

Invoice

DATE **INVOICE #**

10/17/2007

BILL TO:

Arntz Builders
19 Pamaron Way
Novato, CA 94949

P.O. NUMBER	TERMS	PROJECT
04-19	Net 30	

QUANTITY	DESCRIPTION	RATE	AMOUNT
----------	-------------	------	--------

	Santa Cruz Metro Base - Add on Replaced two 8" rubber wheels with aluminum wheels	548.00	548.00
--	--	--------	--------

Thank you for your business. Overdue amounts will be charged 2% per month or fraction thereof.

TOTAL \$548.00

10.2

GOVERNMENT TORT CLAIM

RECOMMENDED ACTION

TO: Board of Directors

FROM: District Counsel

RE: Claim of: Higgins, Chayme
Date of Incident: 08/17/07

Received: 11/27/07 Claim #: 07-0044
Occurrence Report No.: MISC 07-21

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

- 1. Reject the claim entirely.
- 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. Allow the claim in full.
- 7. Allow the claim in part, in the amount of \$_____ and reject the balance.

By Margaret Gallagher
Margaret Gallagher
DISTRICT COUNSEL

Date: 12-26-07

I, Cindi Thomas, 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 11, 2008.

By _____
Cindi Thomas
RECORDING SECRETARY

Date: _____

MG/Ig
Attachment(s)

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: CHAYME M. HIGGINS

Claimant's Address/Post Office Box: _____

Claimant's Phone Number: _____

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

3. Occurrence: See Attachment

Date: 8/17/07 Time: _____ Place: _____

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

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

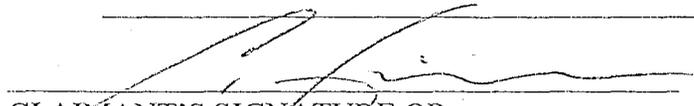
5. Name or names of public employees or employees causing injury, damage, or loss, if known: _____

6. Amount claimed now \$ _____

Estimated amount of future loss, if known \$ _____

TOTAL \$ _____

7. Basis of above computations: _____



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

11-26-07
DATE

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

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: January 11, 2008

TO: Board of Directors

FROM: Frank L. Cheng, Project Manager

SUBJECT: **CONSIDERATION OF AN AMENDMENT TO THE CONTRACT WITH ARNTZ BUILDERS, INC. EXTENDING THE CONTRACT EXPIRATION DATE FOR THE METROBASE SERVICE BUILDING TO FEBRUARY 29, 2008, WHILE MAINTAINING THE CONSTRUCTION COMPLETION DATE OF JANUARY 9, 2007.**

ACTION REQUESTED AT THE JANUARY 11, 2008 BOARD MEETING

I. RECOMMENDED ACTION

That the Board of Directors approve an amendment to the contract with Arntz Builders Inc. that extends the contract expiration date to February 29, 2008, while maintaining the construction completion date of January 9, 2007.

II. SUMMARY OF ISSUES

- On December 16, 2005 the Board of Directors approved a contract with Arntz Builders, Inc. for the construction of the service-building component of the MetroBase Project.
- On October 26, 2007 the Board of Directors approved an amendment to the contract with Arntz Builders, Inc extending the contract expiration date for the MetroBase Service Building to December 31, 2007, while maintaining the construction completion date of January 9, 2007.
- The construction bid submitted by Arntz Builders identified a 365-day construction period and therefore the construction contract was written for a 365-day period commencing January 9, 2006 and ending January 9, 2007.
- In order to permit the continued payment of progress invoices, it is necessary to extend the contract completion date beyond the current December 31, 2007 expiration date.
- State permitting requirements and reviews, as well as weather, have resulted in a delay in the completion date for the construction of the service building.
- METRO is currently negotiating with Arntz Builders Inc. to determine how many days of delay will be allowed for the completion of construction.

- As construction activities are continuing it is necessary to amend the current contract with Arntz Builders to extend the expiration date of the contract in order for METRO to be able to pay the invoices for construction costs.
- It is recommended that the contract with Arntz Builders, Inc. be amended to extend the expiration date to February 29, 2008. This action will not change the construction completion date in the contract. A Change Order revising the date for the completion of construction, activities supporting the additional costs associated with delays, recognizing the assessment of liquidated damages, will be presented to the Board for consideration, once the negotiations with Arntz Builders, Inc are completed.

III. DISCUSSION

On December 16, 2005 the Board of Directors approved a contract with Arntz Builders, Inc. for the construction of the service-building component of the MetroBase Project. The construction bid submitted by Arntz Builders identified a 365-day construction period and therefore the construction contract was written for a 365-day period commencing January 9, 2006 and ending January 9, 2007. In order to permit the continued payment of progress invoices, it is necessary to extend the contract completion date beyond the current December 31, 2007 expiration date. State permitting requirements and reviews, as well as weather, have resulted in a delay in the completion date for the construction of the service building. METRO is currently negotiating with Arntz Builders Inc. to determine how many days of delay will be allowed for the completion of construction. As construction activities are continuing it is necessary to amend the current contract with Arntz Builders to extend the expiration date of the contract in order for METRO to be able to pay the invoices for construction costs.

On October 26, 2007 the Board of Directors approved an amendment to the contract with Arntz Builders, Inc extending the contract expiration date for the MetroBase Service Building to December 31, 2007, while maintaining the construction completion date of January 9, 2007. It is recommended that the contract with Arntz Builders, Inc. be amended to extend the expiration date to February 29, 2008. This action will not change the construction completion date in the contract. The language on this amendment is the same as previous amendments; only change is the contract completion date to February 28, 2008. A Change Order revising the date for the completion of construction, activities supporting the additional costs associated with delays, recognizing the assessment of liquidated damages, will be presented to the Board for consideration, once the negotiations with Arntz Builders, Inc are completed.

IV. FINANCIAL CONSIDERATIONS

The amendment of the contact with Arntz Builders, Inc. to extend the expiration date of the current contract will not have a financial impact on the MetroBase Project or the METRO Budget.

V. ATTACHMENTS

Attachment A: None