



**AGENDA
BOARD OF DIRECTORS
REGULAR MEETING
AUGUST 14, 2015 – 8:30 AM
SANTA CRUZ METRO ADMIN OFFICES
110 VERNON STREET
SANTA CRUZ, CA 95060**

MISSION STATEMENT: “To provide a public transportation service that enhances personal mobility and creates a sustainable transportation option in Santa Cruz County through a cost-effective, reliable, accessible, safe, clean and courteous transit service.”

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

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BOARD ROSTER

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

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

Spanish language interpretation and Spanish language copies of the agenda packet are available on an as-needed basis. Please make advance arrangements with the Executive Assistant at 831-426-6080. Interpretación en español y traducciones en español del paquete de la agenda están disponibles sobre una base como-necesaria. Por favor, hacer arreglos por adelantado con Coordinador de Servicios Administrativos al numero 831-426-6080.

AMERICANS WITH DISABILITIES ACT

The Board of Directors meets in an accessible facility. Any person who requires an accommodation or an auxiliary aid or service to participate in the meeting, or to access the agenda and the agenda packet (including a Spanish language copy of the agenda packet), should contact the Executive Assistant, 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 Santa Cruz METRO regarding special requirements to participate in the Board meeting. For information regarding this agenda or interpretation services, please call Santa Cruz METRO at 831-426-6080.

SECTION I: OPEN SESSION

NOTE: THE BOARD CHAIR MAY TAKE ITEMS OUT OF ORDER

1 CALL TO ORDER

2 ROLL CALL

3 ANNOUNCEMENTS

4 COMMUNICATIONS TO THE BOARD OF DIRECTORS

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

5 LABOR ORGANIZATION COMMUNICATIONS

6 WRITTEN COMMUNICATION(S) FROM MAC

7 ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

CONSENT AGENDA

All items appearing on the Consent Agenda are recommended actions which are considered to be routine and will be acted upon as one motion. All items removed will be considered later in the agenda. The Board Chair will allow public input prior to the approval of the Consent Agenda items.

8-01 RECOMMENDED ACTION ON TORT CLAIMS

Liseth Guizar, Safety, Security and Risk Manager

8-02 ACCEPT AND FILE PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF MAY 2015

Angela Aitken, Finance Manager

8-03 ACCEPT AND FILE MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS MEETING OF JUNE 26, 2015

Alex Clifford, CEO/General Manager

8-04 ACCEPT AND FILE THE ACCESSIBLE SERVICES REPORTS FOR THE MONTHS OF APRIL, MAY AND JUNE 2015

April Warnock, Paratransit Superintendent

8-05 ACCEPT AND FILE SANTA CRUZ METRO SYSTEM RIDERSHIP REPORTS FOR THE MONTH OF MAY 2015

Carolyn Derwing, Schedule Analyst/Acting Planner

8-06 CONSIDERATION OF APPROVAL OF AUDIT ENGAGEMENT LETTER WITH BROWN ARMSTRONG ACCOUNTANCY CORPORATION FOR FINANCIAL AUDIT AND TAX SERVICES FOR THE YEAR ENDED JUNE 30, 2015

Angela Aitken, Finance Manager

8-07 CONSIDERATION OF DECLARING THREE (3) NEW FLYER BUSES AND ONE (1) FLOOR SWEEPER AS EXCESS FOR PURPOSES OF DISPOSAL OR AUCTION

Angela Aitken, Finance Manager

8-08 CONSIDERATION OF REJECTION OF PROPOSAL RECEIVED FROM VISION COMMUNICATIONS CO. AND AWARD OF CONTRACT TO DAY WIRELESS SYSTEMS FOR RADIO SYSTEM MAINTENANCE AND REPAIR NOT TO EXCEED \$177,000

Al Pierce, Maintenance Manager

8-09 CONSIDERATION TO ENTER INTO EASEMENT AGREEMENTS WITH THE SCOTTS VALLEY WATER DISTRICT TO INSTALL A STORM WATER FEATURE IMPROVEMENT AT THE CAVALLARO TRANSIT CENTER IN SCOTTS VALLEY

Al Pierce, Maintenance Manager

8-10 RATIFICATION OF LICENSE AND INDEMNITY AGREEMENT FOR COMPRESSED NATURAL GAS REFUELING FACILITY USAGE BETWEEN SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO) AND THE SANTA CRUZ TROLLEY CONSORTIUM

Al Pierce, Maintenance Manager

8-11 CONSIDERATION OF SECURITY COVERAGE OPTIONS AT PACIFIC STATION

Liseth Guizar, Safety, Security and Risk Manager

8-12 RECEIVE A FINAL REPORT ON THE CONCEPTUAL REDESIGN OF PACIFIC STATION AND A LIFE OF PROJECT BUDGET

Tom Hiltner, Acting Planning and Grants Manager

8-13 APPROVE CLASS SPECIFICATION CHANGES TO THE SCHEDULE ANALYST POSITION

Robyn D. Slater, Human Resources Manager

8-14 ADOPTION OF THE PARACRUZ SERVICE ELIGIBILITY AND APPEALS PROCESS TO THE METRO ADMINISTRATIVE CODE

Leslyn Syren, District Counsel

REGULAR AGENDA

9 YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF MAY 31, 2015

Angela Aitken, Finance Manager

10 CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE CONTRACT AMENDMENT #7 WITH RNL DESIGN, INC. AND APPROVE REVISING THE LIFE OF PROJECT BUDGET

Andrew Kreck, Project Manager, Hill International

11 CONSIDERATION OF A FORMAL ADOPTION OF PAY SCHEDULES FOR MANAGEMENT, UTU-FR, UTU-PC, SEIU-SEA, SEIU-PSA AND SEIU-VMU

Angela Aitken, Finance Manager

12 CONSIDERATION OF A FORMAL RATIFICATION OF A LABOR AGREEMENT BETWEEN THE UNITED TRANSPORTATION UNION LOCAL 23, FIXED ROUTE, FOR THE PERIOD JULY 1, 2015 THROUGH JUNE 30, 2018

Alex Clifford, CEO/General Manager

13 CONSIDERATION OF A FORMAL RATIFICATION OF A LABOR AGREEMENT BETWEEN THE UNITED TRANSPORTATION UNION LOCAL 23, PARACRUZ, FOR THE PERIOD JULY 1, 2015 THROUGH JUNE 30, 2018

Alex Clifford, CEO/General Manager

- 14 **CONSIDERATION OF AN ADDENDUM TO THE MANAGEMENT COMPENSATION PLAN**
Alex Clifford, CEO/General Manager
- 15 **CONSIDERATION OF A \$5,000 EARLY RETIREMENT INCENTIVE UPON RETIREMENT PRIOR TO DECEMBER 31, 2015**
Alex Clifford, CEO/General Manager
- 16 **CONSIDERATION OF AWARD OF CONTRACT TO TRANSPORTATION MANAGEMENT & DESIGN, INC. FOR COMPREHENSIVE OPERATIONAL ANALYSIS NOT TO EXCEED \$99,987**
Erich Friedrich, Sr. Transportation Planner
- 17 **CONSIDERATION OF ONCE A MONTH BOARD MEETINGS AND REVISIONS TO THE METRO ADVISORY COMMITTEE (MAC) BYLAWS**
Alex Clifford, CEO/General Manager
- 18 **PROPOSED BOARD WORKING SESSION**
Alex Clifford, CEO/General Manager
- 19 **CEO TO GIVE ORAL REPORT**
Alex Clifford, CEO/General Manager
- 20 **REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION**
Leslyn Syren, District Counsel
- 21 **ANNOUNCEMENT OF NEXT MEETING: FRIDAY, AUGUST 28, 2015 AT 9:00 AM, SCOTTS VALLEY CITY COUNCIL CHAMBERS, 1 CIVIC CENTER DRIVE, SCOTTS VALLEY, CA**
Chair Dene Bustichi
- 22 **RECESS TO CLOSED SESSION**

SECTION II: CLOSED SESSION

1. CONFERENCE WITH LABOR NEGOTIATORS

Agency Representatives: Alex Clifford, CEO/General Manager
Labor Organization: SEIU, Local 521
Unrepresented

2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to subdivision (c) of Government Code Section 54956.9, EEOC No. 556-2015-00345

SECTION III: RECONVENE TO OPEN SESSION

- 23 **REPORT OF CLOSED SESSION ITEMS**
Leslyn Syren, General Counsel

24 **ADJOURNMENT**

Chair Dene Bustichi

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



DATE: August 14, 2015
TO: Board of Directors
FROM: Liseth Guizar, Safety, Security and Risk Manager
SUBJECT: RECOMMENDED ACTION ON TORT CLAIMS

I. RECOMMENDED ACTION

That the Board of Directors Reject the Attached Claims for the Month of July 2015

II. SUMMARY

- This staff report provides the Board with recommendations on claims submitted to the Santa Cruz Metropolitan Transit District (METRO).

III. DISCUSSION/BACKGROUND

METRO's Risk Department received one claim for the month of July 2015, for money or damages. All claims are investigated and evaluated. As a public entity, METRO must act "within 45 days after the claim has been presented" (Government Code §912.4(a)).

Staff has attached a recommendation with each claim.

IV. FINANCIAL CONSIDERATIONS/IMPACT

None.

V. ALTERNATIVES CONSIDERED

Within the 45-day period, the Board of Directors may take the following actions:

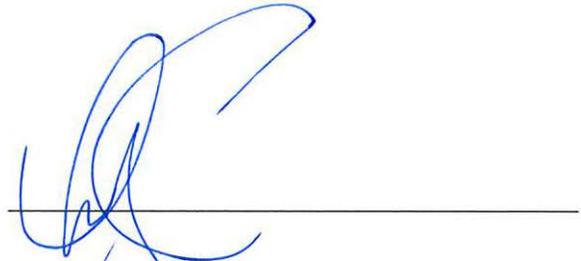
- Reject the claim entirely;
- Allow it in full;
- Allow it in part and reject the balance;
- Compromise it, if the liability or amount due is disputed (Government Code §912.4(a)); or
- Do nothing, and allow the claim to be denied by operation of law (Government Code §912.4(c))

VI. ATTACHMENTS

Attachment A: Claim of Kellinger, Kira; SC0315-10

VII. APPROVALS:

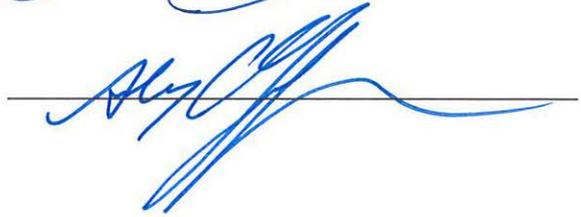
Liseth Guizar
Safety, Security and Risk Manager



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



Alex Clifford, CEO/General Manager



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Attachment A

GOVERNMENT TORT CLAIM

RECOMMENDED ACTION

TO: Board of Directors

FROM: Liseth Guizar, Safety, Security and Risk Manager

RE: Claim of: Kellinger, Kira Received: 07/14/15 Claim #: 15-0009
Date of Incident: 3/10/15 Occurrence Report No.: SC0315-10

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 _____ Date: _____
Liseth Guizar
Safety, Security and Risk Manager

I, Gina Pye, 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 August 14, 2015.

By _____ Date: _____
Executive Assistant to CEO

Attachment(s)

Attachment A

1 Gregory Reeve-Wilson
2 Reeve-Wilson Law Office
3 Po Box 1596
4 Santa Cruz CA 95061
5 Attorney for Claimant Kira Kellinger
6
7

8 SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
9 COUNTY OF SANTA CRUZ

10 Claim of Kira Kellinger) CLAIM FOR PERSONAL INJURY
11)
12 against)
13)
14 COUNTY OF SANTA CRUZ)
_____)

15 To: BOARD OF SUPERVISORS - COUNTY OF SANTA CRUZ:

16 1. Claimant, Kira Kellinger, whose address is 19201 Vineyard Lane, Saratoga
17 CA 95070, claims damages from the County of Santa Cruz in an amount that exceeds
18 \$10,000 for personal injury to claimant. She was briefly enrolled in Medicare when her
19 father was unemployed.

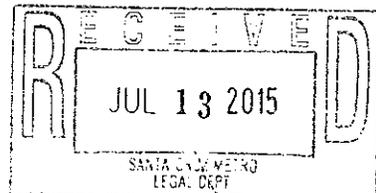
20 2. Jurisdiction over this claim would rest in Superior Court, limited
21 Jurisdiction.

22 3. This claim is based on a personal injury to claimant which occurred on
23 March 10, 2015 at about 10:55 am under the following circumstances: Claimant
24 Kellinger was injured when her car was struck in the rear by a Santa Cruz County transit
25 bus on Highway 17 at .2 miles South of La Madrona Drive.

26 4. The Santa Cruz County employee who was driving the bus and caused
27 the injury was:

28

cl# 15-0009



8-01A.2

Attachment A

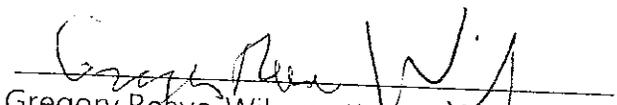
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5. The injury sustained by claimant consists of an injury to her neck and back, for which she is receiving medical treatment.

6. The damage expected to be incurred in the future includes further medical treatment for the above described injury.

7. All notices and communications concerning this claim should be sent to :
Gregory Reeve-Wilson at Reeve-Wilson Law Office, PO Box 1596, Santa Cruz CA 95061
(831) 429-0190.

Dated: July 8, 2015


Gregory Reeve-Wilson attorney for Claimant

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DATE: August 14, 2015
TO: Board of Directors
FROM: Angela Aitken, Finance Manager
**SUBJECT: ACCEPT AND FILE PRELIMINARY APPROVED CHECK JOURNAL
DETAIL FOR THE MONTH OF MAY 2015**

I. RECOMMENDED ACTION

That the Board of Directors accept and file the preliminary approved Check Journal Detail for the month of May 2015.

II. SUMMARY

- This staff report provides the Board with a preliminary approved Check Journal Detail for the month of May 2015.
- The Finance Department is submitting the check journal for Board acceptance and filing.

III. DISCUSSION/BACKGROUND

This preliminary approved Check Journal Detail provides the Board with a listing of the vendors and amounts paid out on a monthly cash flow basis (Operating and Capital expenses).

All invoices submitted for the month of May 2015 have been processed, checks issued and signed by the Finance Manager.

IV. FINANCIAL CONSIDERATIONS/IMPACT

None. The check journal is a presentation of invoices paid in May 2015 for purposes of Board review, agency disclosure, accountability and transparency.

V. ALTERNATIVES CONSIDERED

N/A

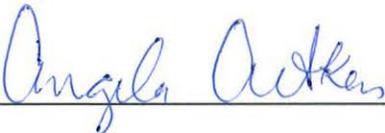
VI. ATTACHMENTS

Attachment A: Check Journal Detail for the Month of May 2015

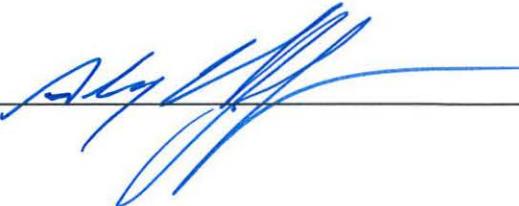
Prepared By: Lorraine Bayer, Accountant II

VII. APPROVALS:

Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

DATE 06/17/15 12:16

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

PAGE 1

DATE: 05/01/15 THRU 05/31/15

CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
52546	05/04/15	207.63 002069	A TOOL SHED, INC.	65148			LIFT RENTAL	207.63	
52547	05/04/15	1,088.51 003151	ABC BUS INC	65079			INVENTORY ITEMS	426.48	
				65101			INVENTORY ORDER PC	530.55	
				65110			INVENTORY ORDER	131.48	
52548	05/04/15	109.32 192	ALWAYS UNDER PRESSURE	65096			SWITCH LANDA PRESSWA	44.05	
				65139			VALVE STREAM CLEANER	65.27	
52549	05/04/15	1,100.00 R658	ANDRES, KAREN	65105			3/18/15 MEDIATION	1,100.00	
52550	05/04/15	87.25 001D	AT&T	65098			4/7-5/6 REPEATERS	87.25	
52551	05/04/15	219.64 002689	B & B SMALL ENGINE CORP	65142			POLE SAW AND FILES	219.64	
52552	05/04/15	5.44 034	BLUEPRINT EXPRESS	65108	7		WTC IMPROVEMENTS	5.44	
52553	05/04/15	358.33 001112	BRINKS AWARDS & SIGNS	65070	7		NAME PLATES	358.33	
52554	05/04/15	48.22 130	CITY OF WATSONVILLE UTILITIES	65081			3/9-4/13 FIRESVC WTC	48.22	
52555	05/04/15	108.34 002063	COSTCO	65130			4/10 BOD MEETING	108.34	
52556	05/04/15	80.00 003120	CSMFO MEMBERSHIP	65074			5/20/15 EVENT APTOS	80.00	
52557	05/04/15	6,414.25 003116	CUMMINS PACIFIC LLP	65083			RPR BUS #1209	977.22	
				65084			RPR BUS #1201	1,682.77	
				65088			INVENTORY ORDER	1,473.56	
				65157			INVENTORY ORDER	1,140.35	
				65158			INVENTORY ORDER	1,140.35	
52558	05/04/15	1,392.00 003210	DEPARTMENT OF FORESTRY & FIRE	65112			3/1-6/30 LOMA PRIETA	1,392.00	
52559	05/04/15	3,522.00 432	EXPRESS SERVICES INC.	65071			TEMP W/E 4/5/15	900.00	
				65073			TEMP W/E 4/12/15	1,242.00	
				65113			TEMP W/E 4/19/15	1,380.00	
52560	05/04/15	37.57 372	FEDERAL EXPRESS	65159			FREIGHT	37.57	
52561	05/04/15	11,764.03 002952	FLYERS ENERGY LLC	65082			4/1-4/15 NONREV FUEL	2,937.18	
				65109			4/1-4/15 FUEL PC	8,826.85	
52562	05/04/15	19.58 001189	GARY KENVILLE LOCKSMITH	65138	7		KEYS	19.58	
52563	05/04/15	8,507.68 002954	GCR TIRES & SERVICE	65087	7		TIRES	1,981.55	
				65107			TIRES	1,215.19	
				65115			TIRES	2,430.37	
				65116			TIRES	2,385.18	
52564	05/04/15	746.32 E256	GLATT, HARLAN	65116			TRAVEL REIMBURSEMENT	495.39	
52565	05/04/15	1,330.11 001039	GRAFFITI REMOVAL, INC.	65077			GRAFFITI REMOVAL	746.32	
52566	05/04/15	35.26 282	GRAINGER	65099			SHOVEL	1,330.11	
52567	05/04/15	167,875.19 003178	HILL INTERNATIONAL INC	65135			FEB 15 MB PROJ SVC	35.26	
52568	05/04/15	467.78 001233	KIMBALL MIDWEST	65162			NON INVENTORY PARTS	167,875.19	
52569	05/04/15	71.94 039	KINKO'S INC.	65132			STAND UP 4 TRANSIT	467.78	
52570	05/04/15	2,138.40 216	LABOR READY, INC.	65106			TEMP CUSTODIAL 4/10	71.94	
52571	05/04/15	729.30 001145	MANAGED HEALTH NETWORK	65075			MAY 15 EAP	2,138.40	
52572	05/04/15	2,026.36 001052	MID VALLEY SUPPLY INC.	65149			CLEANING SUPPLIES	729.30	
52573	05/04/15	2,171.65 001063	NEW FLYER IND. CANADA ULC DBA	65149			INVENTORY ORDER	2,026.36	
				65078			LED LIGHTS	44.57	
				65086			INVENTORY ORDER	178.10	
				65089			INVENTORY ORDER	1,881.95	
				65127			INVENTORY ORDER	67.03	
52574	05/04/15	435.00 004	NORTH BAY FORD LINC-MERCURY	65134			RPR VEH #1112 PC	435.00	

Attachment A

DATE 06/17/15 12:16

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

PAGE 2

DATE: 05/01/15 THRU 05/31/15

CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK VENDOR NAME	CHECK VENDOR AMOUNT	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
52575	05/04/15	27.64 009	PACIFIC GAS & ELECTRIC			65095	3/26-4/10 1217 RIVER	27.64	
52576	05/04/15	774.87 043	PALACE ART & OFFICE SUPPLY			65131	OFFICE SUPPLIES	49.51	
52577	05/04/15	2,600.47 003086	PAPE MACHINERY INC			65145	OFFICE SUPPLIES	725.36	
52578	05/04/15	53.00 481	PIED PIPER EXTERMINATORS, INC.		7	65117	INVENTORY ORDER	2,669.95	
52579	05/04/15	5,665.33 882	PRINT SHOP SANTA CRUZ			65118	INVENTORY ORDER	39.27	
52580	05/04/15	3,245.76 R659	RANKIN STOCK HEABERLIN			65129	CREDIT	-108.75	
52581	05/04/15	168.00 T279	REDMON, CYPRESS (MARIE WEBB)			65146	APR 15 PRST BETTYS	53.00	
52582	05/04/15	1,315.11 003024	RICOH USA, INC CA			65123	OPS FORMS	5,665.33	
52583	05/04/15	101,598.23 904	RNL/INTERPLAN, INC. A CA CORP			65160	SC 07-14-08	1,954.19	
52584	05/04/15	143.01 045	ROYAL WHOLESALE ELECTRIC			65161	SC 07-14-08	1,291.57	
52585	05/04/15	2,312.52 001379	SAFETY-KLEEN INC			65143	TICKETS 42@ \$4/EA	168.00	
52586	05/04/15	303.16 018	SALINAS VALLEY FORD SALES INC			65093	1/1-3/31 IMAGES OPS	514.63	
52587	05/04/15	106.95 135	SANTA CRUZ AUTO PARTS, INC.			65155	3/15-3/16 1YR MAINT	800.48	
52588	05/04/15	280.00 001292	SANTA CRUZ RECORDS MNGMT INC			65153	PROF SVC THRU 3/31	89,933.23	
52589	05/04/15	12,986.16 681	SCOTTS BODY SHOP CORP		7	65154	PROF SVC THRU 3/31	11,665.00	
52590	05/04/15	2,500.00 002267	SHAW / YODER / ANTWIH, INC.			65147	BALLASTS	143.01	
52591	05/04/15	455.48 002199	TACONY CORPORATION			65156	HAZARDOUS WASTE	2,312.52	
52592	05/04/15	470.33 003152	UNIFIRST CORPORATION			65133	INVENTORY ORDER	303.16	
52593	05/04/15	51.75 007	UNITED PARCEL SERVICE			65102	BULBS	25.86	
52594	05/04/15	117.33 434B	VERIZON CALIFORNIA			65103	WIPER BLADE	3.71	
52595	05/04/15	950.25 434	VERIZON WIRELESS		0	65104	LOCKING FUEL CAP PC	18.59	
52596	05/04/15	593.64 001165	VU, THANH DR. MD		7	65150	SOCKET	6.24	
52597	05/04/15	254.14 E674	WILLIS, GREG			65151	INVENTORY ITEMS PC	52.55	
52598M05/04/15		177.24 122	SCMTD PETTY CASH - OPS			65091	APR 15 SHREDDING	280.00	
						65085	RPR VEH #1401	12,986.16	
						65090	APR15 LEGISLATE SVC	2,500.00	
						65097	CUSTODIAL SUPPLIES	455.48	
						65094	LAUNDRY SERVICE	6.99	
						65136	LAUNDRY SERVICE	69.01	
						65137	LAUNDRY SERVICE	210.04	
						65140	LAUNDRY SERVICE	40.42	
						65141	LAUNDRY SERVICE	6.48	
						65144	LAUNDRY SERVICE	137.39	
						65100	FREIGHT	51.75	
						65076	3/13-4/12 SKY-OCEAN	61.29	
						65092	4/13-5/12 SKY-OCEAN	56.04	
						65111	3/13-4/12 WIFI BUSES	950.25	
						65119	DMV EXAM	92.16	
						65120	DMV EXAM	92.16	
						65121	DMV EXAM	92.16	
						65122	DMV EXAM	92.16	
						65124	DMV EXAM	75.00	
						65125	DMV EXAM	75.00	
						65126	DMV EXAM	75.00	
						65114	TRAVEL REIMBURSEMENT	254.14	
						65163	REPLENISHMENT	177.24	MANUAL

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52599M05/04/15		280.00 002109		REPLENISHMENT		65164	5 PERMITS 5/15-6/15	280.00	MANUAL
52600M05/05/15		433,471.29 003058		CITY OF SANTA CRUZ/PARKING		65183	CONST MB THRU 4/25	433,471.29	MANUAL
52601 05/11/15		897.19 002941		5 PERMITS 5/15-6/15		65191	RPR CYPHER LOCK	897.19	
52602 05/11/15		1,244.83 003151		LEWIS C NELSON AND SONS INC		65209	INVENTORY ORDER	1,044.68	
52603 05/11/15		1,305.00 854		CONST MB THRU 4/25		65239	INVENTORY ORDER	20.15	
52604 05/11/15		433.70 294		AA SAFE & SECURITY CO		65195	FIBERGLASS INSERT	1,305.00	
52605 05/11/15		151.71 001112		ABC BUS INC		65237	INVENTORY PARTS	433.70	
52606 05/11/15		962.89 914		AMERICAN SEATING COMPANY	0	65175	BADGES	151.71	
52607 05/11/15		1,024.50 130		ANDY'S AUTO SUPPLY	7	65165	OFFICE SUPPLIES	962.89	
				BRINKS AWARDS & SIGNS		65180	SOLID WASTE WTC 4/22	286.99	
				CALTRONICS BUSINESS SYSTEMS		65181	3/16-4/20 WATER WTC	26.19	
				CITY OF WATSONVILLE UTILITIES		65182	3/16-4/20 WATER WTC	8,731.41	
52608 05/11/15		54,344.44 001124		CLEAN ENERGY		65228	LNG 4/4/15	8,708.92	
52609 05/11/15		1,23.50 075		COAST PAPER & SUPPLY INC.		65229	LNG 4/2/15	9,714.51	
52610 05/11/15		2,890.00 003034		COASTAL LANDSCAPING INC. DBA		65230	LNG 4/7/15	8,448.33	
52611 05/11/15		3,545.00 003204		CREKESIDE COURT REPORTING		65231	LNG 4/9/15	9,617.44	
52612 05/11/15		1,585.10 003153		ENVIRONMENTAL LOGISTICS INC		65232	LNG 4/14/15	9,123.83	
52613 05/11/15		5,937.50 002953		EPICOR SOFTWARE CORP		65233	LNG 4/11/15	81.56	
52614 05/11/15		3,060.00 432		EXPRESS SERVICES INC.		65223	CUSTODIAL SUPPLIES	41.94	
52615 05/11/15		300.40 001172		FERGUSON ENTERPRISES INC. #795		65213	APR15 LANDSCAPE SVC	2,890.00	
52616 05/11/15		28.06 002952		FLYERS ENERGY LLC		65170	BOD MEETING 4/10/15	3,545.00	
52617 05/11/15		233.64 001302		GARDA CL WEST, INC.		65178	HAZ WASTE DISPOSAL	1,585.10	
52618 05/11/15		378.61 001189		GARY KENVILLE LOCKSMITH	7	65203	HCM UPGRADE	1,531.25	
52619 05/11/15		903.18 002954		GCR TIRES & SERVICE	7	65204	HCM UPGRADE	2,406.25	
52620 05/11/15		2,898.52 282		GRAINGER		65205	HCM UPGRADE	2,000.00	
52621 05/11/15		294.40 546		GRANITEROCK COMPANY		65168	TEMP W/E 4/19/15	780.00	
						65173	TEMP W/E 4/12/15	900.00	
						65184	TEMP W/E 4/26/15	1,380.00	
						65202	RPR RESTROOM WTC	300.40	
						65252	PROPANE	28.06	
						65167	MAY 15 SERVICES	233.64	
						65187	KEYS FOR OPS	206.78	
						65188	KEYS NEW EMPLOYEES	171.83	
						65200	FLAT REPAIR	18.00	
						65201	TIRES	637.48	
						65206	TIRES	247.70	
						65217	INVENTORY ORDER	839.33	
						65218	INVENTORY ORDER	292.16	
						65255	SHOP TOOL	33.41	
						65256	INVENTORY ITEMS	1,632.36	
						65258	OFFICE SUPPLIES	101.26	
						65186	POT HOLE REPAIR	294.40	

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52622	05/11/15	55,436.18 003106	55,436.18	GROUP 4 ARCHITECTURE, RESEARCH		65196	MAR 15 SVCS & REIMB	55,436.18	
52623	05/11/15	209.59 166	209.59	HOSE SHOP, THE INC		65257	MISC HOSES	209.59	
52624	05/11/15	561.60 133	561.60	JOBS AVAILABLE		65243	JOB PLACEMENT AD	561.60	
52625	05/11/15	2,758.03 001233	2,758.03	KIMBALL MIDWEST		65199	NON INVENTORY HDWR	2,758.03	
52626	05/11/15	2,138.40 216	2,138.40	LABOR READY, INC.		65190	TEMP CUST WTC4/17/15	2,138.40	
52627	05/11/15	368.00 852	368.00	LAW OFFICES OF MARIE F. SANG	7	65245	CL 200110338 103414	368.00	
52628	05/11/15	157.10 003059	157.10	MAILFINANCE INC		65169	4/28-5/27 LEASE ADM	157.10	
52629	05/11/15	15,613.27 003017	15,613.27	MANSFIELD OIL CO OF GAINSVILLE		65198	DIESEL 4/15/15	15,613.27	
52630	05/11/15	1,395.68 001052	1,176.44	MID VALLEY SUPPLY INC.		65225	CLEANING SUPPLIES	1,176.44	
						65226	CLEANING SUPPLIES	219.24	
52631	05/11/15	650.32 001178	650.32	N/S CORPORATION		65176	BUS WASHER PARTS	650.32	
52632	05/11/15	585.98 001063	192.44	NEW FLYER IND. CANADA ULC DBA		65193	GLASS	192.44	
						65194	BRAKE CHAMBER ASSY	375.18	
						65207	INVENTORY ORDER	18.36	
52633	05/11/15	122.94 004	122.94	NORTH BAY FORD LINC-MERCURY		65238	OIL PC	122.94	
52634	05/11/15	357.12 043	357.12	PALACE ART & OFFICE SUPPLY		65211	OFFICE SUPPLIES	357.12	
52635	05/11/15	1,375.92 003086	1,484.67	PAPE MACHINERY INC		65166	INVENTORY ORDER	1,484.67	
						65208	CORE CREDIT	-108.75	
52636	05/11/15	958.00 002947	958.00	PEDALERS EXPRESS	7	65197	APR 15 COURIER SVC	958.00	
52637	05/11/15	521.00 481	48.50	PIED PIPER EXTERMINATORS, INC.		65214	APR 15 PEST METRO	48.50	
						65219	APR 15 PEST DUBOIS	241.00	
						65220	APR 15 PEST VERNON	183.00	
52638	05/11/15	383.23 002927	48.50	PRAXAIR DISTRIBUTION, INC.		65221	APR15 PEST CAFE LENA	48.50	
						65189	SAFETY SUPPLIES	201.49	
						65240	WELDING SUPPLY	181.74	
52639	05/11/15	42,352.60 002939	42,352.60	PREFERRED BENEFIT		65261	MAY 15 DENTAL	42,352.60	
52640	05/11/15	413.25 215	413.25	RICOH USA, INC. TX		65210	4/18-5/17 LEASE OPS	413.25	
52641	05/11/15	393.37 135	17.69	SANTA CRUZ AUTO PARTS, INC.		65227	RPR VEH #708	17.69	
						65235	CORE CREDIT	-17.40	
						65236	BATTERY PC	135.88	
						65250	BATTERY	223.11	
						65251	CORE CREDIT	-17.40	
						65253	INVENTORY ORDER	4.35	
						65254	INVENTORY ORDER	47.14	
52642	05/11/15	2,579.88 002917	2,579.88	SANTA CRUZ METRO TRANSIT W/C		65244	4/1-4/15 W/C REPLENI	2,579.88	
52643	05/11/15	208.51 079	208.51	SANTA CRUZ MUNICIPAL UTILITIES		65172	3/13-4/9 PARA CRUZ	208.51	
52644	05/11/15	264.00 957	264.00	SECURITY SHORING & STEEL PLT		65262	2/24-3/23 MUD PLATES	264.00	
52645	05/11/15	53.89 115	53.89	SNAP-ON INDUSTRIAL		65192	NON INV SUPPLY	53.89	
52646	05/11/15	4,380.01 001075	4,380.01	SOQUEL III ASSOCIATES	7	65185	JAN-MAY CAM CHG ADJ	4,380.01	
52647	05/11/15	45.64 001008	45.64	SWAGELOK NORTHERN CALIFORNIA		65234	PIPE THREAD	45.64	
52648	05/11/15	166.62 E919	166.62	SYREN, LESLYN		65177	TRAVEL REIMBURSEMENT	166.62	
52649	05/11/15	206.71 728	206.71	TRITON CONSTRUCTION		65224	RPR DIESEL PUMP	206.71	
52650	05/11/15	350.16 003152	6.99	UNIFIRST CORPORATION		65212	LAUNDRY SERVICE	6.99	
						65215	LAUNDRY SERVICE	6.48	
						65216	LAUNDRY SERVICE	40.42	
						65246	LAUNDRY SERVICE	10.23	

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52651	05/11/15					65247	LAUNDRY SERVICE	210.04	
52652	05/11/15	29.37 946	29.37	UNITED SITE SERVICES OF CA INC		65249	LAUNDRY SERVICE	69.01	
52653	05/11/15	56.04 434B	56.04	VERIZON CALIFORNIA		65259	LAUNDRY SERVICE	6.99	
52654	05/11/15	2,923.15 001353	2,923.15	VISION COMMUNICATIONS		65174	4/22-5/19 FENCE RENT	29.37	
52655	05/11/15	10,752.04 001043	10,752.04	VISION SERVICE PLAN		65179	4/16-5/15 SKY-RIVER	56.04	
52656	05/11/15	75.00 001165	75.00	VU, THANH DR. MD	7	65248	WTC ANTENNA REPLACE	2,923.15	
		1,544.01 001506	1,544.01	WESTERN STATES OIL CO.		65260	MAY 15 VISION	10,752.04	
52657	05/18/15	84.73 002941	84.73	AA SAFE & SECURITY CO		65171	DMV EXAM	75.00	
52658	05/18/15	1,609.25 003151	1,609.25	ABC BUS INC		65241	RED 2 GREASE	105.25	
52659	05/18/15	691.17 382	691.17	AIRTEC SERVICE INC.		65242	BULK TRANSMISS FLUID	1,438.76	
52660	05/18/15	32.22 002861	32.22	AMERICAN MESSAGING SVCS, LLC		65318	RPR RESTROOM WTC	31.32	
52661	05/18/15	5,467.65 001D	5,467.65	AT&T		65392	KEYS FOR SMC BOARDS	53.41	
52662	05/18/15	314.11 001G	314.11	AT&T MOBILITY		65309	INVENTORY ORDER	56.31	
52663	05/18/15	960.63 003105	960.63	AT&T INSURANCE SERVICE, INC.		65384	HVAC VERNON	691.17	
52664	05/18/15	8,750.00 001348	8,750.00	B & B SMALL ENGINE CORP		65278	MAY 15 PAGER RENTAL	32.22	
52665	05/18/15	17.94 002689	17.94	BRINKS AWARDS & SIGNS	7	65294	3/19-4/18 CALNET2	5,000.01	
52666	05/18/15	200.00 B034	200.00	BOTTORFF, EDWARD A.		65298	3/19-4/18 SKYLINE	285.17	
52667	05/18/15	174.00 001112	174.00	BUSTICHI, DENE		65299	3/19-4/18 CEMENT PL	182.47	
52668	05/18/15	150.00 B018	150.00	CALTRONICS BUSINESS SYSTEMS		65386	5/5-6/4 REPEATERS	314.11	
52669	05/18/15	151.16 914	151.16	CDW GOVERNMENT, INC.		65307	3/24-4/23 WIFI BUSES	960.63	
52670	05/18/15	74.78 002627	74.78	CEB CONTINUING EDUCATION OF		65282	MAY 15 TPA FEE	8,750.00	
52671	05/18/15	381.28 002898	381.28	CERVANTEZ, KARINA		65300	RECOIL RPR	17.94	
52672	05/18/15	100.00 B033	100.00	CHASE, CYNTHIA		65325	APR 15 BOD MEETING	200.00	
52673	05/18/15	150.00 B035	150.00	CLEAN ENERGY		65297	APR 15 BOD MEETING	174.00	
52674	05/18/15	52,556.07 001124	52,556.07	COAST PAPER & SUPPLY INC.		65326	APR 15 BOD MEETING	150.00	
				CUMMINS PACIFIC LLP		65313	OFFICE SUPPLIES	151.16	
52675	05/18/15	862.39 075	862.39			65288	OFFICE SUPPLIES	74.78	
52676	05/18/15	6,494.78 003116	6,494.78			65290	LEGAL MATERIALS	381.28	
						65327	APR 15 BOD MEETING	100.00	
						65328	APR 15 BOD MEETING	150.00	
						65270	LNG 4/23/15	8,055.91	
						65271	LNG 4/21/15	8,828.49	
						65272	LNG 4/25/15	9,135.07	
						65273	LNG 4/28/15	9,214.80	
						65291	LNG 4/16/15	8,368.63	
						65310	LNG 4/18/15	8,953.17	
						65356	BATHROOM SUPPLIES	862.39	
						65266	RPR VEH #2202	17.08	
						65292	RPR VEH #1211	1,019.97	
						65364	INVENTORY ORDER	1,140.35	
						65365	INVENTORY ORDER	1,161.49	
52677	05/18/15	843.67 480	843.67	DIESEL MARINE ELECTRIC, INC.		65370	INVENTORY ORDER	3,155.89	
52678	05/18/15	50.00 B036	50.00	DUTRA, JAMES MICHAEL		65354	INVENTORY ORDER	310.75	
						65367	INVENTORY ORDER	532.92	
						65329	APR 15 BOD MEETING	50.00	

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52679	05/18/15	2,202.05 003153		ENVIRONMENTAL LOGISTICS INC		65322	NON HAZ WASTE	2,202.05	
52680	05/18/15	193.00 298		ERGOMETRICS & APPLIED PERSONNEL		65283	BUS OPERATOR TESTING	193.00	
52681	05/18/15	2,614.50 432		EXPRESS SERVICES INC.		65301	TEMP W/E 4/26/15	720.00	
						65317	TEMP W/E 4/26/15	912.00	
52682	05/18/15	190.08 001172		FERGUSON ENTERPRISES INC. #795		65393	TEMP W/E 5/3/15	982.50	
52683	05/18/15	6,248.95 002954		GCR TIRES & SERVICE	7	65311	RPR RESTROOM WTC	108.69	
						65337	FAUCENT PC	81.39	
						65267	TIRES	1,016.00	
						65268	TIRES	495.39	
						65315	TIRE 24.53	24.53	
						65350	TIRES	427.19	
						65351	TIRES	615.73	
						65352	TIRES	640.54	
						65353	TIRES	230.73	
						65373	TIRES	443.87	
						65374	TIRES	1,199.12	
						65375	TIRES	531.42	
						65376	TIRES	624.43	
52684	05/18/15	1,199.68 647		GENFARE A DIV OF SPX CORP		65269	BUS PASSES	1,199.68	
52685	05/18/15	1,295.90 282		GRAINGER		65338	SBF WIND SOCKS	448.65	
						65339	WATER COOLER	260.65	
52686	05/18/15	14,618.37 001745		HARTFORD LIFE AND ACCIDENT INS		65368	INVENTORY ORDER	586.60	
						65263	MAY 15 LTD	11,203.34	
						65264	MAY 15 LIFE AD&D	3,415.03	
52687	05/18/15	124.11 166		HOSE SHOP, THE INC		65341	MISC HOSES FITTINGS	124.11	
52688	05/18/15	129.66 036		KELLY-MOORE PAINT CO., INC.		65312	BUS STOP PAINT	129.66	
52689	05/18/15	4,169.88 216		LABOR READY, INC.		65355	TEMP CUST 4/24/15	2,084.94	
						65389	TEMP CUST WTC 5/1/15	2,084.94	
52690	05/18/15	150.00 B037		LANE, DONALD STEVEN		65330	APR 15 BOD MEETING	150.00	
52691	05/18/15	150.00 B026		LEOPOLD, JOHN		65331	APR 15 BOD MEETING	150.00	
52692	05/18/15	50.00 880		LEXISNEXIS INC		65265	APR 15 SERVICES	50.00	
52693	05/18/15	1,372.86 511		LUMINATOR HOLDING LP		65274	RPR DOT CONTROLLER	1,249.04	
						65275	CREDIT	-99.67	
						65276	CREDIT	-18.82	
52694	05/18/15	100.00 B031		MCPHERSON, BRUCE		65277	REPAIR BOARD	242.31	
52695	05/18/15	400.00 887		NEOPOST, INC		65332	APR 15 BOD MEETING	100.00	
52695	05/19/15	-400.00 887		NEOPOST, INC		65316	***-***-***-1598	400.00	VOIDED
52696	05/18/15	9,220.71 001063		NEW FLYER IND. CANADA ULC DBA		65316	***-***-***-1598	-400.00	**VOID
						65319	TOOLING	1,350.84	
						65320	TOOLING	1,847.50	
						65321	TOOLING	1,042.11	
						65371	INVENTORY ITEMS	2,723.88	
						65372	RPR BUS # 2229	402.07	
						65378	INVENTORY ORDER	1,073.28	
						65379	RPR BUS #2229	5.92	
						65380	INVENTORY ORDER	81.91	

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52697	05/18/15	109.98 002721		NEXTEL COMMUNICATIONS/SPRINT		65382	RPR BUS #2229	72.56	
52698	05/18/15	436.10 004		NORTH BAY FORD LINC-MERCURY		65303	INVENTORY ORDER	620.64	
52699	05/18/15	17,508.49 009		PACIFIC GAS & ELECTRIC		65348	3/26-4/25 TVM WIRELE	109.98	
						65349	RPR VEH #708	11.71	
						65323	RPR VEH #708	424.39	
						65324	4/1-4/30 PACIFIC	2,254.48	
						65357	3/26-4/26 DUBOIS	2,028.97	
						65358	3/26-4/26 DUBOIS	2,028.08	
						65359	3/27-4/27 1200RIVER	100.04	
						65360	3/26-4/26 VERNON	4,004.11	
						65387	3/27-4/27 GOLF CLUB	4,890.09	
						65388	4/6-5/5 SVTC	51.02	
						65295	4/6-5/5 PNR SVT WTC	2,151.70	
52700	05/18/15	41.67 043		PALACE ART & OFFICE SUPPLY		65295	OFFICE SUPPLIES	41.67	
52701	05/18/15	3,717.59 003086		PAPE MACHINERY INC		65369	RPR VEH# 2227	3,717.59	
52702	05/18/15	2,393.50 187		POLAR RADIATOR SERVICE INC		65346	RADIATOR VEH #2807	2,393.50	
52703	05/18/15	429.56 882		PRINT SHOP SANTA CRUZ	7	65345	LETTERHEAD	429.56	
52704	05/18/15	1,776.93 215		RICOH USA, INC. TX		65395	4/26-5/25 EX IMAGES	1,776.93	
52705	05/18/15	100.00 B038		ROTKIN, MICHAEL E		65333	APR 15 BOD MEETING	100.00	
52706	05/18/15	1,219.58 107A		SAN LORENZO LUMBER & HOME CTR		65308	APR 15 STATEMENT	1,219.58	
52707	05/18/15	2,274.00 002700		SANTA CRUZ COUNTY ENVIRONMENTAL		65336	HEATH PERMIT 1200BRI	2,274.00	
52708	05/18/15	85.00 345		SANTA CRUZ COUNTY OFFICE OF		65281	FINGERPRINTING	30.00	
52709	05/18/15	10,854.49 002917		SANTA CRUZ METRO TRANSIT W/C		65281	FINGERPRINTING	55.00	
52710	05/18/15	436.39 149		SANTA CRUZ SENTINEL	0	65394	4/16-4/30 W/C REPLEN	10,854.49	
52711	05/18/15	184.02 002459		SCOTTS VALLEY WATER DISTRICT		65347	LEGAL ADS	436.39	
52712	05/18/15	264.00 957		SECURITY SHORING & STEEL PLT		65361	2/27-3/31 WATER SVTC	1.26	
52713	05/18/15	5,271.24 001277		SJB GLOBALNET, INC.		65362	3/31-4/30 WATER SVTC	0.51	
						65363	2/3-4/6 WATER SVTC	182.25	
						65284	3/24-4/23 MUD PLATES	264.00	
						65285	APR 15 SUPPORT SVC	1,500.00	
						65286	MAY 15 SUPPORT SVC	1,500.00	
						65289	HW & SW SUPPORT	2,271.24	
						65296	LONGEVITY AWARD	142.73	
52714	05/18/15	142.73 001040		TERRYBERRY CO., LLC		65296	RPR VEH #2224	265.27	
52715	05/18/15	265.27 001800		THERMO KING OF SALINAS, INC		65396	****-****-****-6490	299.00	
52716	05/18/15	7,417.21 057		U.S. BANK		65397	****-****-****-3829	2,647.26	
						65398	****-****-****-5056	4,470.95	
52717	05/18/15	341.21 003152		UNIFIRST CORPORATION		65287	LAUNDRY SERVICE	6.99	
						65334	LAUNDRY SERVICE	40.42	
						65335	LAUNDRY SERVICE	6.48	
						65342	LAUNDRY SERVICE	69.01	
						65343	LAUNDRY SERVICE	208.08	
						65344	LAUNDRY SERVICE	10.23	
52718	05/18/15	135.95 007		UNITED PARCEL SERVICE		65314	FREIGHT	116.17	
52719	05/18/15	160.00 003200		UPS STORE #1128		65377	FREIGHT	19.78	
						65279	FINGERPRINTING	160.00	

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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DATE: 05/01/15 THRU 05/31/15

CHECK NUMBER	CHECK DATE	CHECK VENDOR	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
52720	05/18/15	002829	180.40	VALLEY POWER SYSTEMS, INC.		65072	INVENTORY ORDER	3.68	
						65128	CREDIT	-135.94	
52721	05/18/15	434	1,113.16	VERIZON WIRELESS	0	65340	INVENTORY ORDER	312.66	
						65385	4/2-5/1 PUSH 2 TALK	324.54	
						65390	4/2-5/1 TELECOM PC	308.98	
52722	05/18/15	001165	75.00	VU, THANH DR. MD	7	65391	4/2-5/1 PUSH2TALK PC	479.64	
52723	05/18/15	003061	400.00	NEOFUNDS BY NEOPOST DBA *****-1598		65302	DMV EXAM	75.00	
						65399	*****-1598	400.00	MANUAL
52724	05/25/15	003151	5,948.53	ABC BUS INC		65403	INVENTORY ORDER	118.56	
						65407	INVENTORY ORDER	63.61	
						65420	INVENTORY ORDER	1,122.89	
						65467	NEW DIESEL NOZZLE	1,480.96	
						65468	NOZZLE & SWIVEL	1,695.69	
						65521	INVENTORY ORDER	149.72	
						65528	INVENTORY ORDER	153.30	
						65547	BULBS	119.09	
						65548	INVENTORY ORDER	399.07	
						65550	INVENTORY ORDER	645.64	
52725	05/25/15	382	3,890.32	AIRTEC SERVICE INC.		65492	RPR HVAC PC	236.00	
						65496	FEB 15 MAINTENANCE	3,654.32	
52726	05/25/15	294	470.02	ANDY'S AUTO SUPPLY	0	65434	INVENTORY ITEMS PC	150.21	
						65562	GREASE SWEEP	29.30	
						65567	INVENTORY PARTS	112.26	
						65574	INVENTORY ITEMS	178.25	
52727	05/25/15	002802	1,028.70	BATTERY SYSTEMS CORP		63822	CORE CREDIT	-72.00	
						65505	NF BATTERY	1,100.70	
52728	05/25/15	478	500.00	BEE CLENE INC	0	65472	CARPET CLEANING	8.97	
52729	05/25/15	034	8.97	BLUEPRINT EXPRESS	7	65448	WTC CAP PROJECT	21.75	
52730	05/25/15	001112	21.75	BRINKS AWARDS & SIGNS	7	65514	NAME PLATE	8.97	
52731	05/25/15	001844	7,036.33	BRINKS INCORPORATED		65486	APR 15 1200B SERVICE	4,076.66	
						65487	APR 15 1200B SERVICE	2,959.67	
52732	05/25/15	502	757,542.75	CA PUBLIC EMPLOYEES'		65527	JUN 15 MEDICAL	757,542.75	
52733	05/25/15	914	355.61	CALTRONICS BUSINESS SYSTEMS		65400	OFFICE SUPPLIES	355.61	
52734	05/25/15	M022	92.89	CAPELLA, KATHLEEN	0	65587	JUN 15 RETIREE SUPP	92.89	
52735	05/25/15	001324	5,000.00	CAPITALEGE ADVOCACY, INC.		65412	MAY 15 LEGISLATE SVC	5,000.00	
52736	05/25/15	003081	1,886.30	CAPITOLA MALL LLC	7	65512	JUN 15 RENT	1,886.30	
52737	05/25/15	003188	175.00	CAREERS IN GOVERNMENT INC		65455	JOB PLACEMENT AD	175.00	
52738	05/25/15	001159	1,077.56	CATTO'S GRAPHICS, INC.		65449	DECALS WTC MC WINDOW	1,077.56	
52739	05/25/15	002627	663.42	CDW GOVERNMENT, INC.		65401	OFFICE SUPPLIES	663.42	
52740	05/25/15	001346	92.80	CITY OF SANTA CRUZ-FINANCE		65470	APR 15 LANDFILL	92.80	
52741	05/25/15	001124	49,717.82	CLEAN ENERGY		65416	APR 15 MAINT FEE	14,842.00	
						65490	LNG 4/30/15	7,630.78	
						65506	LNG 5/2/15	9,034.37	
						65507	LNG 5/5/15	9,789.69	
						65508	LNG 5/07/15	8,420.98	

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52742	05/25/15	300.00 002448		CLEAR VIEW, LLC	0	65494	WINDOW CLEANING	300.00	
52743	05/25/15	297.98 003102		CLEVER DEVICES LTD		65546	FLASHCARD PC	297.98	
52744	05/25/15	450.00 367		COMMUNITY TELEVISION OF		65540	APR 15 BOD MEETINGS	450.00	
52745	05/25/15	222.06 002814		CREATIVE BUS SALES, INC.		65484	PARTS PC	222.06	
52746	05/25/15	1,778.76 003116		CUMMINS PACIFIC LLP		65402	INVENTORY ORDER	1,258.13	
						65406	CREDIT	-424.13	
						65480	RPR BUS #2811	202.26	
						65483	RPR BUS #2811	257.05	
						65537	INVENTORY ORDER	387.20	
						65549	RPR VEH #2801	98.25	
52747	05/25/15	46.44 M039		DAVILA, ANA MARIA	0	65581	JUN 15 RETIREE SUPP	46.44	
52748	05/25/15	160.00 002567		DEPARTMENT OF JUSTICE		65477	APR15 FINGERPRINTING	160.00	
52749	05/25/15	864.56 480		DIESEL MARINE ELECTRIC, INC.		65570	ALTERNATOR	864.56	
52750	05/25/15	1,162.57 001329		DOC AUTO LLC		65558	RPR VEH #101	562.51	
						65559	RPR VEH #709	600.06	
52751	05/25/15	350.00 002953		EPICOR SOFTWARE CORP		65441	HCM UPGRADE	350.00	
52752	05/25/15	4,572.00 432		EXPRESS SERVICES INC.		65447	TEMP W/E 3/22/15	900.00	
						65482	TEMP W/E 5/3/15	1,380.00	
						65488	TEMP W/E 5/3/15	996.00	
						65579	TEMP W/E 5/10/15 HR	1,296.00	
52753	05/25/15	19.63 372		FEDERAL EXPRESS		65577	FREIGHT	19.63	
52754	05/25/15	174.46 001172		FERGUSON ENTERPRISES INC. #795		65495	BRASS PLUG	12.28	
						65504	WTC IMPROVEMENTS	162.18	
52755	05/25/15	53.90 959		FIRST ADVANTAGE OCCUPATIONAL		65454	DOT DRUG TEST	53.90	
52756	05/25/15	37,867.13 002295		FIRST ALARM		65474	APR 15 SERVICES PC	165.00	
						65481	APR 15 SECURITY	37,702.13	
52757	05/25/15	1,231.91 002962		FIS		65440	APR 15 SERVICES	1,231.91	
52758	05/25/15	13,224.41 002952		FLYERS ENERGY LLC		65410	4/15-4/30 FUEL PC	10,387.72	
						65437	4/15-4/30NONREV FUEL	2,836.69	
52759	05/25/15	2,027.07 002954		GCR TIRES & SERVICE	7	65534	TIRES	519.72	
						65535	FLAT TIRE RPR	17.50	
						65536	TIRES	495.39	
						65541	TIRES	994.46	
52760	05/25/15	10,100.70 647		GENFARE A DIV OF SPX CORP		65538	POLY BUS PASSES	10,100.70	
52761	05/25/15	92.89 M041		GOUVEIA, ROBERT	0	65582	JUN 15 RETIREE SUPP	92.89	
52762	05/25/15	504.14 282		GRAINGER		65464	PAINT STOCK ORDER	125.94	
						65519	SPRAY PAINT	9.08	
						65553	INVENTORY ORDER	202.76	
52763	05/25/15	716.44 001097		GREENWASTE RECOVERY, INC.		65554	INVENTORY ORDER	166.36	
						65469	APR 15 WASTE SVTC	247.08	
52764	05/25/15	186,248.50 003178		HILL INTERNATIONAL INC		65489	APR 15 WASTE PC	469.36	
52765	05/25/15	227.73 166		HOSE SHOP, THE INC		65497	MAR 15 MB PROJ SVC	186,248.50	
						65433	HOSES & FITTINGS	113.11	
						65561	HOSE FITTINGS	114.62	
52766	05/25/15	8,877.84 002979		HUNT & SONS, INC.		65478	OIL	7,106.95	
						65479	OIL	1,770.89	

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52767	05/25/15	4,120.00 002117	IULIANO #2 LLC	7	65445	JUN 15 RENT	4,120.00		
52768	05/25/15	9,735.00 003066	KIM FAMILY ENTERPRISES LLP		65443	JUN 15 RENT NNN PARK	9,735.00		
52769	05/25/15	2.84 001233	KIMBALL MIDWEST		65466	HARDWARE	2.84		
52770	05/25/15	42.58 039	KINKO'S INC.		65419	PLAY IN STREET EVENT	42.58		
52771	05/25/15	4,463.94 216	LABOR READY, INC.		65498	TEMP CUST WTC 3/27	1,844.38		
					65499	TEMP CUST WTC 3/27	-160.36		
					65500	TEMP CUST WTC 3/27	694.98		
					65501	TEMP CUST WTC 3/27	-53.46		
					65502	TEMP CUST WTC 4/3/15	213.84		
					65503	TEMP CUST WTC 4/3/15	1,924.56		
52772	05/25/15	1,472.00 852	LAW OFFICES OF MARIE F. SANG	7	65452	CL 11000452 11001281	720.00		
					65453	CL 1999103213	752.00		
					65576	FRAMES	269.16		
52773	05/25/15	269.16 040	LENZ ARTS, INC.		65557	6/7-9/6 RENTAL PC	208.09		
52774	05/25/15	208.09 003059	MAILFINANCE INC		65491	DIESEL 5/1/15	17,914.49		
52775	05/25/15	17,914.49 003017	MANSFIELD OIL CO OF GAINSVILLE		65485	APR 15 SERVICES	20.00		
52776	05/25/15	20.00 001342	MCW ASSOCIATES, INC.		65465	CLEANING SUPPLIES	1,884.25		
52777	05/25/15	2,587.82 001052	MID VALLEY SUPPLY INC.		65493	CLEANING SUPPLIES	122.15		
					65555	CLEANING SUPPLIES	581.42		
					65404	CREDIT RETURN	-39.08		
52778	05/25/15	8,067.12 001063	NEW FLYER IND. CANADA ULC DBA		65405	CREDIT RETURN	-246.74		
					65409	RPR VEH #2229	9.00		
					65442	TOOLING	625.81		
					65450	TOOLING	341.06		
					65451	TOOLING	1,150.66		
					65516	INVENTORY ORDER	1,598.82		
					65517	INVENTORY ORDER	654.37		
					65525	TOOLING	108.82		
					65526	TOOLING	3,864.40		
52779	05/25/15	1,337.70 004	NORTH BAY FORD LINC-MERCURY		65435	CORE CREDIT	-54.38		
					65436	INVENTORY ITEMS	974.36		
					65460	RPR VEH #708	4.79		
					65442	RPR VEH #715	113.56		
					65560	INVENTORY PARTS PC	299.37		
52780	05/25/15	1,186.86 364	OVERHEAD DOOR CO. OF SALINAS		65424	YRL MAINT ROLL DOORS	1,186.86		
52781	05/25/15	307.93 043	PALACE ART & OFFICE SUPPLY		65411	OFFICE SUPPLIES	41.11		
					65421	OFFICE SUPPLIES	6.69		
					65463	OFFICE SUPPLIES	221.09		
					65566	OFFICE SUPPLIES	39.04		
52782	05/25/15	46.44 M109	PEREZ, CHERYL		65583	JUN 15 RETIREE SUPP	46.44		
52783	05/25/15	128.00 481	PIED PIPER EXTERMINATORS, INC.		65417	MAY 15 PEST BETTYS	58.00		
					65422	APR 15 PEST WTC	70.00		
52784	05/25/15	223.25 050	PITNEY BOWES INC.		65414	6/15-5/16 MAINT C/S	128.25		
					65415	6/15-5/16 MAINT C/S	95.00		
52785	05/25/15	75.04 882	PRINT SHOP SANTA CRUZ	7	65418	BUSINESS CARDS	75.04		
52786	05/25/15	424.94 001153	REPUBLIC ELEVATOR COMPANY INC		65423	MAY15 ELEVATOR MAINT	424.94		

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52787	05/25/15	9,508.01 003024		RICOH USA, INC CA		65580	RICOH COPIER OPS	9,508.01	
52788	05/25/15	388.62 215		RICOH USA, INC. TX		65471	4/18-5/17 IMAGES OPS	388.62	
52789	05/25/15	92.89 M085		ROSSI, DENISE	0	65584	JUN 15 RETIREE SUPP	92.89	
52790	05/25/15	46.44 M030		ROWE, RUBY		65585	JUN 15 RETIREE SUPP	46.44	
52791	05/25/15	181.67 018		SALINAS VALLEY FORD SALES INC		65571	INVENTORY ORDER	181.67	
52792	05/25/15	578.73 135		SANTA CRUZ AUTO PARTS, INC.		65293	CREDIT	-104.44	
						65304	CREDIT 14508-200975	-15.81	
						65305	CREDIT 14508-202987	-203.71	
						65430	BATTERY PC	118.48	
						65431	PARTS PC	22.02	
						65432	RPR VEH #1115 PC	37.27	
						65461	PARTS PC	34.36	
						65462	INVENTORY PARTS	38.03	
						65509	RPR VEH #715	47.34	
						65511	RPR VEH #2800 PC	35.69	
						65515	RPR VEH #2800 PC	17.55	
						65529	PLATINUM PLUG PC	12.35	
						65530	CREDIT	-21.59	
						65531	INVENTORY PARTS PC	103.81	
						65532	MASKING TAPE	32.56	
						65545	RPR VEH #708	228.01	
						65563	INVENTORY ORDER PC	44.95	
						65572	RPR VEH #715	111.54	
						65573	MOTOR OIL	18.73	
						65575	RPR VEH #2800 PC	21.59	
52793	05/25/15	19,101.69 002917		SANTA CRUZ METRO TRANSIT W/C		65578	5/1-5/15 W/C REPLENI	19,101.69	
52794	05/25/15	21,037.73 977		SANTA CRUZ TRANSPORTATION, LLC		65473	APR 15 SERVICES	21,037.73	
52795	05/25/15	3,475.45 681		SCOTTS BODY SHOP CORP	7	65533	RPR VEH #1117 PC	3,475.45	
52796	05/25/15	2,500.00 002267		SHAW / YODER / ANTIWIH, INC.		65446	MAY 15 LEGISLATE SVC	2,500.00	
52797	05/25/15	13,580.18 001075		SOQUEL III ASSOCIATES	7	65513	JUN 15 RENT	13,580.18	
52798	05/25/15	974.07 003108		SOUND WAVES INSULTION INC		65439	INVENTORY ORDER	974.07	
52799	05/25/15	358.35 002675		THOMSON REUTERS BARCLAYS WEST		65413	APR 15 SERVICES	358.35	
52800	05/25/15	331.24 170		TOWNSEND'S AUTO PARTS		65520	PAINT	331.24	
52801	05/25/15	701.06 003152		UNIFIRST CORPORATION		65425	LAUNDRY SERVICE	40.42	
						65426	LAUNDRY SERVICE	6.48	
						65522	LAUNDRY SERVICE	14.19	
						65543	LAUNDRY SERVICE	208.08	
						65544	LAUNDRY SERVICE	69.01	
						65551	LAUNDRY SERVICE	6.48	
						65552	LAUNDRY SERVICE	40.42	
						65556	LAUNDRY SERVICE	6.99	
						65564	LAUNDRY SERVICE	10.23	
						65565	LAUNDRY SERVICE	14.19	
						65568	LAUNDRY SERVICE	69.01	
						65569	LAUNDRY SERVICE	215.56	
52802	05/25/15	20.23 007		UNITED PARCEL SERVICE		65518	FREIGHT	20.23	

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52803	05/25/15	5,114.18 002829		VALLEY POWER SYSTEMS, INC.		65427	INVENTORY ORDER	1.34	
						65428	INVENTORY ORDER	1,847.70	
						65429	INVENTORY ORDER	61.05	
						65539	INVENTORY ORDER	3,204.09	
52804	05/25/15	180.80 221		VEHICLE MAINTENANCE PROG INC		65510	OIL FILTERS	180.80	
52805	05/25/15	1,754.50 001353		VISION COMMUNICATIONS		65438	MAY 15 SERVICES	1,754.50	
52806	05/25/15	634.32 001165		VU, THANH DR. MD	7	65456	DMV EXAM	75.00	
						65457	DMV EXAM	75.00	
						65458	DMV EXAM	75.00	
						65459	DMV EXAM	75.00	
						65475	DMV EXAM	92.16	
						65476	DMV EXAM	92.16	
						65523	DMV EXAM	75.00	
						65524	DMV EXAM	75.00	
52807	05/25/15	3,500.00 003074		WAVE CREST DEVELOPMENT INC.		65444	JUN 15 RENT	3,500.00	
52808	05/25/15	46.44 M088		YAGI, RANDY	0	65586	JUN 15 RETIREE SUPP	46.44	
TOTAL		2,441,106.28		ACCOUNTS PAYABLE			TOTAL CHECKS	264	2,441,106.28



DATE: August 14, 2015
TO: Board of Directors
FROM: Alex Clifford, CEO
**SUBJECT: ACCEPT AND FILE MINUTES OF THE SANTA CRUZ METRO
BOARD OF DIRECTORS MEETING OF JUNE 26, 2015**

I. RECOMMENDED ACTION

That the Board of Directors Accept and File the Minutes for the Santa Cruz Metropolitan Transit District (METRO) Regular Board of Directors Meeting of June 26, 2015

- Staff is providing minutes from the Santa Cruz Metropolitan Transit District (METRO) Board of Directors Regular Meeting of June 26, 2015
- Each meeting, staff will provide minutes from the previous METRO Board of Directors meeting

II. DISCUSSION/BACKGROUND

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

III. FINANCIAL CONSIDERATIONS/IMPACT

None

IV. ALTERNATIVES CONSIDERED

None

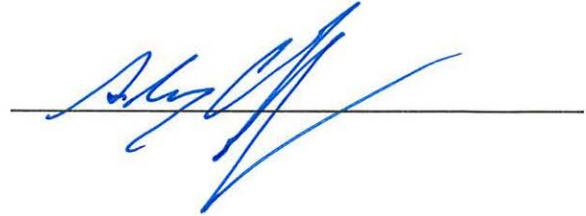
V. ATTACHMENTS

Attachment A: Draft minutes for the Regular Board of Directors Meeting of June 26, 2015

Prepared by: Gina Pye, Executive Assistant

VI. APPROVALS:

Alex Clifford, CEO/General Manager



Attachment A

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
BOARD OF DIRECTORS MEETING MINUTES
REGULAR MEETING
JUNE 26, 2015 – 9:00 AM
SANTA CRUZ CITY COUNCIL CHAMBERS
809 CENTER STREET
SANTA CRUZ, CA 95060**

A regular meeting of the Board of Directors of the Santa Cruz Metropolitan Transit District (METRO) was convened on Friday, June 26, 2015, at the Santa Cruz City Council Chambers at 809 Center Street in Santa Cruz, CA.

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

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SECTION I: OPEN SESSION

- 1 CALL TO ORDER at 9:00A** by Vice Chair Rotkin

- 2 ROLL CALL:** The following Directors were **present**, representing quorum:

Director Ed Bottorff	City of Capitola
Director Karina Cervantez	City of Watsonville
Director Cynthia Chase	City of Santa Cruz
Director Jimmy Dutra	City of Watsonville
Director Zach Friend	County of Santa Cruz
Director Don Lane	City of Santa Cruz
Director John Leopold	County of Santa Cruz
Director Bruce McPherson	County of Santa Cruz
Director Mike Rotkin, Vice Chair	County of Santa Cruz

The following Directors were absent:

Ex-Oficio Director Donna Blitzer	UC Santa Cruz
Director Dene Bustichi, Chair	City of Scotts Valley
Director Donald "Norm" Hagen	County of Santa Cruz

STAFF PRESENT:

Alex Clifford, CEO
Leslyn Syren, General Counsel

Attachment A

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

Heather Adamson, AMBAG
Angela Aitken, METRO
Bill Dove, ParaCruz UTU Rep
Louise Keller, ParaCruz
Debbie Kinslow, METRO

Carolyn Derwing, METRO
Gloria Rovay, Riders of ParaCruz
Suzanne Silva, METRO
Dan Stevenson, UTU23
Daniel Zaragoza, METRO

Chair Bustichi acknowledged Carlos Landaverry's presence and noted his availability for Spanish Language Interpretation as needed.

Today's CCTV technician is Michael Oliphant.

3 ANNOUNCEMENTS

Vice Chair Rotkin announced Item 8-13, Consideration of Award of Contract to Khavarian Enterprises, Inc. d/b/a Vision Communications Co. for Radio System Maintenance and Repair Not To Exceed \$177,000, has been removed from today's agenda.

4 COMMUNICATIONS TO THE BOARD OF DIRECTORS

Vice Chair Rotkin announced the following items were distributed to Board members and available for public review at the sign-in table:

- Letter to Chair Bustichi from the Secretary of Transportation, Item 4.3
- A correction to Group 4's presentation, Item 16

Vice Chair Rotkin opened the floor to public comment. Hearing none, the meeting moved to the next item.

5 WRITTEN COMMUNICATIONS FROM MAC

Referencing the letter to CEO Clifford regarding the frequency of MAC meetings in today's Board packet, Item 5.2, CEO Clifford said he plans to return to the Board in August with a proposal addressing Board and MAC meeting frequency.

Vice Chair Rotkin opened the floor to public comment.

Hearing none, Director McPherson spoke briefly about the frequency of MAC meetings and inquired as to the impact of meeting quarterly versus monthly. He also suggested METRO staff consider holding board meetings once a month. CEO Clifford responded that his presentation would suggest once a month.

Vice Chair Rotkin noted that conducting fewer meetings does not mean less meaning and/or effectiveness. In fact, the opposite is often true. These are options worth investigating.

Attachment A

6 LABOR ORGANIZATION COMMUNICATIONS

Vice Chair Rotkin opened the floor to public comment. Hearing none, the meeting moved to the consent agenda.

CONSENT AGENDA

- 8-01 RECOMMENDED ACTION ON TORT CLAIMS**
- 8-02 ACCEPT AND FILE PRELIMINARY APPROVED CHECK JOURNAL DETAIL FOR THE MONTH OF APRIL 2015**
- 8-03 ACCEPT AND FILE MINUTES OF THE SANTA CRUZ METRO BOARD OF DIRECTORS REGULAR MEETING OF JUNE 12, 2015 AND THE SPECIAL MEETING OF JUNE 17, 2015**
- 8-04 ACCEPT AND FILE MINUTES FOR THE METRO ADVISORY COMMITTEE (MAC) MEETING OF MAY 20, 2015**
- 8-05 ACCEPT AND FILE THE METRO PARACRUZ OPERATIONS STATUS REPORT FOR APRIL 2015**
- 8-06 ACCEPT AND FILE SANTA CRUZ METRO SYSTEM RIDERSHIP REPORTS FOR THE MONTH OF APRIL 2015**
- 8-07 ACCEPT AND FILE STATUS REPORT OF ACTIVE GRANTS AND SUBMITTED GRANT PROPOSALS FOR JUNE 2015**
- 8-08 CONSIDERATION OF THE ADOPTION OF CHAPTER 8 TO TITLE I OF THE SANTA CRUZ METRO ADMINISTRATIVE CODE - RISK MANAGEMENT POLICY**
- 8-09 REPORT ON RUN TIME RECALIBRATION GRANT FUNDED PROJECT**
- 8-10 CONSIDERATION OF THE ADOPTION OF A RESOLUTION TO RATIFY THE BOARD'S DECISION ON MAY 8, 2015 TO ISSUE A REQUEST FOR PROPOSALS TO SECURE A PROFESSIONAL SERVICES CONTRACT TO DEVELOP A SYSTEMWIDE BUS SERVICE RESTRUCTURING PLAN**
- 8-11 CONSIDERATION OF ADOPTING A RESOLUTION AMENDING SANTA CRUZ METRO'S FARE ORDINANCE 84-2-1, TO INCLUDE APPROVED BOARD ACTIONS FROM THE APRIL 10, 2015 & MAY 22, 2015 PUBLIC HEARINGS**
- 8-12 CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE A CONTRACT EXTENSION WITH ALLIANT INSURANCE SERVICES, INC. FOR EXCESS WORKERS' COMPENSATION INSURANCE, INCREASING THE CONTRACT TOTAL BY \$194,770**

Attachment A

Vice Chair Rotkin introduced Mr. Marcus and provided a bit of background. He thanked Mr. Marcus for his contributions on behalf of the Board and METRO.

Mr. Marcus thanked his fellow drivers, union members, management and everyone at METRO. He accepted the commendation on behalf of every other driver and their acts of kindness; acknowledging the recent VTA driver who saved a kidnapping from occurring. Driving is his “right livelihood”; providing safe, courteous transportation for everyone; they are the eyes and ears of the public.

12 YEAR TO DATE MONTHLY FINANCIAL REPORT AS OF APRIL 30, 2015

Angela Aitken, Finance Manager, provided commentary to the presentation.

Vice Chair Rotkin noted that the reduction in expenses is partially contributable to staff sacrifices in working with less; he thanked staff for their contributions and efforts under the present financial conditions.

Ms. Aitken noted the fuel tax credit has been received.

Ms. Aitken highlighted the addition of the Metrobase Phase II Life of Project slide. In response to Director Leopold’s question, she verified that this does reflect the approved budget for Phase II.

Hearing no public comment, the Board moved to make a motion.

MOTION TO ACCEPT THE MONTHLY FINANCIAL REPORT AS OF APRIL 30, 2015 AS PRESENTED.

MOTION: DIRECTOR LANE

SECONDED: DIRECTOR DUTRA

MOTION PASSED WITH 9 AYES (Directors Bottorff, Cervantez, Chase, Dutra, Friend, Lane, Leopold, McPherson and Rotkin). Directors Blitzer, Bustichi and Hagen were absent.

13 PUBLIC HEARING TO COMMENCE AT THE SANTA CRUZ CITY COUNCIL CHAMBERS AT 9:00AM, OR AS SOON AS THEREAFTER THE MATTER CAN BE HEARD, FOR FINAL ADOPTION OF THE FINAL FY16 AND FY17 OPERATING BUDGETS, AND FY16 CAPITAL BUDGET

Public hearing began at 9:17A

Angela Aitken, Finance Manager, provided commentary to the presentation noting that the budget is balanced, but unsustainable going forward.

In response to questions regarding the drop in sales tax revenue and future projections from Director McPherson, Ms. Aitken stated that she does not anticipate any increase over the 3.1% received this year and is projecting 2% for FY16.

Attachment A

Director Leopold asked if METRO's projected 2% sales tax revenue projection ties to that of Santa Cruz County's Treasurer. Ms. Aitken said she prefers to be conservative thereby uses a lower percentage.

Vice Chair Rotkin asked Ms. Aitken to broadly explain funding sources to the public; i.e., what is METRO not receiving? Ms. Aitken said that federal and state operating funds (such as STA) are not as robust as in the past. The reduction in sales tax revenue has had a big impact. Cap and trade funding is new but unfortunately not something we can rely on. There are no huge revenue sources on the horizon.

CEO Clifford added that federal funding is flat. METRO is losing ground as funding has not kept pace with expenses.

Director McPherson noted there are no indications that state or federal status will change. The state appears to be focused on highways, streets and roads rather than transit.

METRO's goal is to stop using reserves and return capital operating funds to fund capital rather than operating expenses. The state has just permitted METRO to use STA funding for operating expenses in 2016.

CEO Clifford spoke regarding PEPRA as an increasing risk to our budget and will return to the Board with more information in August.

Vice Chair Rotkin opened the floor to public comment.

Dan Stevenson, a citizen of US, UTU member and bus driver with 15 years for the District, spoke about the structural deficit and the research he'd conducted. He wants to be accurate about the problem: Financial situations are temporary and politically enhanced in nature. He asked, "Where is the political will to evaluate beyond the numbers? What if public responded in kind?"

There was no further public comment.

Director Dutra inquired as to the amount of the new security budget. Ms. Aitken responded the new budget amount represents an addition of \$10,000.

Director Chase inquired regarding Pacific Station's security budget. CEO Clifford responded that all of the department budgets have been rolled back to 2014 actual levels. Liseth Guizar, Safety, Security and Risk Manager, has a plan to provide full coverage through the hours of bus operation in the respective facilities; some night-time hours will not be patrolled. She will monitor the situation closely. To alleviate some of the Santa Cruz City Police Department's concerns, Ms. Guizar is exploring using First Alarm roving patrols in conjunction with the City; METRO would pay any incremental costs.

Attachment A

Vice Chair Rotkin noted there have been problems at Pacific Station historically and the public often judges METRO based on what they see at the transit centers. He has concerns that any problems be handled quickly. He likes the idea of shared patrols. He asked that METRO consider adding money back to the budget to ensure history is not repeated. CEO Clifford said he would return to the Board immediately if problems surface.

Director Friend asked that the Board be more proactive and provide direction to create a baseline position. The reality is that the location does cause problems. The City of Santa Cruz has worked hard to make the Pacific Station area welcoming and friendly for all.

CEO Clifford committed to return in August with options. Director Lane requested that the report include an agreement between First Alarm and the Santa Cruz Police Department at that time.

Director Dutra said the shrinking government funding could have a huge impact on areas such as Watsonville where the public depends on the bus to get to work and to school. He was disappointed to learn that the customer service position wouldn't be funded as there are no customer service reps in Watsonville at the current time. Bilingual customer service could have taken more people out of their cars by helping to explain how to ride the bus.

CEO Clifford agreed that Watsonville does represent a great opportunity to gain ridership and is committed to a customer service function at that location. METRO is working to understand why our LCTOP application was not accepted so that we can better compete going forward. He will work to provide a Plan B for Watsonville.

MOTION TO APPROVE THE BUDGET AS PRESENTED AND ASK THAT THE CEO RETURN WITH A SECURITY PLAN AT THE AUGUST 2015 MEETING.

MOTION: DIRECTOR LEOPOLD

SECONDED: DIRECTOR CHASE

MOTION PASSED WITH 9 AYES (Directors Bottorff, Cervantez, Chase, Dutra, Friend, Lane, Leopold, McPherson and Rotkin). Directors Blitzer, Bustichi and Hagen were absent.

14 CONSIDERATION OF METROBASE STATUS REPORT

Andrew Kreck, Hill International Project Manager, provided explanations for the various change orders and added he is unaware of any upcoming large change orders that the Board should be prepared to understand. Future reports will include the contingency balance.

There was no public comment. No Board action required.

Vice Chair Rotkin thanked Mr. Kreck for the team's efforts.

MOTION TO ACCEPT THE METROBASE STATUS REPORT AS PRESENTED.

Attachment A

MOTION: DIRECTOR LEOPOLD **SECONDED: DIRECTOR DUTRA**
MOTION PASSED WITH 9 AYES (Directors Bottorff, Cervantez, Chase, Dutra, Friend, Lane, Leopold, McPherson and Rotkin). Directors Blitzer, Bustichi and Hagen were absent.

15 QUARTERLY ORAL REPORT REGARDING THE STATUS OF CONSTRUCTION ON THE JUDY K. SOUZA OPERATIONS FACILITY COMPONENT OF THE METROBASE PROJECT

Andrew Kreck, Hill International Project Manager, provided an oral timeline of the project.

There was no public comment. No Board action required.

16 RECEIVE A PRESENTATION ON THE PACIFIC STATION CONCEPTUAL REDESIGN PROJECT

Tom Hiltner, Acting Planning and Development Manager, provided a verbal history of the project and the relationship with Group 4, highlighting the possible synergy between mixed use developments in the same area. He plans to return in August with recommendations addressing the financial constraints, housing and transportation requirements.

David Schnee, principal of Group 4, presented the options for Board consideration.

Vice Chair Rotkin opened the floor to the public.

Bonnie Lipscomb, City of Santa Cruz, said she is excited about the opportunity to work with DevCon and METRO on this project and believes option 2 addresses any previous pricing concerns. The City is also comparing the option costs.

Terry Teitelbaum, Santa Cruz Community Health Centers and Santa Cruz Women's Health Center, noted they have been downtown for 40 years. There is a critical need for health center capacity. They are excited to have the opportunity to expand their services. She is hopeful that other health services, such as Dientes, join the effort.

Vice Chair Rotkin said this is a tremendous opportunity for the District and the City of Santa Cruz. He asked what the likelihood is for locating the required federal funding. CEO Clifford answered that when this project was originally undertaken, there were federal earmarks available. Unfortunately, the environment has changed. There are opportunities via a TIGER grant, cobbling partners together, Cap and Trade funds, etc. Grant funding was utilized to do the development work. The Pacific Station uses capital dollars. He will return in August with funding plans, contract parameters, etc.

Attachment A

Director Lane is hopeful that the legislature will free up the affordable housing money which had been locked up in bonds. The complexity of the project does offer funding opportunities and would make us a great partner in the community.

No Board action required.

17 CONSIDER A RESOLUTION AUTHORIZING THE TRANSFER OF METRO'S LOW CARBON TRANSIT OPERATIONS PROGRAM FUNDS TO MONTEREY-SALINAS TRANSIT

Tom Hiltner, Acting Planning and Development Manager, explained that the proposed resolution is the last step required in the transfer of funds and that the funds will return to METRO next year. He thanked Josh Shaw, Executive Director of CTA, for his efforts and actions.

Hearing no public comment, the Board moved to make a motion.

MOTION TO ACCEPT THE RESOLUTION AUTHORIZING THE TRANSFER OF METRO'S LOW CARBON TRANSIT OPERATIONS PROGRAM FUNDS TO MONTEREY-SALINAS TRANSIT AS PRESENTED IN THE RESOLUTION.

MOTION: DIRECTOR LANE

SECONDED: DIRECTOR MCPHERSON

MOTION PASSED WITH 9 AYES (Directors Bottorff, Cervantez, Chase, Dutra, Friend, Lane, Leopold, McPherson and Rotkin). Directors Blitzer, Bustichi and Hagen were absent.

18 CEO ORAL REPORT

CEO Clifford noted that Governor Brown signed AB94 this week which provides an exemption for one year and allows METRO to use STA funds for operating expenses. The process to make this permanent begins in September/October via SB508.

19 REVIEW OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

Leslyn Syren, General Counsel, announced the topics to be discussed during the Closed Session:

1. Conference with Real Property Negotiators (Government Code section 54956.8)
Property: 333 Front Street, Santa Cruz, CA
Negotiators: Alex Clifford, CEO/GM
Leslyn Syren, District Counsel
2. Conference with Labor Negotiator (Government Code section 54957.6)
Agency Negotiator: Alex Clifford, CEO/GM
Employee Organization: UTU/SMART, Local 23
SEIU, Local 521
Unrepresented Management Employees

Attachment A

There is no anticipated report after the Closed Session.

**20 ANNOUNCEMENT OF NEXT MEETING: FRIDAY, AUGUST 14, 2015 AT 8:30AM,
METRO ADMIN OFFICES, 110 VERNON STREET, SANTA CRUZ**

Vice Chair Rotkin announced the next meeting in August and reminded the assembly that there are no meetings scheduled in July 2015.

Director Friend departed at 10:55A

21 The Board adjourned to Closed Session at 11:00A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: August 14, 2015
TO: Board of Directors
FROM: April Warnock, Paratransit Superintendent
SUBJECT: ACCEPT AND FILE THE ACCESSIBLE SERVICES REPORTS FOR THE MONTHS OF APRIL, MAY AND JUNE 2015

I. RECOMMENDED ACTION

That the Board of Directors accept and file the Accessible Services Reports for the months of April, May and June 2015

II. SUMMARY OF ISSUES

- These Accessible Services Reports track activity of Santa Cruz Metropolitan Transit District's (METRO) Accessible Services Program (ASP) for the months of April, May and June 2015.
- The Accessible Services Coordinator (ASC) provides ongoing outreach to the disability and senior/older adult communities to promote METRO bus use and accessibility. ASC services included in METRO's Accessible Services Program are group orientations using METRO services and outreach to community groups.
- The ASC participates in METRO staff training and policy review regarding accessibility.
- The ASC represents METRO on outside Committees and Commissions.

III. DISCUSSION/BACKGROUND

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

1. Mobility training that is customized support to allow access to METRO services.
2. Community outreach to promote METRO bus use and accessibility.
3. Participation in METRO staff training and policy review regarding accessibility.
4. Provides METRO representation on outside Committees and Commissions.

1. **Mobility Training that is customized support to allow access to METRO services can include:**

- **An Assessment:** The ASC meets the trainee to assess the trainee's capabilities to use METRO's service. They discuss the trainee's experience using public transit and set goals for training sessions. An assessment typically takes two to four hours.

- **Trip Planning:** Practice using bus route schedules, maps, online resources and other tools to plan ahead for trips on METRO fixed route and METRO ParaCruz services. All mobility training includes some trip planning. Trip planning sessions typically take one to four hours.
- **Boarding/Alighting Training:** Practice to board, be secured, and alight (get off) METRO buses. This training is requested by persons using walkers, wheelchairs, scooters and service animals. The ASC coordinates the training session with the Operations Department to arrange working with an operator and an 'out of service' fixed route bus. Boarding/alighting training typically lasts three to five hours.
- **Route Training:** Practice using METRO buses to travel to destinations chosen by trainees. The training session includes practice on handling fares, bus riding rules and emergency situations. One training session can take two to eight hours. One or two sessions to learn one destination is typical. The number of training sessions varies with each trainee.

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

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

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

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

4. Provides METRO representation on outside Committees and Commissions

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

IV. FINANCIAL CONSIDERATIONS/IMPACT

On May 1st, two One-Day Passes were provided to two trainees to support their route training sessions. As part of METRO's appreciation for their assistance, three community members each received one 31-Day Pass for their participation in the June 30th New Operators' ADA Introduction/Sensitivity Training session. The value of each One-Day Pass provided is \$12 and the value of each 31-Day Pass provided is \$195 for a total value of \$414.

V. ATTACHMENTS

- Attachment A:** Accessible Services Program Report for April 2015
Attachment B: Accessible Services Program Report for May 2015
Attachment C: Accessible Services Program Report for June 2015

Prepared by: April Warnock, Paratransit Superintendent

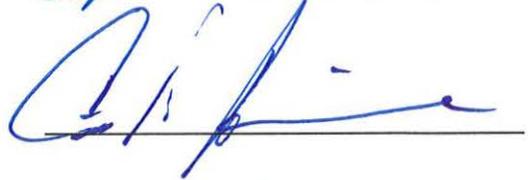
VI. ATTACHMENTS

April Warnock, Paratransit Superintendent



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Ciro Aguirre, COO



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Approved as to fiscal impact:
Angela Aitken, Finance Manager



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



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Alex Clifford, CEO/General Manager



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Attachment A

Board Meeting of August 14, 2015

Accessible Services Program Report for April 2015

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

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

- April 14: TR23 requested trip planning and other assistance. ASC reopened file (2 hours).
- April 17: Confirmed TR12's route training last year was successful and TR12 is riding the bus to a work site. File closed (2 hours).
- April 17: TR28 received trip planning assistance. File reopened (2 hours).
- April 20: Self referred TR41 cancelled assessment. ASC prepared trip plans and opened file (4 hours).
- April 21: Vista Center referred TR42 for route training. TR42 came to METRO's Pacific Center to complete referral. TR42 was sent follow up email and file was opened (3 hours).
- April 22: TR40 new referral for route training. (2 hours).
- April 28: TR43 new referral for route training. (2 hours).
- April 28: TR7 scheduled for route training (3 hours).
- April 30: New referral TR44 completes assessment. Referred by La Posada residents (4 hours).
- April 30: TR15's file closed after confirmation current transportation needs are being met (2 hours).
- April 30: TR31's file closed after confirming current transportation needs are being met (2 hours).

Total time for Mobility Training and related activities noted above was approximately 29 hours.

Tracking of scheduled appointments vs. cancelled: Appointments scheduled on April 15, April 28 and April 29. Appointment cancelled on April 20.

Attachment A

Community outreach to promote METRO bus use and accessibility

- April 17: Presentation for PVUSD Job Club at Aptos High School:

The ASC described how METRO buses could get a person to and from a work site, METRO's discount fares, the availability of mobility training from the Accessible Services Program, how to access METRO's website, and how to use the Google trip planner. METRO's Headways was distributed. In attendance was Specialist Ms. Butterworth, teacher Ms. Adolfo, two aides and 10 students. (2 hours). ASC's round trip travel time was 2 hours.

- April 23: Presentation for Highlands Park Senior Center Presentation:

The ASC described where buses travelled to, METRO's discount fares, the availability of mobility training from the Accessible Services Program. There was a session of questions and answers on those topics, as well as on the upcoming changes to METRO ParaCruz service and fares. Headways were distributed and business cards exchanged. In attendance were volunteer coordinator Ms. Drew, kitchen aide Ms. Jarvis and 16 other seniors. (1½ hours). ASC's round trip travel time between Santa Cruz Metro and Ben Lomond was 2½ hours.

- April 28: Presentation for Soquel High School Life Skills Class:

The ASC described METRO's service area, METRO's discount fares, tips for safe bus riding, the availability of mobility training from the Accessible Services Program, how to read the bus schedules, and how to plan a trip by reading the Headways and using the Highway 17 Express. There were questions about transferring between buses and different ways to travel between Soquel High School and San Francisco. Headways and discount fare application forms were distributed. In attendance were teacher Ms Mikolyski, counselor Ms. Cole, two aides and 12 students (1½ hours). ASC's round trip travel time was 1¾ hours.

Throughout the month of April, the ASC communicated with approximately 40 individuals in person and/or over the phone. Most contacts regarded training and meeting follow up.

Staff training and policy review regarding accessibility

- None

Attachment A

Provide METRO representation on outside Committees and Commissions

- April 6: The Pedestrian Safety Work Group met at the Santa Cruz County Regional Transportation Commission (SCCRTC) in Santa Cruz: Attending were Chair Ms. Elsea, the ASC, and three other members met to review Public Service Announcements and other outreach materials (2 hours). ASC's round trip travel time was ½ hour.
- April 14: The Elderly and Disabled Transportation Advisory Committee (E&D TAC) met at the Community Foundation offices in Aptos: There was discussion about METRO's Board of Directors actions taken on April 10, recommendations regarding Highway 17 fare restricting, and changes to METRO ParaCruz fares and service alignment. The ASC volunteered to serve on a sub committee authorized to respond to METRO's proposed service changes, before the June 9 E&D TAC meeting. Attending were Chair Ms. Elsea, the ASC, and six additional Committee members present, along with SCCRTC staff Ms. Blakeslee and six guests (3 ¾ hours). ASC round trip travel time between Santa Cruz and Aptos was 1 ½ hours.
- April 21: The Santa Cruz County Seniors Commission met at the SCCRTC offices in Santa Cruz: There was discussion about METRO's staff recommendations approved during METRO's Board of Directors meeting on April 10th, and the additional recommendations requested by the Board regarding aligning non-school term paratransit service with fixed route service and premium fares. Commissioners Ms. Childers, Ms. Henri and Ms. McKibbin shared that they had attended the April 10 meeting and each had spoken to METRO's Board. In attendance were six Commissioners including Chair Ms. McKibbin. Also attending were Coordinator Ms. Thuerwachter, the ASC and three other guests (1 hour). The ASC round trip travel time between the Santa Cruz Metro and the SCCRTC offices was ½ hour.

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Attachment B

Board Meeting of August 14, 2015

Accessible Services Program Report for May 2015

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

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

- May 1: TR7 completes route training. Routes 68 and 69W are utilized to travel to and from a Santa Cruz destination (3 hours). ASC travel time is ½ hour.
- May 1: TR44 completes first route training from La Posada to downtown Santa Cruz, receives an orientation at the METRO Center, and participates in trip planning. Routes 69A and 71 are utilized (2 hours). ASC travel time (1 hour).
- May 6: TR45 referred for route training (1 hour).
- May 15: TR42 cancels route training (1 hour). Preparation for training and file update (3 hours).
- May 18: TR45 assessment completed (2 hours). Written summary completed (2 hours) ASC travel time (1 hour).
- May 26: TR7 cancels second route training session. Written summary completed for the first session (May 1) and follow-up with TR7 (3 ½ hours).
- May 26: TR 43 requests to schedule route training when school resumes this fall (4 hours).
- May 29: Written summary for TR44 route training (May 1) completed; file opened and follow-up conducted (4 hours).

Total time for Mobility Training and related activities noted above was approximately 28 hours.

Tracking of scheduled appointments vs. cancelled: Appointments scheduled on May 6, May 14 and May 20. Appointments cancelled on May 15 and May 26.

Attachment B

Community outreach to promote METRO bus use and accessibility

- May 5: Presentation for Pajaro Valley High School (PVHS) Life Skills Class:

The ASC explained bus ride expectations, METRO's service area and fares, offered class field trips and the availability of mobility training from the Accessible Services Program. Students asked how to obtain discount fare and how to travel to San Francisco. The students were shown how to use the Google trip planner and METRO's Headways to plan bus trips. Headways and discount fare application forms were distributed (2 hours). In attendance were teacher Mr. Yannone, two aides and eight students. ASC's round trip travel time was 1¾ hours.

Throughout May the ASC communicated with approximately 28 individuals in person and/or over the phone. Most contacts regarded training, outreach and trip planning.

Staff training and policy review regarding accessibility

- May 20: The ASC explained his duties and the Accessible Services Program to two employees receiving Customer Service training (1 hour).

Provides METRO representation on outside Committees and Commissions

- May 14: The Santa Cruz County Commission on Disabilities met at the Santa Cruz County Regional Transportation Commission (SCCRTC) offices. A discussion led by Chair Ms. Saldana focused on the proposed cut for METRO's Accessible Services Coordinator (ASC) position from full to part time. Coordinator Ms. Thuerwachter noted that the Commission approved a 2011 ASC position support letter. A motion was made and approved directing Chair Saldana to work on a letter in support of the ASC position, to be sent to the Board of Supervisors and copied to METRO. The actions taken by METRO's Board of Directors on April 10th were the focus of another discussion, including the Board's request to have additional staff recommendations presented regarding premium fares and summer service in Lompico and Zayante. Chair Saldana said that these recommendations were just the beginning of actions that will affect persons with disabilities living in Santa Cruz County. She said that cuts in fixed route service and changes to bus stop spacing were coming. In attendance were seven Commissioners, Coordinator Ms. Thuerwachter and one guest present (2 hours). The ASC round trip travel time between Santa Cruz Metro and the SCCRTC offices was ½ hour.
- May 19: The Pedestrian Safety Work Group met at the SCCRTC offices. Three work group committee members, including Chair Ms. Elsea, accepted

Attachment B

the recently updated Unmet Needs List and Origins/Destinations list. The group discussed recent outreach activities including Public Service Announcements on Community Television and radio stations. Members agreed to distribute the 'What Pedestrians Want Motorists to Know' brochures to more sites. (1 ½ hours). The ASC round trip travel between Metro Center and the SCCRTC offices was ½ hour.

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Attachment C

Board Meeting of August 14, 2015

Accessible Services Program Report for June 2015

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

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

- June 1: TR46 new referral. Goal is to attain more independence through route training between home and job site (1 hour).
- June 4: TR44 file updated file after meeting. TR44 requested further route training (4 hours).
- June 11: TR47 new referral from METRO's Eligibility Coordinator. ASC described route training options to use when utilizing a walker (1 hour).
- June 15: TR46 completes assessment (1 hour). ASC's travel time was 2 hours.
- June 16: TR46 route training scheduled; written summary completed and file opened (4 hours).
- June 25: TR48 new referral. Trip planning research and phone call assistance to help TR48 travel between home and job site (4 hours).
- June 30: TR7 file updated. Further Route Training was requested (4 hours).

Total time for Mobility Training and related activities noted above was approximately 21 hours.

Tracking of scheduled appointments vs. cancelled: Appointments scheduled on June 1 and June 16 and no appointments cancelled.

Community outreach to promote METRO bus use and accessibility

- June 2 presentation for La Posada in Santa Cruz:
The audience asked questions about METRO ParaCruz, discount fares, where buses travelled to and how field trips could be arranged with residents riding METRO's buses. Attending the presentation were 16 La Posada residents. Four residents had not used the bus or METRO ParaCruz service. One resident had participated in route training. Headways and business cards were distributed. (1 3/4 hours). ASC's round trip travel time was 1 hour.

Attachment C

Throughout June the ASC communicated with approximately 37 individuals in person and/or over the phone. Most contacts regarded meeting follow up, outreach, training and research on Mobility Training.

Staff training and policy review regarding accessibility

- June 30: ASC conducted Americans with Disabilities Act (ADA) Introduction & Sensitivity Training for 10 new fixed route bus operators at METRO's Pacific Station Conference Room. Safety and Training Coordinator Mr. Bauer, Assistant Safety and Training Coordinator Ms. Toline, and four members of the community worked together with the ASC to use ADA background, METRO policy and the community members' ridership experience to interact with new operators (3 hours).

Provides METRO representation on outside Committees and Commissions.

- June 9 meeting of the Elderly and Disabled Transportation Advisory Committee (E&D TAC) met at the Santa Cruz County Regional Transportation Commission (SCCRTC) offices. A motion was passed to send a letter to the Metro Board requesting the following:
 1. Develop a comprehensive education and outreach plan which informs ParaCruz users of the changes which take effect in September, 2015.

Suggested avenues for reaching affected persons could include: in-person meetings; on-hold phone messages at ParaCruz; reminders and information provided by dispatchers at the time of booking rides; mailings; literature and notices placed in Paratransit vehicles; information on METRO's web site; public service announcements on local media; notice sent to long-term care facilities, senior facilities; any agencies which refer clients to METRO's services.
 2. Develop an emergency funding plan to cover ParaCruz riders who may be caught unable to pay for a return trip at the premium fare rate. This could include a scholarship fund, grace periods or other ways of obtaining waivers.
 3. Make the date that approved changes to ParaCruz service take effect after the education and emergency funding plans have been fully created and implemented. E&D TAC also requests copies of these plans when they are finalized.
 4. Request that METRO not cut services to seniors and those with disabilities unless such cuts are done holistically as part of a restructuring of the entire system. This includes services to seniors and those with disabilities such as the availability of an Accessible Services Coordinator.

Attachment C

There were nine members and alternates present, including Chair Ms. Elsea. Two SCCRTC staff and one guest attended (3 ¾ hours). ASC's round trip travel time between Santa Cruz Metro and the SCCRTC offices was 30 minutes.

- June 11 meeting of the Santa Cruz County Commission on Disabilities at the SCCRTC offices: Former Commissioner Doug Patrick proposed to work with Commissioners to complete a paper assessing the need for the Accessible Services Coordinator (ASC) position. After discussion, Commissioners approved a motion to assist Mr. Patrick. Commissioner Ms. Saldana was re elected Chairperson for a second term. Commissioner Ms, Taylor was elected Vice Chairperson. Nine Commissioners, including the ASC were present. Coordinator Ms. Thuerwachter and two guests also attended (1 ½ hours). ASC's travel time between the Santa Cruz Metro and the Santa Cruz County Regional Transportation Commission (SCCRTC) offices was 30 minutes.
- June 16 meeting of the Santa Cruz County Seniors Commission at the SCCRTC offices: The ASC shared results from the April 22 METRO Board of Directors meeting regarding paratransit service area alignment with fixed route service and the two new premium fares approved. Commissioner Carol Childers noted that she had attended the meeting and spoken in favor of the alignment and premium fare proposals. The ASC announced the June 26 METRO Board meeting that included the Public Hearing on the operating and capital budgets and the Board's action on those budgets. Visitor Doug Patrick spoke to Commissioners regarding the future of the Accessible Services Coordinator (ASC) position. He asked what processes were in place to respond to the needs of seniors for public transit. Mr. Patrick asked for contact information and told Commissioners that he would work within existing processes. Six Commissioners, including Chair Ms. McKibbin, were present. Coordinator Ms. Thuerwachter, the ASC, Mr. Patrick and one other guest also attended (2 hours). ASC's round trip travel time between Santa Cruz Metro and the SCCRTC offices was 30 minutes.

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DATE: August 14, 2015
TO: Board of Directors
FROM: Carolyn Derwing, Schedule Analyst/Acting Planner
SUBJECT: ACCEPT AND FILE SANTA CRUZ METRO SYSTEM RIDERSHIP REPORTS FOR THE MONTH OF MAY 2015

I. RECOMMENDED ACTION

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

II. SUMMARY

- This report contains Ridership Summaries and Ridership Statistics for Santa Cruz Metropolitan Transit District's (METRO) fixed route bus service for the month of May 2015.
- System-wide ridership was down 3.7% in May 2015 compared to the same month in 2014.
- Year-to-date ridership totals for local fixed route service are up 3.3% as compared to 2014.
- Year-to-date ridership totals for the Highway 17 Express are up 3.5% as compared to 2014.
- Year-to-date ridership totals for UCSC are up 6.4% as compared to 2014.
- Year-to-date totals for non-UCSC local ridership (ridership figures that do not include Hwy 17 or UCSC ridership) are only up 0.3% as compared to 2014.

III. DISCUSSION/BACKGROUND

Ridership reports are prepared monthly in order to keep the Board of Directors apprised of METRO's ridership statistics and ridership trends. The attached Ridership Summaries and Ridership by Route report reflect ridership statistics for METRO's fixed route bus service for the month of May 2015.

Attachment "A" shows system-wide ridership statistics for May 2015 and compares them to May 2014. System-wide, May 2015 ridership was down 3.7% as compared to the same month in 2014. Local fixed route service was down 3.9% as compared to May 2014. Highway 17 Express service was down slightly at 0.4% in May 2015 as compared to May 2014. This is only the second month in FY15 where ridership was down from the same month in FY14.

This report also compares year-to-date totals for FY15 as compared to FY14. By the end of May, overall ridership for FY15 is up 3.3% compared to the same time period in FY14. Local fixed route is up by 3.3% for FY15 and Highway 17 is up 3.5% for FY15.

Most of these increases in year-to-date totals are reflected in UCSC (6.4%) and Hwy 17 ridership (3.5%) with the rest of the local ridership remaining basically flat (0.3% increase).

Attachment “B” shows UCSC ridership statistics for the month of May 2015 and compares them to the same month in 2014. UCSC experienced an overall decrease in ridership of 2.3% for the month of May. This is only the second month this year with UCSC ridership decreases from the previous year. May 2015 ridership is lower partly because there was one less weekday in May 2015 as compared to May 2014. Also, in May 2014 UCSC sponsored a Spring concert on campus that saw a large ridership increase on that one day – making last May’s ridership slightly higher than normal.

This report also compares UCSC year-to-date totals for FY15 as compared to FY14. By the end of May 2015, UCSC ridership was up 6.4% as compared to 2014. The increase in overall student enrollment at UCSC is strongly reflected in an increase in UCSC ridership.

Attachment “C” shows weekday, Saturday and Sunday ridership by route for the month of May 2015. Overall, monthly ridership was down 3.7% in May 2015 as compared to the same month in the previous year. Again, part of this decline can be attributed to there being one less weekday in May of 2015 as compared to May 2014. The routes with the highest ridership for the month of May were the Route 16, the Route 71 and the Route 15. In May, UCSC routes (10, 12, 15, 16, 19, 20 and 20D) accounted for more than 52% of the total METRO ridership.

IV. FINANCIAL CONSIDERATIONS/IMPACT

Revenue derived from passenger fares and passes is reflected in the FY15 revenue. While year to date system-wide ridership is up, net passenger fare revenues are down when compared to budget. The adopted FY15 passenger fares budget was based on the FY14 passenger fares budget, plus a 3% increase, because actual year to date revenues were not yet available.

V. ALTERNATIVES CONSIDERED

There are no alternatives to consider.

VI. ATTACHMENTS

Attachment A: Monthly Ridership Summary for May 2015
Attachment B: Monthly UCSC Ridership Summary for May 2015
Attachment C: Monthly Ridership by Route Report for May 2015

Prepared By: Carolyn Derwing, Schedule Analyst/Acting Planner

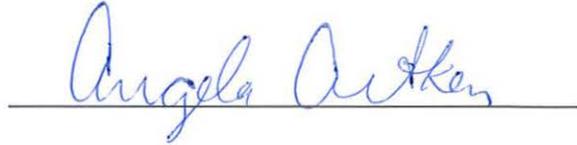
VII. APPROVALS:

Thomas Hiltner, Acting Planning and
Development Manager



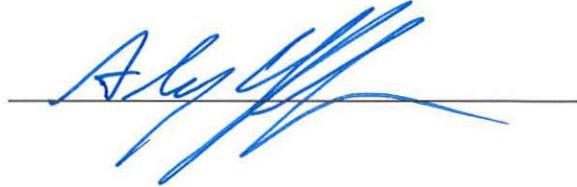
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Approved as to fiscal impact:
Angela Aitken, Finance Manager



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Alex Clifford, CEO/General Manager



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Monthly Ridership Summary

MAY 01, 2015 - MAY 31, 2015

Calendar Operating Days

	This Year	Last Year
Weekdays	21	22
Saturdays	5	5
Sundays	5	4

Bikes and Mobility Devices

	This Year	Last Year*
Bikes	18,679	20,736
Mobility Dev.	1,948	2,350

Monthly System Totals

	Monthly Totals		
	This Year	Last Year*	Difference
Local Fixed Route	511,106	532,066	-20,960
AMTRAK/Highway 17 Express	33,660	33,797	-137
System Total	544,766	565,863	-21,097

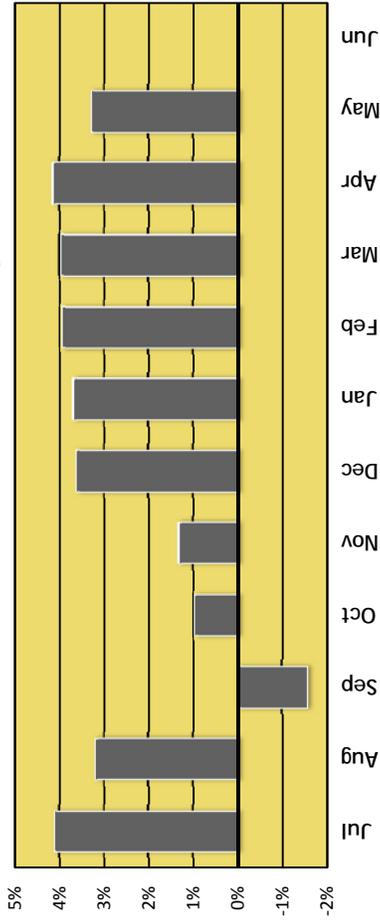
	Year to Date Totals		
	This Year	Last Year*	% Change
Local Fixed Route	4,962,647	4,805,288	3.3%
AMTRAK/Highway 17 Express	348,862	337,073	3.5%
System Total	5,311,509	5,142,361	3.3%

System Daily Averages

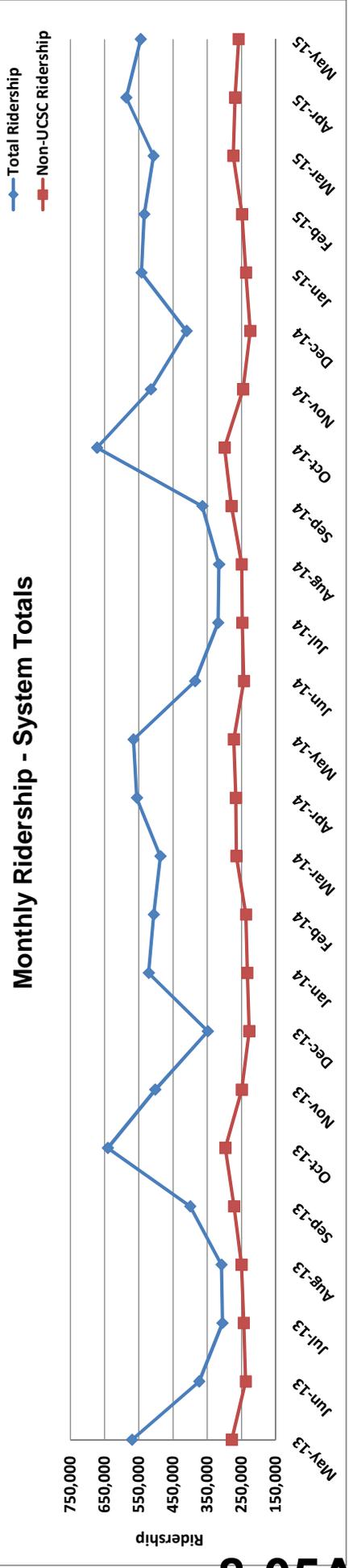
	Weekdays			Saturday			Sunday		
	This Year	Last Year*	% Change	This Year	Last Year*	% Change	This Year	Last Year*	% Change
Local Fixed Route	19,398	19,794	-2.0%	11,396	11,968	-4.8%	9,352	9,192	1.7%
AMTRAK/Highway 17 Express	1,215	1,187	2.4%	823	861	-4.4%	806	847	-4.8%
System Total	20,614	20,980	-1.7%	12,219	12,829	-4.8%	10,158	10,039	1.2%

Attachment A

Total Ridership YTD % Change



Monthly Ridership - System Totals



*Previous year statistics may have been updated since last year's ridership report was produced

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UCSC Ridership Summary

MAY 01, 2015 - MAY 31, 2015

Calendar Operating Days

	This Year	Last Year	
School Term Days	20	21	
Weekdays	21	22	
Weekend Days	10	9	
Total	\$372,093.28	\$369,247.98	\$2,845.30 0.8%
Student Billing	\$17,152.32	\$18,519.35	-\$1,367.03 -7.4%
Staff Billing	\$7,592.62	\$5,480.14	\$2,112.48 38.5%
Total	\$396,838.22	\$393,247.47	\$3,590.75 0.9%

UCSC Revenue

UCSC Monthly System Totals

	Monthly Totals			Year to Date Totals		
	This Year	Last Year*	% Change	This Year	Last Year*	% Change
Students	273,598	279,099	-2.0%	2,338,304	2,186,967	6.9%
Staff & Faculty	12,612	13,998	-9.9%	140,342	141,762	-1.0%
Total	286,210	293,097	-2.3%	2,478,646	2,328,729	6.4%

UCSC System Daily Averages

	School Term Days			Weekdays			Weekend Days		
	This Year	Last Year*	% Change	This Year	Last Year*	% Change	This Year	Last Year*	% Change
Students	11,040	10,991	0.4%	10,515	10,491	0.2%	5,279	5,365	-1.6%
Staff & Faculty	556	594	-6.3%	529	567	-6.5%	149	170	-12.4%
Total	11,596	11,584	0.1%	11,044	11,058	-0.1%	5,428	5,536	-1.9%

8-05B.1

*Previous year statistics may have been updated since last year's ridership report was produced

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Ridership by Route

Attachment C

MAY 01, 2015 - MAY 31, 2015

Route	Corridor	Weekday Ridership	Weekday Average	Saturday Ridership	Saturday Average	Sunday Ridership	Sunday Average	Monthly Ridership
3	Mission/Beach	3,390	161	269	54	231	46	3,890
4/4W	Harvey West/Emeline	3,355	160	214	43	99	20	3,668
8	Emeline	122	6					122
10	UCSC via High St.	28,932	1,378	2,549	510	2,563	513	34,044
12	UCSC East Side District	1,211	61					1,211
15	UCSC via Laurel West	46,628	2,331					46,628
16	UCSC via Laurel East	87,949	4,188	14,536	2,907	10,956	2,191	113,441
19	UCSC via Lower Bay	32,787	1,561	8,041	1,608	6,244	1,249	47,072
20	UCSC via West Side	17,758	846	5,051	1,010	3,457	691	26,266
20D	UCSC via West Side Supp.	14,109	705					14,109
30	Graham Hill/Scotts Valley	711	34					711
33	Lompico SLV/Felton Faire	393	20					393
34	South Felton	95	5					95
35/35A	Santa Cruz/Scotts Valley/SLV	28,867	1,375	4,631	926	3,747	749	37,245
40	Davenport/North Coast	1,837	87	108	22	119	24	2,064
41	Bonny Doon	1,435	68	48	10	44	9	1,527
42	Davenport/Bonny Doon	249	12	53	11	68	14	370
54	Capitola/Aptos/La Selva Beach	107	5	98	20	64	13	269
55	Rio Del Mar	2,826	135					2,826
56	La Selva Beach	551	26					551
66/66N	Live Oak via 17th	11,008	524	2,208	442	1,784	357	15,000
68	Like Oak via Broadway/Portola	7,846	374	1,365	273	1,133	227	10,344
69A	Capitola Road/Watsonville	15,721	749	3,226	645	2,761	552	21,708
69W	Cap. Road/Cabrillo/Watsonville	19,676	937	3,771	754	3,313	663	26,760
71	Santa Cruz to Watsonville	50,261	2,393	9,105	1,821	8,482	1,696	67,848
72	Corralitos	3,118	148					3,118
74	Ohlone Parkway/Rolling Hills	2,009	96	224	45	197	39	2,430
75	Green Valley Road	4,927	235	1,201	240	1,219	244	7,347
77	Civic Plaza / Pajaro	909	43					909
79	East Lake	1,880	90	282	56	278	56	2,440
91X	Santa Cruz/Watsonville Express	16,700	795					16,700
Hwy 17	Hwy 17 Express/AMTRAK	25,517	1,215	4,114	823	4,029	806	33,660
Monthly Total		432,884	20,614	61,094	12,219	50,788	10,158	544,766
Previous Year*		461,565	20,980	64,144	12,829	40,154	10,039	565,863
% Change		-6.2%	-1.7%	-4.8%	-4.8%	26.5%	1.2%	-3.7%

*Previous year statistics may have been updated since last year's ridership report was produced

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DATE: August 14, 2015
TO: Board of Directors
FROM: Angela Aitken, Finance Manager
SUBJECT: CONSIDERATION OF APPROVAL OF AUDIT ENGAGEMENT LETTER WITH BROWN ARMSTRONG ACCOUNTANCY CORPORATION FOR FINANCIAL AUDIT AND TAX SERVICES FOR THE YEAR ENDED JUNE 30, 2015

I. RECOMMENDED ACTION

That the Board of Directors approve and sign the audit engagement letter with Brown Armstrong Accountancy Corporation for financial audit and tax services for the year ended June 30, 2015.

II. SUMMARY

- Attached for review and approval is Brown Armstrong Accountancy Corporation's **Audit Engagement Letter (Attachment A)** for the fiscal year ended June 30, 2015.
- The Audit Engagement Letter states the terms and conditions of the engagement, principally addressing the scope of the engagement and the terms of compensation for Brown Armstrong Accountancy Corporation.
- The Audit Engagement Letter also defines the legal relationship between Santa Cruz Metropolitan Transit District (METRO) and Brown Armstrong Accountancy Corporation and provides a detailed description of the services that will be provided through the audit process.

III. DISCUSSION/BACKGROUND

State law requires that METRO undergo an audit of their financial statements on an annual basis. The statements are to be prepared and presented in conformity with accounting principles generally accepted in the United States of America and must be audited in accordance with auditing standards generally accepted in the United States of America by a firm of Certified Public Accountants licensed to practice in the State of California. The standards for financial audits are contained in Government Auditing Standards, issued by the Comptroller General of the United States, the Single Audit Act Amendments of 1996, and the provisions of OMB Circular A-133 ("Audits of State, Local Governments, and Non-Profit Organizations"). Additional requirements include a separate audit report to indicate METRO's compliance, as outlined by Section 6667 of the California Administrative Code, with the Transportation Development Act (TDA), including Public Utility Code Section 99245; and compliance with all statutes

related to the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA) funding held and received during the year.

On April 12, 2013 METRO awarded a three-year contract with two one-year options to Brown Armstrong Accountancy Corporation in an amount not to exceed \$116,250 for Financial Audit and Tax services for fiscal year 2013-2015.

The audit engagement letter must be signed by management and the Board of Directors. Prior to the fiscal year 2014 audit, the audit engagement letter required only management's approval.

IV. FINANCIAL CONSIDERATIONS/IMPACT

The required funding in the amount of \$39,750 is included in the FY16 current fiscal year's Finance department operating budget within the Accounting / Audit Fees (503011) budget account.

V. ALTERNATIVES CONSIDERED

- It is recommended that the Board approve and execute (sign) the attached Audit Engagement Letter to continue to receive Federal, State and Local grant awards and funding, including Federal Transit Administration (FTA) capital funds and annual Transportation Development Act (TDA) allocations.
- This is the third year of a three year contract; therefore, an alternative is not suggested at this time.

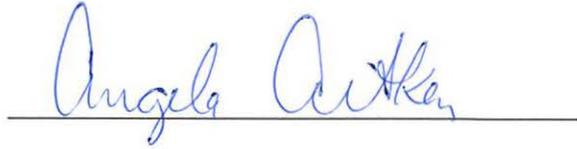
VI. ATTACHMENTS

Attachment A: Brown Armstrong – Audit Engagement Letter

Prepared By: Debbie Kinslow, Assistant Finance Manager

VII. APPROVALS:

Angela Aitken, Finance Manager



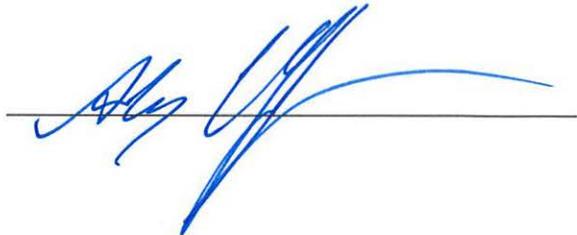
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager

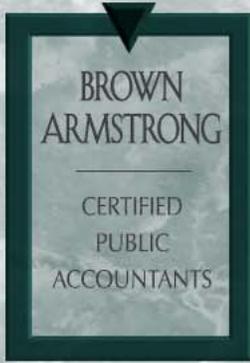


Alex Clifford, CEO/General Manager



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Attachment A



BROWN ARMSTRONG *Certified Public Accountants*

July 14, 2015

To the Board of Directors and
Alex Clifford, CEO/General Manager
Santa Cruz Metropolitan Transit District
110 Vernon Street
Santa Cruz, California 95060-2130

Dear Board of Directors and Mr. Clifford:

We are pleased to confirm our understanding of the services we are to provide the Santa Cruz Metropolitan Transit District (Santa Cruz METRO) for the year ended June 30, 2015. We will audit the financial statements of the business-type activities, including the related notes to the financial statements, which collectively comprise the basic financial statements, of Santa Cruz METRO as of and for the year ended June 30, 2015. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Santa Cruz METRO's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Santa Cruz METRO's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by accounting principles generally accepted in the United States of America and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Schedule of Funding Progress – Defined Benefit Pension Plan
- 3) Schedule of Funding Progress – Other Postemployment Benefits
- 4) Schedule of Proportionate Share of Net Pension Liability
- 5) Schedule of Changes in Net Pension Liability and Related Ratios, if applicable
- 6) Schedule of Contributions
- 7) Schedule of Funding Progress (GASB 68)

We have also been engaged to report on supplementary information other than RSI that accompanies Santa Cruz METRO's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing

BAKERSFIELD OFFICE (MAIN OFFICE)

4200 TRUXTUN AVENUE
SUITE 300
BAKERSFIELD, CA 93309
TEL 661.324.4971
FAX 661.324.4997
EMAIL info@bacpas.com

FRESNO OFFICE

7673 N. INGRAM AVENUE
SUITE 101
FRESNO, CA 93711
TEL 559.476.3592
FAX 559.476.3593

PASADENA OFFICE

260 S. LOS ROBLES AVENUE
SUITE 310
PASADENA, CA 91101
TEL 626.204.6542
FAX 626.204.6547

STOCKTON OFFICE

5250 CLAREMONT AVENUE
SUITE 237
STOCKTON, CA 95207
TEL 209.451.4833

Attachment A

To the Board of Directors and
Alex Clifford, CEO/General Manager
Santa Cruz Metropolitan Transit District
July 14, 2015
Page Two

and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- 1) Schedule of Expenditures of Federal Awards
- 2) Statement of Operating Expenses

Also, we will perform the following additional services as specified by our audit engagement with Santa Cruz METRO for the fiscal year ended June 30, 2015:

- 1) Single Audit Compliance report in accordance with Office of Management and Budget (OMB) Circular A-133 for federal grants and *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, if applicable

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Santa Cruz METRO's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Santa Cruz METRO's internal control and compliance. The OMB Circular A-133 report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions

8-06A.2

Attachment A

To the Board of Directors and
Alex Clifford, CEO/General Manager
Santa Cruz Metropolitan Transit District
July 14, 2015
Page Three

of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Board of Directors of Santa Cruz METRO. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to Santa Cruz METRO or to acts by management or employees acting on behalf of Santa Cruz METRO. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by auditing standards generally accepted in the United States of America.

Attachment A

To the Board of Directors and
Alex Clifford, CEO/General Manager
Santa Cruz Metropolitan Transit District
July 14, 2015
Page Four

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of Santa Cruz METRO and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Santa Cruz METRO's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the OMB Circular A-133 *Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of Santa Cruz METRO's major programs. The purpose of these procedures will be to express an opinion on Santa Cruz METRO's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal awards, and related notes of Santa Cruz METRO in conformity with accounting principles generally accepted in the United States of America and OMB Circular A-133 based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

Attachment A

To the Board of Directors and
Alex Clifford, CEO/General Manager
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Page Five

Management Responsibilities

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within Santa Cruz METRO from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting Santa Cruz METRO involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting Santa Cruz METRO received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that Santa Cruz METRO complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with OMB Circular A-133. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal

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awards that includes our report thereon or make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with OMB Circular A-133; (2) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with accounting principles generally accepted in the United States of America; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

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To the Board of Directors and
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Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditor's reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditor's reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

We will provide copies of our reports to Santa Cruz METRO; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Brown Armstrong Accountancy Corporation and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Department of Transportation or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Brown Armstrong Accountancy Corporation personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Department of Transportation or its designee. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

8-06A.7

Attachment A

To the Board of Directors and
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We expect to begin our audit on approximately August 10, 2015, and to issue our reports no later than December 31, 2015. Ryan L. Nielsen is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$39,750. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

All disputes under this agreement shall be submitted to mediation. Each party shall designate an executive officer empowered to attempt to resolve the dispute. Should the designated representative be unable to agree on a resolution, a competent and impartial third party acceptable to both parties shall be appointed to mediate. Each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceedings shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. In the event that the dispute is required to be litigated, the court shall be authorized to assess litigation costs against any party found not to have participated in the mediation process in good faith.

You have requested that we provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period. Accordingly, our 2013 peer review report accompanies this letter.

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We appreciate the opportunity to be of service to Santa Cruz METRO and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

BROWN ARMSTRONG
ACCOUNTANCY CORPORATION



By: Ryan L. Nielsen

RLN:ogu:jav

Enclosure

Pfx Engagement\74043 6/30/15 Audit\PSR-02-1 DRAFT ALG-CL-1_2 Audit Engagement Letter-Single Audit

RESPONSE:

This letter correctly sets forth the understanding of Santa Cruz METRO.

Management signature: _____

Title: _____

Date: _____



Attachment A

System Review Report

To the Shareholders of
Brown Armstrong Accountancy Corporation
and the National Peer Review Committee of the AICPA

We have reviewed the system of quality control for the accounting and auditing practice of Brown Armstrong Accountancy Corporation (the firm) applicable to non SEC issuers in effect for the year ended October 31, 2012. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based upon our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Brown Armstrong Accountancy Corporation applicable to non SEC issuers in effect for the year ended October 31, 2012, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Brown Armstrong Accountancy Corporation has received a peer review rating of *pass*.


WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
February 8, 2013



DATE: August 14, 2015
TO: Board of Directors
FROM: Angela Aitken, Finance Manager
SUBJECT: CONSIDERATION OF DECLARING THREE (3) NEW FLYER BUSES AND ONE (1) FLOOR SWEEPER AS EXCESS FOR PURPOSES OF DISPOSAL OR AUCTION

I. RECOMMENDED ACTION

That the Board of Directors declare three New Flyer buses and one floor sweeper as ready for disposal or auction and direct the CEO to dispose of the items in conformance with METRO's Regulation Number AR-2020, Fixed Assets and Inventoried Items Policy.

II. SUMMARY

- In accordance with Santa Cruz Metropolitan Transit District's (METRO) policy on disposal of fixed assets, at least once per year the Finance Manager shall recommend to the Board of Directors a list of items to be declared excess with appropriate action for disposal.
- Three (3) New Flyer buses and one (1) floor sweeper have all exceeded their useful life and are no longer needed by METRO.
- Staff recommends that the Board of Directors declare the items listed in Attachment A as excess and direct staff to use appropriate action for disposal.

III. DISCUSSION/BACKGROUND

The following equipment identified in the Excess Vehicle & Equipment Listing (Attachment A) has surpassed its useful life expectancy.

- Costs to repair the buses outweigh their value; therefore, the vehicles are recommended for disposal. All of the buses are fully depreciated. There is no financial obligation to a granting agency with regard to the recommended disposals.
- The floor sweeper was funded with State funds and has a net book value of \$315; there is no financial obligation to a granting agency with regard to the recommended disposal.

FTA Spare Ratio: The FTA requires METRO to maintain a maximum allowed ratio of twenty percent (20%) Fixed Route spare buses to peak run assigned buses. The exceptions are the Highway 17 buses which are considered "Commuter type" and not subject to the 20% spare ratio. For example, if 100

buses are assigned to fixed route at peak runs, the maximum amount of spare buses would be 20 buses, for a total of 120 buses.

In December of 2014 METRO had a spare ratio of 37.5% which was inconsistent with FTA requirements. The FTA made a finding about this in the 2013 Triennial Audit. The three buses going to auction in this report, plus the four approved for auction at the June 26, 2015 board meeting, are all at the end of their life expectancy, which reduces METRO's spare ratio to 27.5%.

Disposal of these assets has been coordinated with management and staff in processing them for disposal and auction if appropriate.

Staff recommends that the Board of Directors declare the items listed in Attachment A as excess and direct staff to use appropriate action for disposal.

IV. FINANCIAL CONSIDERATIONS/IMPACT

The combined estimated gross market value of the buses is \$15,000; all have reached the end of their useful life and are in poor condition. The floor sweeper has been deemed obsolete and is almost fully depreciated; resulting in a net book value of \$315, so there is minimal financial impact as a result of the disposal.

Any revenue generated from the sale of these vehicles and equipment will be recorded as income in the current fiscal year's operating budget to 'Gain / Loss Disposal on Assets' budget account 407090-100.

V. ALTERNATIVES CONSIDERED

- Store the vehicles - This alternative is not recommended because these buses have exceeded their useful life, they are cost prohibitive to repair and the reduction in our fleet will help to improve the agency's rolling stock 'spare ratio calculation.'
- Keep the equipment - This alternative is not recommended because the equipment is obsolete and has exceeded its useful life.

VI. ATTACHMENTS

Attachment A: Excess Vehicle & Equipment Listing – as of August 14, 2015

Prepared By: Debbie Kinslow, Assistant Finance Manager
Al Pierce, Maintenance Manager

VII. APPROVALS:

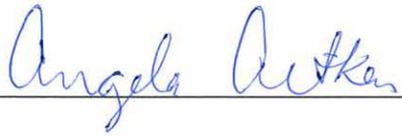
Angela Aitken, Finance Manager



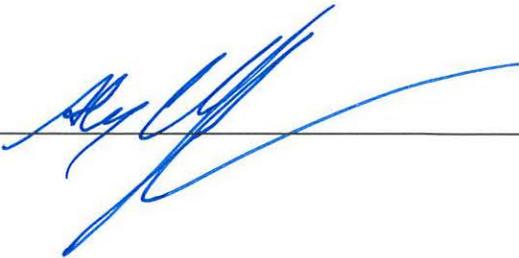
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT										
EXCESS VEHICLE & EQUIPMENT LISTING AS OF 8/14/15										
Vehicle or Asset Tag #	Description	Acquisition Date	Cost	Accumulated Depreciation	Net Book Value	Est. Market Value	Reason for Disposal	Condition	VIN / SN	License #
9802	1998 NEW FLYER-DIESEL	4/20/1998	\$ 286,083	\$ 286,083	\$0	\$ 5,000	END OF LIFE	POOR	5FYD2SL06WU018345	E-1019703
2203	2002 NEW FLYER-CNG	7/25/2002	\$ 358,011	\$ 358,011	\$0	\$ 5,000	END OF LIFE	POOR	5FYC2LP022U024049	1133347
2204	2002 NEW FLYER-CNG	7/25/2002	\$ 359,624	\$ 359,624	\$0	\$ 5,000	END OF LIFE	POOR	5FYC2LP092U024050	1133348
5584	FLOOR SWEEPER	12/1/2008	\$ 5,285	\$ 4,970	\$315	-	OBSOLETE	OBSOLETE	N/A	N/A

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DATE: August 14, 2015

TO: Board of Directors

FROM: Al Pierce, Maintenance Manager

SUBJECT: CONSIDERATION OF REJECTION OF PROPOSAL RECEIVED FROM VISION COMMUNICATIONS CO. AND AWARD OF CONTRACT TO DAY WIRELESS SYSTEMS FOR RADIO SYSTEM MAINTENANCE AND REPAIR NOT TO EXCEED \$177,000

I. RECOMMENDED ACTIONS

- 1) That the Board of Directors authorize the Purchasing Manager to reject the proposal received from Vision Communications Co. for Radio System Maintenance and Repair**
- 2) That the Board of Directors authorize the CEO to execute a contract with Day Wireless Systems for Radio System Maintenance and Repair in an amount not to exceed \$177,000 for a 3-year period**
- 3) That the Board of Directors authorize the CEO to execute future amendments with Day Wireless Systems for the two 1-year options to extend, increasing the contract total for each option year as required**

II. SUMMARY

- The Santa Cruz Metropolitan Transit District (METRO) has a need for Radio System Maintenance and Repair.
- A formal request for proposals was conducted to solicit proposals from qualified firms. Two (2) firms submitted proposals for METRO's review.
- One of the offerors has been found to be non-responsible.
- As provided in the terms and conditions of the RFP, METRO may accept or reject any or all proposals received at its discretion.
- Staff has reviewed and evaluated the proposals, and is recommending that the Board of Directors: 1) Authorize the rejection of one proposal due to the offeror's non-responsibility; 2) Authorize the execution of a contract with Day Wireless Systems; and, 3) Authorize the CEO to execute future contract extensions with Day Wireless Systems.

III. DISCUSSION/BACKGROUND

METRO utilizes the services of an outside vendor to provide repairs, scheduled preventive maintenance, and service for all of its radio communication system equipment, including but not limited to mobile units, base stations, and repeater

units. Vision Communications Co. is METRO's current provider for these services; however, this contract has expired, with no further options to renew.

In November 2014, the Board authorized staff to issue a Request for Proposals for Radio System Maintenance and Repair. On April 30, 2015, METRO legally advertised and distributed Request for Proposals (RFP) No. 15-11 to seven (7) firms, posted notice on its website, and sent email notices to all GovDelivery subscribers. On May 22, 2015, proposals were received and opened from two (2) firms: Day Management Corporation d/b/a Day Wireless Systems, of Benicia, California; and Khavarian Enterprises, Inc. d/b/a Vision Communications Co., of San Leandro, California.

A 3-member evaluation team comprised of METRO staff reviewed and evaluated the proposals, using the following criteria as contained in the Request for Proposals:

Evaluation Criteria	Points
Qualifications and recent experience	30
Understanding of servicing requirements	30
Quality of relevant experience of key staff	20
Experience with similar radio systems	15
References	15
Cost proposal	30
Total Points Possible	140

Staff's initial intention was to recommend an award to Vision Communications Co. However, METRO received a pre-award protest from Day Wireless Systems on the grounds that Vision Communications Co. was not a certified service provider for Motorola equipment, which was a requirement of the RFP. Further investigation revealed that the Vision Communications Co. technician met the certification requirements; however, the business itself is no longer an Authorized Service Partner, and therefore does not meet the qualifications requirement for obtaining the contract.

Day Wireless Systems has been determined to be both a responsive and responsible offeror. Therefore, staff is recommending three actions: 1) That the Board of Directors authorize the Purchasing Manager to reject the proposal received from Vision Communications Co. on the grounds that the offeror is non-responsible; 2) That the Board of Directors authorize the CEO to execute a 3-year contract on behalf of METRO, with two 1-year options to extend, with Day Wireless Systems for Radio System Maintenance and Repair in an amount not to

exceed \$177,000; and, 3) That the Board of Directors authorize the CEO to execute future contract extensions with Day Wireless Systems, one for each of the two option years, increasing the contract total for each option year as required. The estimated annual value of each extension option is \$59,000.

Contractor will provide all services meeting all METRO's specifications and requirements of the contract. Al Pierce, Maintenance Manager, will serve as the Contract Administrator and will ensure contract compliance.

IV. FINANCIAL CONSIDERATIONS/IMPACT

The base value of the contract is \$177,000 for the first three years. Should the remaining two options be exercised, the total five-year value of the contract is anticipated to be \$295,000. Funds to support this contract are included in the Fleet Maintenance FY16 & FY17 Out Repair Equipment (503352) Operating Budgets, and planned for the FY18-20 Operating Budgets.

V. ALTERNATIVES CONSIDERED

- Do not award this contract. Staff does not recommend this option, as there is no in-house staff with the required qualifications and certifications. These services are critical to the functions of METRO, and having a contract in place will ensure continuous radio operations.

VI. ATTACHMENTS

Attachment A: Contract with Day Wireless Systems

Note: A full copy of the Contract is available on request.

Prepared By: Joan Jeffries, Administrative Assistant
Al Pierce, Maintenance Manager

VII. APPROVALS:

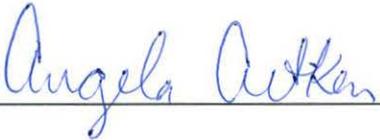
Al Pierce, Maintenance Manager



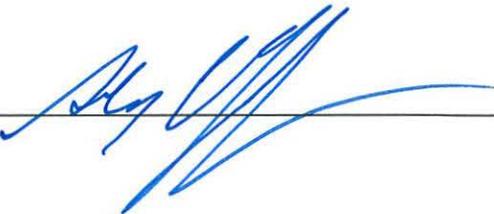
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

PROFESSIONAL SERVICES CONTRACT FOR RADIO SYSTEM MAINTENANCE AND REPAIR (15-11)

THIS CONTRACT is made effective on August 17, 2015 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT ("Santa Cruz METRO"), a political subdivision of the State of California, and DAY MANAGEMENT CORPORATION d/b/a DAY WIRELESS SYSTEMS ("Contractor").

1. RECITALS

1.01 Santa Cruz METRO's Primary Objective

Santa Cruz METRO is a public entity whose primary objective is providing public transportation and which has its principal office at 110 Vernon Street, Santa Cruz, California 95060.

1.02 Santa Cruz METRO's Need for Radio System Maintenance and Repair

Santa Cruz METRO has the need for Radio System Maintenance and Repair. In order to obtain these services, Santa Cruz METRO issued a Request for Proposals, dated April 30, 2015, 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 Radio System Maintenance and Repair and whose principal place of business is 4728 East 2nd Street, Suite 10, Benicia, California 94510. Pursuant to the Request for Proposals issued by Santa Cruz METRO, Contractor submitted a proposal for Radio System Maintenance and Repair, which is attached hereto and incorporated herein by reference as Exhibit B

1.04 Selection of Contractor and Intent of Contract

On June 29, 2015, Santa Cruz METRO selected Contractor as the offeror whose proposal was most advantageous to Santa Cruz METRO to provide the Radio System Maintenance and Repair described herein. This Contract is intended to fix the provisions of these services.

Santa Cruz METRO and Contractor agree as follows:

2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

2.01 Documents Incorporated in this Contract

The documents listed 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 11.14 of the General Conditions to the Contract.

A. Exhibit A

Santa Cruz METRO's "Request for Proposals" dated April 30, 2015, including Addendum No. 1 dated May 18, 2015.

Attachment A

B. Exhibit B (Contractor's Proposal)

Contractor's Proposal to Santa Cruz METRO for Radio System Maintenance and Repair, signed by Contractor and dated May 22, 2015.

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 supersede 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 Part IV, Section 11.14 of, the General Conditions to the Contract.

3.01.02 CONTRACTOR - The Contractor selected by Santa Cruz METRO for this project in accordance with the Request for Proposals issued April 30, 2015.

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 April 30, 2015.

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 **three (3)** years and shall commence upon the execution of the Contract by Santa Cruz METRO.

At the option of Santa Cruz METRO, this Contract agreement may be renewed for **two (2)** additional one (1) year terms upon mutual written consent.

Attachment A

5. COMPENSATION

5.01 Terms of Payment

Santa Cruz METRO shall compensate Contractor in an amount not to exceed the amounts/rates agreed upon by Santa Cruz METRO. Santa Cruz METRO shall reasonably determine whether work has been successfully performed for purposes of payment. Compensation shall be made within thirty (30) days of Santa Cruz METRO's written approval of Contractor's written invoice for said work. Contractor understands and agrees that if they exceed the \$177,000 maximum amount payable under this Contract, they do so at their own risk.

5.02 Invoices

Contractor shall submit invoices with a purchase order number provided by Santa Cruz METRO 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.

Said invoice records shall be kept up-to-date at all times and shall be available for inspection by Santa Cruz METRO (or any grantor of Santa Cruz METRO, 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 Santa Cruz METRO 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.

Santa Cruz METRO

Santa Cruz Metropolitan Transit District
110 Vernon Street
Santa Cruz, CA 95060

Attention: Alex Clifford, CEO

CONTRACTOR

Day Wireless Systems
4728 East 2nd Street, Suite 10
Benicia, CA 94510

Attention: Michael Lewis
MLewis@daywireless.com
(707) 746-5920

Attachment A

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.

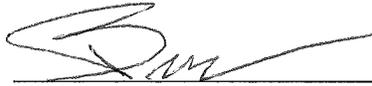
Signed on _____

Santa Cruz METRO –
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Alex Clifford, CEO/General Manager

Contractor –
DAY MANAGEMENT CORPORATION d/b/a
DAY WIRELESS SYSTEMS

Brent McGraw, Vice President of Operations



Approved as to Form:

Leslyn Syren, District Counsel





DATE: August 14, 2015

TO: Board of Directors

FROM: Al Pierce, Maintenance Manager

SUBJECT: CONSIDERATION TO ENTER INTO EASEMENT AGREEMENTS WITH THE SCOTTS VALLEY WATER DISTRICT TO INSTALL A STORM WATER FEATURE IMPROVEMENT AT THE CAVALLARO TRANSIT CENTER IN SCOTTS VALLEY

I. RECOMMENDED ACTION

That the Board of Directors authorize the CEO to execute a Temporary Construction Easement and an Easement Agreement with the Scotts Valley Water District for installation and maintenance of a Low Impact Development (LID) Storm Water Improvement Project at the Cavallaro Transit Center in Scotts Valley

II. SUMMARY

- Santa Cruz Metropolitan Transit District (METRO) operates and maintains the Cavallaro Transit Center in Scotts Valley
- Scotts Valley Water District (SVWD) is requesting authorization to install a Storm Water Improvement Feature at the Cavallaro Transit Center
- The completed project will capture storm water from the parking lot and building roof, directing it to a Detention and Infiltration Tank, then into the aquifer. (Attachment A)
- Staff recommends the METRO Board of Directors authorize the CEO to execute a Memorandum of Understanding with the SVWD for installation and maintenance of a Storm Water Improvement Project at the Cavallaro Transit Center

III. DISCUSSION/BACKGROUND

In September of 2014 SVWD approached METRO regarding installation of a Low Impact Development Storm Water Improvement Project at the Cavallaro Transit Center in Scotts Valley. METRO staff has attended a series of meetings with SVWD and one onsite meeting with SVWD and their consultants to coordinate design, construction impacts and to convey METRO's concerns and requirements.

METRO staff sees this as a very important project for both Agencies and beneficial in the long term effort to sustain the aquifer.

On July 7, 2015 METRO CEO and staff met with SVWD CEO and staff to discuss each Agency's needs and concerns. In order to protect the rights of each party and to delineate the responsibilities, a Temporary Construction Easement is used during the construction phase. To memorialize the parties ongoing rights and responsibilities, an Easement Agreement shall be executed by the parties.

IV. FINANCIAL CONSIDERATIONS/IMPACT

There are no financial impacts to METRO for this project. All costs for construction and maintenance of additional infrastructure will be borne by SVWD in perpetuity.

V. ALTERNATIVES CONSIDERED

- Do nothing is an alternative, but this project has no long term adverse impact to METRO and a positive impact for storm water reclamation and SVWD aquifer.

VI. ATTACHMENTS

Attachment A: Conceptual Design Elements
Attachment B: Temporary Construction Easement
Attachment C: Easement Agreement

Prepared By: Al Pierce, Maintenance Manager

VII. APPROVALS:

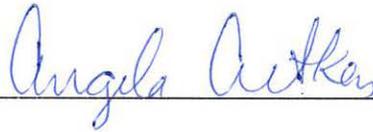
Al Pierce, Maintenance Manager



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



Approved as to fiscal impact:
Angela Aitken, Finance Manager



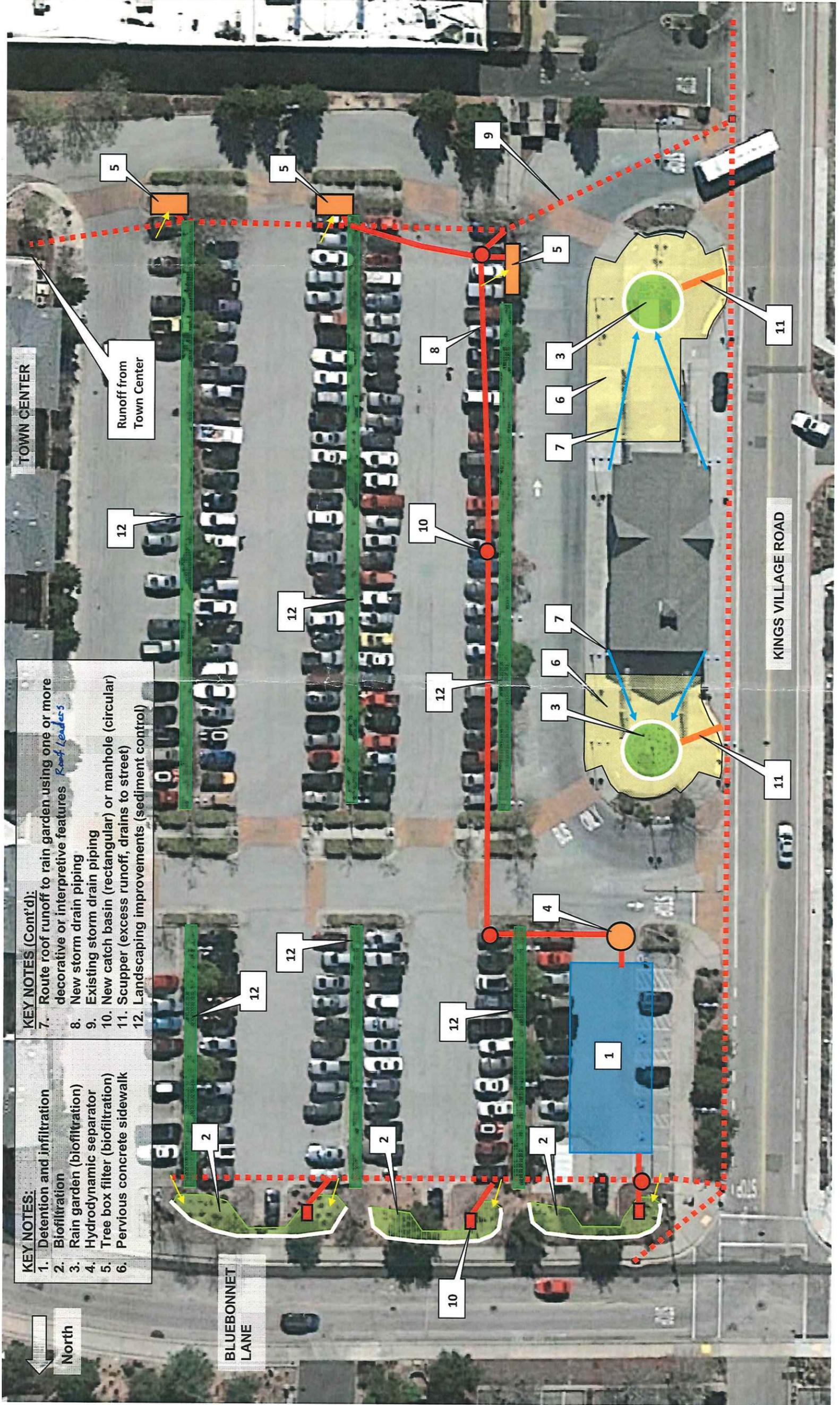
Alex Clifford, CEO/General Manager



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Scotts Valley Water District
 Transit Center Low Impact Development (LID) Retrofit Project

Conceptual Design Elements
 May 12, 2015



- KEY NOTES:**
1. Detention and infiltration
 2. Biofiltration
 3. Rain garden (biofiltration)
 4. Hydrodynamic separator
 5. Tree box filter (biofiltration)
 6. Pervious concrete sidewalk

- KEY NOTES (Cont'd):**
7. Route roof runoff to rain garden using one or more decorative or interpretive features *Roof Leaders*
 8. New storm drain piping
 9. Existing storm drain piping
 10. New catch basin (rectangular) or manhole (circular)
 11. Scupper (excess runoff, drains to street)
 12. Landscaping improvements (sediment control)

TOWN CENTER
 Runoff from Town Center

North

BLUEBONNET LANE

KINGS VILLAGE ROAD

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DATE: August 14, 2015
TO: Board of Directors
FROM: Al Pierce, Maintenance Manager

SUBJECT: RATIFICATION OF LICENSE AND INDEMNITY AGREEMENT FOR COMPRESSED NATURAL GAS REFUELING FACILITY USAGE BETWEEN SANTA CRUZ METROPOLITAN TRANSIT DISTRICT (METRO) AND THE SANTA CRUZ TROLLEY CONSORTIUM

I. RECOMMENDED ACTION

That the Board of Directors ratify the Compressed Natural Gas Refueling Facility Usage Agreement authorizing the Trolley Consortium to refuel trolleys at the METRO fueling facility on a one-year basis

II. SUMMARY

- On July 1, 2015 Santa Cruz Metropolitan Transit District (METRO) received a request from the Santa Cruz Economic Development Office seeking assistance in fueling Trolleys
- The Santa Cruz County Fueling Facility at 701 Ocean Street, Santa Cruz, CA experienced an equipment malfunction with extended lead time on repairs
- METRO and the Santa Cruz Trolley Consortium entered into an Agreement on July 3, 2015 authorizing the use of METRO's fueling facility
- METRO's Board of Directors did not meet in the month of July 2015 and were not presented with this Agreement at that time
- METRO is currently working in partnership with the Trolley Consortium to provide Compressed Natural Gas (CNG) fueling for the City Trolleys
- Staff recommends the METRO Board of Directors ratify the Usage Agreement between METRO and the Consortium

III. DISCUSSION/BACKGROUND

On July 1, 2015 METRO received notice from Ms. Amanda Rotella, Coordinator for the Santa Cruz Economic Development Agency, managing the Santa Cruz Trolley on behalf of the City of Santa Cruz and the Santa Cruz Trolley Consortium.

Ms. Rotella explained that the Santa Cruz County Fueling Facility at 701 Ocean Street, Santa Cruz, CA, where the Trolleys were being fueled, had experienced mechanical malfunctions to their equipment and was inoperable.

Three issues were of concern to Ms. Rotella:

- Repairs to the fueling station were being significantly delayed due to the unavailability of a technician
- Use of the Trolleys would be at its peak, due to the 4th of July holiday, and need to be fueled for this event
- She had received notice from Santa Cruz County Garage that the CNG fueling facility would be permanently closed beginning in the fall of 2015.

Ms. Rotella requested that METRO consider authorizing the fueling of the Trolleys at the METRO fueling facility, 1200-B River Street, Santa Cruz, CA in order to address the upcoming 4th of July holiday issue and to allow Ms. Rotella additional time to address the long-term issue regarding closure of the County Fueling Facility.

METRO's Legal and Maintenance Departments prepared a License and Indemnity CNG Refueling Facility Usage Agreement and Protocol for Fueling the Trolleys to be effective July 3, 2015 through July 3, 2016. This Agreement authorized the use of METRO's fueling facility on a one-year basis and, as a back-up fueling facility specifically for the Trolleys. (See Attachment A).

Due to the Board of Directors not meeting in the month of July, staff is reporting on this agreement in the month of August 2015 and recommending that the Board ratify the Agreement and allow the parties to continue operating under this Agreement.

IV. FINANCIAL CONSIDERATIONS/IMPACT

METRO will be reimbursed for the cost of fuel plus 25% on those reimbursed costs to cover fueling and administrative staff time.

V. ALTERNATIVES CONSIDERED

- Do not authorize fueling of Trolleys at METRO's fueling facility. This is not recommended. Peak tourist season is currently underway; Trolleys transport persons to and from Downtown Santa Cruz and the Boardwalk. Sales taxes are generated, benefitting Santa Cruz City, County and other agencies in the community.
- Propose an alternate fueling site. This is not recommended since alternative sites are Slow Fill sites not meeting the needs of the Trolley Consortium.

VI. ATTACHMENTS

Attachment A: License and Indemnity CNG Refueling Facility Usage Agreement

Prepared By: Al Pierce, Maintenance Manager

VII. APPROVALS:

Al Pierce, Maintenance Manager



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



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

LICENSE AND INDEMNITY AGREEMENT

COMPRESSED NATURAL GAS (CNG) REFUELING FACILITY USAGE AGREEMENT

This COMPRESSED NATURAL GAS (CNG) REFUELING USAGE AGREEMENT (hereinafter "Agreement") is entered into as of July 3, 2015 by and between Santa Cruz Metropolitan Transit District (hereinafter "METRO") and the Santa Cruz Trolley Consortium (hereinafter "Customer"). METRO and Customer are referred to individually herein as a "Party" and collectively as the "Parties." METRO and Customer agree as follows:

GENERAL:

1. METRO is a local public transportation agency with administrative offices located at 110 Vernon Street, Santa Cruz, California and has a compressed natural gas (CNG) fueling facility located at 1200-B River Street in the City of Santa Cruz, in the County of Santa Cruz, California. (hereinafter "Fueling Facility").
2. Customer agrees to purchase and METRO agrees to provide a supply of CNG pursuant to the terms of this Agreement and in accordance with the METRO's applicable natural gas fueling rules.
3. Customer agrees that METRO's Fueling Facility will be used as a back-up fueler on a year round basis.
4. The only vehicles that will be fueled at the Fueling Facility are the two (2) 2002 Chance CNG Rubber Tired Trolleys, Model CNG-28 (hereinafter "Trolleys"). Customer agrees to immediately notify the METRO in writing if the Trolleys are taken out of service or will no longer be in use.

FUELING LOCATION:

5. All CNG Fueling will be provided at the Fueling Facility, using METRO's personnel to operate the Trolleys from the Fueling Facility Entrance.
6. Customer access time shall be mutually arranged and may subsequently be modified by METRO at its sole discretion. Customer and METRO agree to comply with the terms and conditions of the attached Protocol for Fueling the Trolleys (*Attachment A*).
7. Fueling will be accomplished using the fast-fill CNG dispensing system. Customer will park the Trolleys at the entrance of the Fueling Facility, located at 1200-B River Street, Santa Cruz, California. Customer is NOT permitted to drive the Trolleys into the Fueling Facility for safety reasons.
8. Customer and its Contractors and Agents will allow METRO and its employees at the Fueling Facility to facilitate the task of fueling the Trolleys.

Attachment A

TAXES:

9. Customer acknowledges that the use of or sale of natural gas as a motor fuel may be subject to use fuel, sales or other taxes imposed by governmental jurisdictions. While METRO may collect such taxes from Customer as required by applicable laws, METRO makes no representation and undertakes no obligation as to Customer's compliance with Customer's own tax obligations and liabilities.

BILLING:

10. Customer agrees to pay METRO the cost of the CNG fuel utilized including any applicable state and federal taxes, plus an additional twenty-five percent (25%). This pricing formula seeks to recover the cost of METRO's expenses incurred when the Trolleys are fueled.
11. METRO will invoice Customer at the applicable rate(s) for CNG service on a use basis and will send the Customer billings to the following address:

Santa Cruz Trolley Consortium
c/o City of Santa Cruz Economic Development
337 Locust Street
Santa Cruz, CA 95060

12. Customer will send payment to METRO within 30 days of the date on the invoice. Payment will be sent to the address listed below. Access to the Fueling Facility may be interrupted for Customer bills not paid within 30 days.

Santa Cruz Metropolitan Transit District
Attn: Finance Department
110 Vernon Street
Santa Cruz, CA 95060

13. In the event that the Customer is delinquent in payment for two billing cycles, Customer will be prohibited from accessing the Fueling Facility until the balance is paid in full. METRO may terminate this Agreement if Customer is repeatedly delinquent.

TERMS AND TERMINATION:

14. The terms of this Agreement shall remain in full force for a 12-month period beginning on July 3, 2015 and ending at 12:01 a.m., July 3, 2016. It is further agreed that if at any time METRO determines that it is no longer in its best interests to continue to grant this Agreement to Customer, that it can, upon 5 days written notice, terminate this Agreement without further notice or liability of any kind.

COMMUNICATIONS:

15. Either party must designate by written notice any change of address to which formal communications should be sent. Formal communications shall be deemed effective when deposited in the U.S. Mail.

Attachment A

LIABILITY:

16. Customer shall to the fullest extent permitted by law, indemnify and hold harmless METRO and its employees from and against any and all claims, causes of action, demands, losses, judgments, fines, penalties, obligations, liens, and liabilities (including, without limitation, all expenses, attorneys' fees, and costs incurred in investigating or defending against the same) (collectively, "Costs") that are asserted against METRO (i) relating to or arising out of or as a result of Customer's herein permitted use; (ii) that arise out of usage of the "Fueling Facility" pursuant to this Agreement by Customer, or their contractor(s), their respective agents and employees (iii) that are due to any violation of law by Customer, its contractor and/or their respective agents and employees in utilizing the "Fueling Facility"; or (iv) that are due to breach of any of the provisions of this Agreement. The provisions of this Paragraph shall survive termination of this Agreement.

RIGHTS TO DATA:

17. METRO reserves the right to collect, use or distribute all vehicle performance data relating to the Customer's CNG vehicle operations. To the extent that performance data is made publicly available, METRO will aggregate Customer data here possible. Customer specific data will not be disclosed without Customer consent unless such disclosure is required by law.

ASSIGNMENT:

18. Customer may not assign any of its rights under this Agreement, either voluntarily or by operation of law, without METRO's prior written consent, which shall not be unreasonably withheld. No assignment by Customer shall release such assignor from any liability under this Agreement. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns, including without limitation subsequent owners of the "Fueling Facility".

TYPES OF INSURANCE AND MINIMUM LIMITS:

19. Customer, at its sole cost and expense, for the full term of this Agreement (and any extensions thereof), shall obtain and maintain, at minimum, compliance with all of the following insurance coverage(s) and requirements. Such insurance coverage shall be primary coverage shall be primary coverage as respects METRO and any insurance or self-insurance maintained by METRO shall be considered in excess of Customer's insurance coverage and shall not contribute to it. Therefore, Customer hereby acknowledges and agrees that any and all insurances carried by it shall be deemed liability coverage for any and all actions it performs in connection with this Agreement.

* First Transit
Maintains
Insurance
for Customer

- (a) Comprehensive or Commercial General Liability Insurance coverage in the minimum amount of \$5,000,000 combined single limit, including coverage for: (a) bodily injury, (b) personal injury, (c) broad form property damage, (d) contractual liability, and (e) cross-liability.

Attachment A

EXCLUSIVE NATURE AND INTERPRETATIONS:

20. This Agreement does not change the obligations, restrictions or rights contained in other agreements between the parties unless expressly indicated in this Agreement. Customer and METRO agree that all understanding between them regarding this Agreement are set forth or referenced in this Agreement. No agreements, representations, memoranda, or other forms of communication, written or oral, exchanged before the signing of this Agreement, shall be grounds for altering or interpreting the terms of this Agreement.
21. This Agreement shall be construed in accordance with and governed by the laws of the State of California. This Agreement and the obligations of the two parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction over this Agreement (or the successors of those authorities).
22. **NON-INTERFERENCE WITH METRO'S OPERATIONS.** Customer shall utilize this Agreement and the permission granted herein in such a way that it does not unreasonably disrupt METRO's transit operations and shall minimize any inconvenience to METRO's Customers, passengers, invitees, employees or the public. Customer shall also take every reasonable precaution to prevent and avoid damage to the Fueling Facility.
23. **ADVERSE LITIGATION RIGHTS.** METRO has full and sole discretion to control all legal proceedings asserted against METRO. This discretion includes selecting counsel of its choice, selecting mediators, approving settlements, and all related choices associated with legal proceedings. The provisions of this Paragraph shall survive termination of this Agreement.
24. **REIMBURSEMENT FOR EXPENSES AND ATTORNEY FEES.** Each party shall bear its own costs incurred in the preparation and negotiation of this Agreement. Customer shall reimburse METRO for all reasonable costs incurred by METRO as a result of Customer's failure to comply with this Agreement. However, in the event any party shall commence legal proceedings against another party for the purpose of enforcing any provision of this Agreement, or by reason of any breach arising under the provisions hereof, then the prevailing party or parties in such proceedings shall be entitled to reasonable litigation expenses, including attorneys' fees and expert fees, to be determined by the Court.
25. **EXECUTION OF AGREEMENT.** Each signatory hereto warrants to the other parties hereto its authority to sign on behalf of the party for whom he or she purports to sign.
26. **ENTIRE AGREEMENT.** This Agreement sets forth the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior discussions, negotiations, understandings or agreements relating thereto.
27. **TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement.
28. **NO ORAL MODIFICATION.** No alteration or variation of this Agreement shall be valid or binding unless made in writing and signed by the parties hereto.

Attachment A

29. **VENUE.** METRO and Customer hereby stipulate that the proper venue in which any legal proceeding arising between the parties shall be heard is in Santa Cruz County, California Superior Court.

30. **NOTICES.** Any notices required or permitted to be given hereunder shall be given in writing and shall be delivered (a) in person or (b) by a commercial overnight courier that guarantees next day delivery and provides a receipt, and such notices shall be addressed as follows:

To METRO:

Alex Clifford
CEO/General Manager
Santa Cruz Metropolitan Transit District
110 Vernon Street
Santa Cruz, CA 95060-2101

To Customer:

Santa Cruz Trolley Consortium
c/o City of Santa Cruz Economic Development
337 Locust Street
Santa Cruz, CA 95060

31. **COUNTERPARTS; FACSIMILE SIGNATURES.** This Agreement may be executed in one or more counterparts and delivered by facsimile transmission with original signatures to follow, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument.

32. **NO THIRD PARTY BENEFICIARIES.** This Agreement is solely for the benefit of METRO and Customer. Nothing contained in this Agreement shall be deemed to confer on anyone other than METRO and Customer the right to enforce the performance of or compliance with of any of the obligations contained herein.

33. **PARTIAL INVALIDITY.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement shall continue in full force and effect, and the parties agree to substitute for the invalid or unenforceable provision a valid and enforceable provision that most closely approximates the intent and economic effect of the invalid or unenforceable provision.

34. **COMMENCEMENT DATE.** This Agreement shall be effective commencing at 12:01a.m. on July 3, 2015.

35. **RECORDING.** This Agreement shall not be recorded.

36. **RULE OF CONSTRUCTION.** METRO and Customer shall both be deemed to have drafted this Agreement, and the rule of construction that a document is to be construed

Attachment A

against the drafting party shall not be employed in the construction or interpretation of this Agreement.

Attachment A

[SIGNATURES ON FOLLOWING PAGE]

This license is executed on July 3, 2015 by and between:

METRO:



By: Alex Clifford
CEO/General Manager
Santa Cruz Metropolitan Transit District
110 Vernon Street
Santa Cruz, CA 95060-2101
For Alex Clifford, CEO

CUSTOMER:



By: Amanda Potella
Santa Cruz Trolley Consortium
c/o City of Santa Cruz Economic Development
337 Locust Street
Santa Cruz, CA 95060

Attachment A

ATTACHMENT A

PROTOCOL FOR FUELING THE TROLLEY

It is the policy of the Santa Cruz Metropolitan Transit District (METRO) that the following protocol and guidelines shall be followed when a First Transit employee needs to have the Trolley refueled by METRO.

1. When the Trolley needs to be refueled at the Fueling Facility, the First Transit Employee shall perform the following:
 - a) Contact METRO's Fleet Maintenance Department at (831) 429-5455 to arrange for a time to have the Trolley fueled;
 - b) A minimum of 30 minutes notice is required. Fueling of the Trolley can be performed seven (7) days per week 0700 to 1100 hours.
 - c) Fueling of Trolleys will not be performed on METRO observed Holidays.
2. The First Transit employee will park the Trolley in front of the Fueling Facility lanes located at 1200-B River Street. A METRO employee will operate the Trolley to the fueling terminal and when fueling is completed the Metro employee will drive the Trolley out of the fueling facility.
3. In the event that fuel offloading is taking place, Trolleys are to be staged at the City Garage parking lot, First Transit employees will await for offloading to be completed before positioning the trolley/s at the fueling facility. METRO employees will advise when it is safe to drive onto the facility.
4. First Transit employees are NOT permitted to drive the Trolley into the Fueling Facility lanes nor fuel the Trolley for safety reasons.
5. At the time of fueling the Trolley, the METRO employee will obtain a reading off the pump. This reading will be recorded on a Fuel Tracking Sheet so that METRO can accurately bill the Customer for the amount of CNG fuel used.
6. The cost per gallon of CNG fuel will be included on the Fuel Tracking Sheet. METRO's Fleet Department will calculate the number of gallons of CNG used, times the cost per vapor gallon equivalent, times 25%, which equals the amount to be billed to the Customer.
7. Once this amount is obtained, the Fleet Department will send an email to the Finance Department on a weekly basis for the A/R System to be updated.



DATE: August 14, 2015
TO: Board of Directors
FROM: Liseth Guizar, Safety, Security & Risk Manager
SUBJECT: CONSIDERATION OF SECURITY COVERAGE OPTIONS AT PACIFIC STATION

I. RECOMMENDED ACTION

That the Board authorize the change in security coverage at Pacific Station by approving Option 3 and authorize the additional budget authority to the Security Services Operating account

II. SUMMARY

- The Santa Cruz Metropolitan Transit District (METRO) has a need for Security Guard Services.
- On June 1, 2015, METRO entered into a contract with First Alarm Security and Patrol, Inc. for contracted security services at select METRO facilities.
- On June 26, 2015, the Board requested an analysis of security functions and coverage options for Pacific Station.

III. DISCUSSION/BACKGROUND

METRO currently utilizes contracted security services at select METRO facilities. These services help ensure the safety of the public, METRO employees, and protect METRO property. Some of the services provided by the security guards include conducting foot patrols at two transit facilities, providing protection of METRO employees during Ticket Vending Machine revenue retrieval, conducting fare box vault processing services and performing other duties as requested.

On June 1, 2015, METRO entered into a three-year contract with First Alarm Security & Patrol, Inc. (First Alarm) for an amount not to exceed \$1,830,000. This amount includes security protection at METRO's temporary facility on Dubois Street and its contribution to the Harvey West Patrol, both of which are expected to end once the Operations facility transitions to the new Judy K. Souza Operations Building and will result in a cost savings to METRO.

As a result of the structural deficit and in an attempt to reduce METRO's operating costs, the CEO reduced all department budgets to FY14 actual expenses, resulting in a security services budget of \$460,000 per year. Concurrently, the billing rate for unarmed guards under the new contract with First Alarm increased from the prior contract and includes cost of living increase

each year. As a result of the reduction in budget and the increased cost of services, nearly \$100,000 more would be required to support the status quo 24/7 security services at Pacific Station.

The \$100,000 shortfall resulted in a reduction in security coverage at Pacific Station to only the hours in which METRO buses are in service. This change would reduce the security protection hours at Pacific Station, which is currently staffed 24 hours/day, 7 days/week, to 21 hours/day during weekdays and 18 hours/day on weekends. Security coverage in Watsonville would not be affected by such changes as protection at the Watsonville Transit Center is already limited to only hours of service.

At the June 26, 2015 meeting, the Board requested an analysis of the cost of security services and the proposed changes. The following is an analysis of the cost of keeping the security staffing at its current levels along with two other options: reducing hours of coverage and/or maintaining 24-hour coverage at Pacific Station with reduced staffing.

Option 1 - Current Coverage (Status Quo)

The cost to maintain the coverage provided under the previous security contract at the billing rate of the existing contract would cost METRO approximately \$557,800 in FY16. However, upon inception of the new contract on June 1st, 2015, security staffing reductions and other efficiencies were made which reduced the estimated FY16 costs to an estimated \$516,500.

Currently, METRO maintains security coverage at Pacific Station 24 hours/day, 7 days/ week. In addition to routine foot patrols, this coverage includes the following services:

- Lost & Found Services - Guards retrieve lost and found items from various METRO sites, log the items and submit them to Customer Service for processing
- Ticket Vending Machine (TVM) protection - Guards accompany METRO staff to provide protection when retrieving revenue from the TVMs
- Additional swing shifts at Pacific Station on the weekends and during special downtown events
- Additional hours are allotted for special assignments, training of new guards, contractual holiday overtime pay, patrolling of problematic bus stops upon request, allowing MAC members access to secure areas at Pacific Station during MAC meetings, and additional officers for high-

density downtown events such as Fourth of July, Halloween and New Year's Eve

Other services provided by First Alarm include:

- Vaulting - Guards retrieve revenue from fare boxes six days per week and reload the fare boxes with bus passes and other fare media
- Site Supervisor – Provides regular METRO and transit-specific training to all officers, sets schedules, reviews/retrieves security footage at transit centers, produces security report packets for METRO, is on-call, fills in for shifts during emergency call-offs and conducts regular site visits to non-protected sites, among other duties
- Watsonville Transit Center Foot Patrol
- Foot patrols at other METRO facilities
- Harvey West Night Patrol - METRO contributes to the Harvey West Association's contract which patrols the area in which METRO's temporary Operations yard is located

Option 1 - Current Coverage (Status Quo)	
Site	FY16 Costs
Pacific Station Weekday	\$145,600
Pacific Station Weekend	\$58,100
Total Pacific Station Costs	\$203,700
Watsonville Transit Center	\$176,300
Vaulting	\$57,000
Site Supervisor	\$61,000
Additional Coverage (special events, protection during TVM retrieval, training & relief pool)	\$18,500
Total Costs	\$516,500

Option 2 - Reduced Hours at Pacific Station

This option would entail reducing the security coverage at Pacific Station to cover only the hours in which METRO buses are in service. This change would reduce security protection on the weekdays to 21 hours/day and 18 hours/day on the weekends. The additional weekend swing shifts and lost and found retrieval services would be eliminated. In addition, the Site Supervisor would be

scheduled as foot patrolman on select days. The reduced coverage costs for FY16 are projected to be \$460,000. Option 2 reflects the current budgeted security level for Pacific Station.

Option 2- Reduced Hours of Coverage	
Site	FY16 Costs
Pacific Station Weekday	\$128,000
Pacific Station Weekend	\$42,000
Total Pacific Station Costs	\$170,000
Watsonville Transit Center	\$176,300
Vaulting	\$57,000
Site Supervisor	\$38,200
Additional Coverage (special events, protection during TVM retrieval, training & relief pool)	\$18,500
Total Costs	\$460,000

Option 3 - Maintain 24/7 Coverage with Reduced Staffing

The cost to maintain 24-hour coverage at Pacific Station with reduced staffing levels is estimated to be \$484,700. This would entail limiting the lost and found retrieval days, eliminating the additional weekend swing shifts and scheduling the Site Supervisor as foot patrolman on select days each week.

Option 3 – Maintain 24/7 Coverage with Reduced Staffing	
Site	FY16 Costs
Pacific Station Weekday	\$152,300
Pacific Station Weekend	\$56,000
Total Pacific Station Cost	\$208,300
Watsonville Transit Center	\$176,300
Vaulting	\$57,000
Site Supervisor	\$24,600
Additional Coverage (special events, protection during TVM retrieval, training & relief pool)	\$18,500
Total Costs	\$484,700

Other Options Explored

METRO staff researched the option of collaborating or “piggybacking” with the City of Santa Cruz and the County of Santa Cruz, who also use contracted security services. Both agencies concurred that this would not result in a cost savings to METRO since both of their billing rates for unarmed guards are substantially higher than METRO’s rates. This is due to the fact that contractors with both the City and the County must comply with local living wage ordinances, thus increasing their billing rates.

After reviewing the above options, METRO staff recommends that the Board implement Option 3, which would maintain 24/7 security coverage at Pacific Station with reduced staffing.

IV. FINANCIAL CONSIDERATIONS/IMPACT

The Risk Department’s FY16 Security Services (503171) Operating Budgets currently has allocated \$460,000 in funding. Implementing Option 3 would require an increase of \$25,000 to the Security Services budget authority. The funding for this action will be offset by FY16 favorable Operating budget variance.

V. ALTERNATIVES CONSIDERED

- Do nothing. The FY16 budget has \$460,000 allocated for security services. Doing nothing would result in the implementation of Option 2, which would reduce the security coverage hours at Pacific Station.

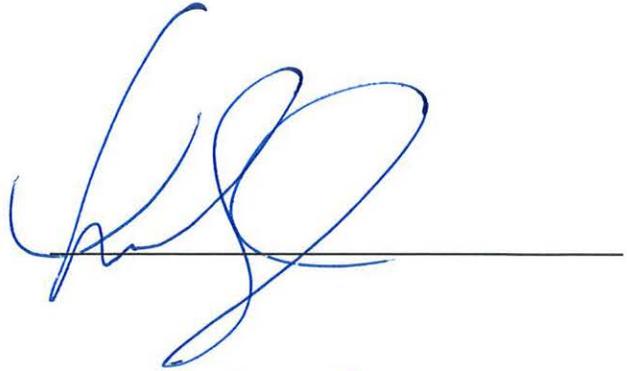
VI. ATTACHMENTS

Attachment A: August 6, 2015 Letter from Kevin Vogel, Chief of Police

Prepared By: Liseth Guizar Safety, Security & Risk Manager

VII. APPROVALS:

Liseth Guizar,
Safety, Security & Risk Manager



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



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager





P O L I C E D E P A R T M E N T

155 Center Street, Santa Cruz, CA 95060 • (831) 420-5810 • Fax (831) 420-5811
Kevin Vogel, Chief of Police

August 6, 2015

Mr. Dene Bustichi, Chair
Santa Cruz Metro Board of Directors
110 Vernon Street
Santa Cruz, CA 95060

Dear Chair Bustichi:

On August 5, 2015, I met with Santa Cruz Metro CEO/General Manager Alex Clifford to discuss the issue of security services at the Pacific Station. Mr. Clifford reached out to me following a conversation he had with Police Lieutenant Warren Barry and after I sent a letter to the Santa Cruz Metro Board of Directors expressing concern over the plan to reduce 24-hour per day security services at the Pacific Station. Pacific Station is in the heart of our downtown business district and generates a higher-than-average volume of police calls for service than other businesses in the area. Maintaining 24-hour per day security services at the Pacific Station is critical for public safety, both on the property itself and the areas immediately adjacent.

We had a productive meeting and I am pleased to tell you that CEO/General Manager Clifford presented a security services plan that meets the needs of both the Santa Cruz Metro and the Santa Cruz Police Department. I appreciate Mr. Clifford's approach to this issue, specifically his concern about public safety in the area and his willingness to maintain 24-hour per day security services at the Pacific Station.

I appreciate the partnership we have with both CEO/General Manager Clifford and the Santa Cruz Metro and I look forward to working together in the future.

Sincerely,

Kevin Vogel
Chief of Police

Cc: Santa Cruz Metro Board of Directors
Mr. Alex Clifford, CEO/General Manager

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DATE: August 14, 2015
TO: Board of Directors
FROM: Thomas Hiltner, Acting Planning & Grants Manager
**SUBJECT: RECEIVE A FINAL REPORT ON THE CONCEPTUAL REDESIGN OF
PACIFIC STATION AND A LIFE OF PROJECT BUDGET**

I. RECOMMENDED ACTION

That the Board of Directors receive a final report on the conceptual redesign of Pacific Station and a Life of Project Budget

II. SUMMARY

- Santa Cruz Metropolitan Transit District (METRO) and the City of Santa Cruz have been working in partnership since 2000 to redevelop Pacific Station.
- METRO contracted with Group 4 Architecture Research + Planning (Group 4) in June 2013 to produce a preferred redesign concept for Pacific Station.
- Group 4 received input from METRO operations, stakeholders and the general public to determine the desired land-use program for Pacific Station.
- An Ad-hoc Board committee received periodic updates and advised the core project management team on a preferred strategy as the project evolved.
- The Board amended Group 4's contract in June and October 2014 to consider an expanded site which incorporated an adjacent parcel into the alternative designs.
- Towards the end of the project, the project management team and the principals of an adjacent, proposed mixed-use project engaged in broader design considerations incorporating both sites into a joint development concept.
- Group 4 presented the preferred conceptual design alternatives to the METRO Board on 6/26/15.
- The Final Report (Attachment A) documents the process, analysis and deliverables leading to the preferred alternative and details the next steps to redevelop Pacific Station.
- Grant funds have paid 91.6% of the expansion and renovation effort from environmental review through conceptual design.
- Federal Transit Administration and State of California grant funds have paid \$9,292,793, which is 96.8% of project costs, between 2000 and 2008 to design the expansion and renovation of Pacific Station.
- Staff recommends that the Board receive the Conceptual Development Strategy report from Group 4 and a financial accounting of the expansion and renovation of Pacific Station

III. DISCUSSION/BACKGROUND

Background

Planning for the expansion and renovation of Metro Center began in 2000. At that time, METRO acknowledged that the transit center was inadequate and inefficient and could not serve future service expansion. In addition, the poor design of the terminal roof, windows and plumbing had already begun to create maintenance problems. METRO was leasing an adjacent property for bus layover parking. Although downtown Santa Cruz had been substantially rebuilt since the 1989 earthquake, no renewal had occurred south of Cathcart Street except for 1010 Pacific Avenue, and the City of Santa Cruz had a keen desire to improve the form and function of Metro Center. The two parties formed a partnership

METRO and the City of Santa Cruz (City) formed a partnership through a Memorandum of Understanding in 2000 to expand and renovate Metro Center as “Pacific Station.” METRO’s goal for redevelopment is to create a safe, efficient public transit center which meets the transportation needs of the community. The City’s goal is to create a vibrant, transit-oriented, mixed-use development which integrates well into the urban design of downtown Santa Cruz.

In 2000, ROMA Design prepared preliminary designs for the expansion and renovation of Pacific Station. This contract was funded by the City to produce designs for a 5-story development which included housing and parking above the transit operating tarmac. The preliminary design was the basis for a subsequent Environmental Impact Report prepared to meet federal requirements for the acquisition of the adjacent parcel to expand the site.

Conceptual Design Project

The METRO Board contracted with Group 4 Architecture, Research + Planning (Group 4) on 6/28/13 to develop alternative conceptual designs that would meet these goals. This contract is funded from two Federal Transit Administration grants in 2006 and 2008 totaling \$886,000, which have been used to pay 80% of the contract cost (\$669,016); local funds paid the remainder (\$167,254).

From the outset, the Conceptual Design project included substantial, ongoing participation of City and METRO Departments, stakeholders, passengers and the public. The METRO Board and City Council gave strategic direction at key junctions. Group 4 collected and evaluated input beginning with the preferred land uses for the site all the way through choosing design standards that represented community values for the structure. As the project progressed, deeper analysis revealed that some of the design ideas were infeasible due to market conditions, cost, location, site constraints or community preference. Each

step narrowed the possibilities into fewer and fewer designs as the better alternatives were refined and synthesized.

One of the earliest project tasks was to assess the bus operating needs and produce a design which optimized efficiency and safety and enabled future system growth. Mark Thomas and Company, the transit system consultant on the project, quickly discerned that the existing site was too constrained to meet the operating growth objectives. Expanding the tarmac could facilitate an optimal operating configuration. The Board amended the Group 4 contract in June 2014 to produce alternative designs for both the existing site and an expanded site. Because of its superior operating characteristics, the expanded site became the preferred concept.

At the same time that Pacific Station was undergoing conceptual redesign, Devcon Investments, LLC / LHH Partners, LLC (Devcon) had been planning a mixed-use project on approximately 2 acres extending from Pacific Station to Laurel Street. In January 2015, the Board authorized additional funds for Group 4 to join a design charrette with the architects and planners from METRO, Devcon and the City to explore the feasibility of a joint development which could produce a superior urban design, cost savings and construction staging advantages which would benefit the larger redevelopment of Pacific Avenue. The final report includes designs and recommendations from that effort.

On 6/26/15, Group 4 presented its conceptual design recommendations to the Board. Option 1 uses the original site plus an adjacent parcel to optimize transit operations and stack all retail, parking and housing uses in a 5-story structure above the operating tarmac. Option 2 portrays a joint development concept with Devcon on a 4-acre site extending from Pacific Station southward to Laurel Street between Pacific Avenue and Front Street.

Following analysis of the redevelopment options and recommendation of preferred alternatives, the final report details the next steps necessary to implement redevelopment of Pacific Station:

- Determine the City's capacity to fund public parking, if any, in the project.
- Develop partnership roles and cost-sharing agreements.
- Create a funding strategy.
- Perform an Environmental Impact Review.
- Acquire Right-of-Way.
- Apply for grant funding.
- Solicit a Developer.
- Produce Engineering Documents.
- Construct Pacific Station.

Life to Date Budget for Expansion and Renovation of Pacific Station

METRO has spent state and federal grant funds along with the requisite local matching funds for preliminary design, an environmental impact report, right-of-way acquisition, site decontamination, construction of a bus layover lot, modifications to the terminal building and the recently concluded conceptual design project for the expansion and renovation of Pacific Station. \$240,000 in federal local and funds remains obligated to the project, and METRO designated the last installment of FY14 Proposition 1B funds, \$5,949,126 to the project.

Upon receiving a final presentation on the conceptual design phase on 6/26/15 from Group 4 Architecture, Research + Planning, the Board requested a report on the lifetime spending on the project. The following tables show a Life of Project Budget with expenditures to date:

Pacific Station Expansion and Renovation Life of Project Budget

Source	Revenue			Total	Balance
	Federal	State	Local		
CA Congestion Relief (2000)	-	1,000,000	85,576	1,085,576	-
FTA grant CA-03-0730 (2005)	1,457,667	-	-	1,457,667	-
FTA grant CA-04-0021 (2006)	396,000	-	99,000	495,000	143,772
FTA grant CA-04-0102 (2008)	490,000	-	122,500	612,500	95,154
CA Prop.1B PTMISEA (2014)		5,949,126		5,949,126	5,949,126
Total	\$2,343,667	\$ 6,949,126	\$ 307,076	\$ 9,599,869	\$6,188,052

Expenditure/Obligations

	NTE	Spending	Balance
Environmental Review + Legal (2002)	282,037	(282,037)	-
Right-of-Way, 425 Front Street (2010)	2,214,123	(2,214,123)	-
Layover lot construction (2011)	35,417	(35,417)	-
Terminal Modifications (2011)	11,666	(11,666)	-
City of Santa Cruz MOU (2000)	191,684	(40,796)	150,888
Group 4 Contract (2013)	836,270	(823,855)	12,415
Santa Cruz County EHS (2014)	10,000	(3,923)	6,078
METRO Direct Labor (2014)	69,546	-	69,546
ROW, Construction (2017-18?)	5,949,126	-	5,949,126
Total	\$9,599,868	(3,411,816)	\$6,188,052

Staff recommends that the Board receive the *Conceptual Development Strategy Report* and the Life to Date Budget for Pacific Station.

IV. FINANCIAL CONSIDERATIONS/IMPACT

The Group 4 contract for the conceptual design services is \$836,270. Federal Transit Administration grants pay 80% (\$669,016) of total project costs and METRO pays the remaining 20% (\$167,254) from local capital funds.

The two tables in the previous section present a Life of Project Budget for the overall expansion and renovation of Pacific Station through completion of the Conceptual Development Strategy Report.

V. ALTERNATIVES CONSIDERED

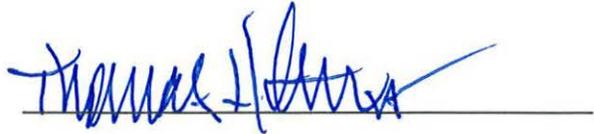
- Do not receive the Conceptual Development Strategy Report and financial information on Pacific Station redesign. Staff does not recommend this alternative. Group 4 has completed the scope of work for Pacific Station conceptual redesign project, and the Board requested financial information on the expansion and redevelopment of Pacific Station.

VI. ATTACHMENTS

Attachment A: Pacific Station *Conceptual Development Strategy Report*

VII. APPROVALS:

Thomas Hiltner, Acting Planning
and Development Manager



A handwritten signature in blue ink, appearing to read "Thomas Hiltner", is written over a horizontal line.

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



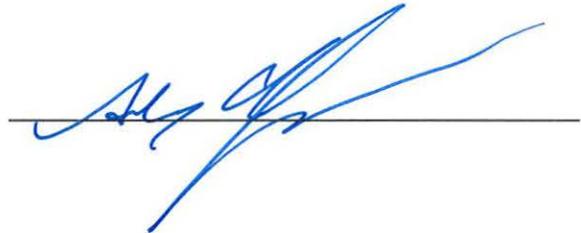
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Approved as to fiscal impact:
Angela Aitken, Finance Manager



A handwritten signature in blue ink, appearing to read "Angela Aitken", is written over a horizontal line.

Alex Clifford, CEO/General Manager



A handwritten signature in blue ink, appearing to read "Alex Clifford", is written over a horizontal line.

Santa Cruz Metropolitan Transit District
City of Santa Cruz

Re:Imagine Pacific Station

Conceptual Development Strategy Report August 5, 2015
Volume I



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SYNOPSIS

The project will be the first West Coast example of transit-oriented development incorporating a bus station, public parking and housing. Additionally, this development strategy will be unique in its partnership with a regional health clinic which in turn will benefit from the direct proximity to public transit. Located in the heart of Santa Cruz's main street, the reconstructed Pacific Station will be the capstone of post-earthquake downtown redevelopment as well as a landmark portal for more than 10,000 daily riders.

This project will be realized through a partnership between Santa Cruz Metropolitan Transit District (referred to hereafter as METRO), the City of Santa Cruz, and a private developer. Funding for the project will be through revenue generated from market rate housing and affordable housing grants, parking district revenue and bonds, New Market Tax Credits for the health clinic and State of California and Federal Transit Administration development grants. The project's mix of program elements are expected to be very competitive for United States Department of Transportation TIGER Grants.

This Conceptual Development Strategy Report identifies six different development options that provide the framework to guide METRO Board and the City Council direction on property acquisition, project entitlement, and funding. A preferred option that will maximize project benefits is a seven story, \$97M project comprised of 143,500 gross square feet of habitable space on an enlarged site including the integration of City Parking Lot 12 and the purchase of 333 Front Street and totaling approximately 2.13 acres. This option has a ground level bus terminal with 20 shallow-angle sawtooth berths, ground level customer service and information booth, second floor METRO offices, a third floor health clinic, 4 levels of housing, and over 500 public and residential parking spaces.

Partial funding is already in place and remaining funds will be sought through a developer solicitation and grant applications. The Pacific Station is prepared to move into implementation phases which will include the grant applications and developer solicitation, a prerequisite for the project to have received its entitlements (CEQA and NEPA), including the city enacting the proposed planning guidelines overlay to allow the development to reach a 75' height limit along Pacific Avenue.

Attachment A

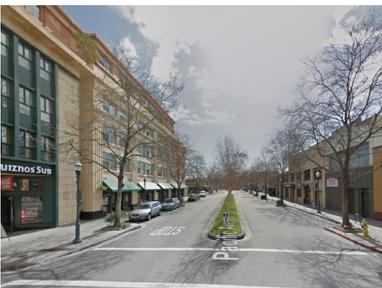
i. EXECUTIVE SUMMARY



Pacific Station today interrupts the successful fabric of Pacific Avenue and Front Street



Pacific Avenue has been rebuilt into a vibrant, mixed-use cultural, commercial, and residential core



Pacific Avenue's wide, tree-lined sidewalks host a variety of ground level shopping, entertainment, and dining

INTRODUCTION

Since its formation in 1967, the Santa Cruz Metropolitan Transit District has provided public transportation connecting residents within Santa Cruz County and beyond. METRO's Mission Statement states: "To provide a public transportation service that enhances personal mobility and creates a sustainable transportation option in Santa Cruz County through a cost-effective, reliable, accessible, safe, clean and courteous service."

Pacific Station was constructed in 1984 and has served as a multi-modal station for METRO operations and a primary entry into the City of Santa Cruz. Today, three decades of continuous operation has taken its toll upon the existing Pacific Station facility as 10,000 daily riders pass through its doors. The current building and site are outdated both functionally and operationally. The facility is in great need of repair and significant accessibility, safety, and functional improvements are necessary to meet the mobility needs of today and into the future. Because of the awkward siting of the terminal and very wide bus drive aisles, Pacific Station today interrupts the successful fabric of Pacific Avenue and Front Streets and is perceived as a dividing point between the successful upper and lagging lower Pacific Avenue. This context has its genesis in the rebuilding of Santa Cruz following 1989's Loma Prieta earthquake.

Five years after the construction of Pacific Station, the Loma Prieta earthquake struck the Bay Area. Significant damage was caused in downtown Santa Cruz, spurring the adoption of the 1991 Downtown Recovery Plan. In the past 25 years, much of the downtown has been effectively redeveloped through the successful implementation of this plan and its design guidelines. Today, Pacific Avenue has been rebuilt into a vibrant mixed use cultural, commercial, and residential core centered on Pacific Avenue. Pacific Avenue's wide, tree-lined sidewalks host a variety of ground level shopping, entertainment and dining, creating an active street life of cafes, public art, musicians and artists. The City wishes to extend this pattern of successful development by encouraging additional mixed use development, building additional public parking, and supporting the construction of new affordable housing on Pacific Avenue south of Cathcart Street. This drive to once again make Pacific Avenue whole can be seen in the partnership between METRO and the City.

METRO and the City have long shared the vision of joining forces to maximize the benefits of Pacific Station's central location and redevelop the station and develop its air rights into a landmark downtown anchor. To accomplish this goal METRO and the City have formed a partnership where the City is adding an adjacent City-owned small parking lot and economic development expertise to METRO's property and transit facility development expertise in order to facilitate a successful mixed-use, transit-oriented development.

PROJECT VISION

METRO and the City of Santa Cruz endeavor to create a world-class transit-oriented development serving the City of Santa Cruz, the County, and beyond. As described above, a successful project will integrate METRO, City, and developer goals to redefine lower Pacific Avenue. Since METRO began studying this integrated transit-oriented development approach in 2002, very similar projects have been completed in Kent, Ohio, and La Crosse, Wisconsin. These projects can serve as benchmarks for successfully integrating transit facilities into urban settings, building programs and funding goals.

PROJECT BACKGROUND

The Re:Imagine Pacific Station project was funded by a significant grant from the Federal Transit Administration for the design and planning of the expansion and renovation of Pacific Station. In 2013, METRO solicited Requests for Proposals for the Conceptual Development Strategy of a new Pacific Station Transit Center. In June 2013, METRO hired a multidisciplinary consultant team of architects, engineers, planners, and economists headed by Group 4 Architecture, Research + Planning, Inc. to explore the viability of development options and gather stakeholder and community input to assist the METRO Board and City Council in determining the best possible project. Contained in this Report, the design team has created a development framework for METRO and the City of Santa Cruz by incorporating input from the public-at-large, stakeholders, Santa Cruz City Council, and the METRO Board of Directors.

PACIFIC STATION CONSULTANT TEAM

Prime Design Consultant: Group 4 Architecture, Research + Planning, Inc.
Transportation Engineering: Mark Thomas and Company
Landscape: Merrill Morris Partners
Cost Estimating: Mack5
Housing: Van Meter Williams Pollack
Structural Engineering: TTG
Parking: Watry
Code Consultant: Jensen Hughes
Environmental Planning: Strelow Consulting
Environmental Engineering: Weber-Hayes and Associates
Economic Analyst: BAE Urban Economics
Spanish Translation Services: Santa Cruz Spanish
Social Media Services: Group 4 Architecture, Research + Planning
Project Management: Santa Cruz Metropolitan Transity Authority

COMMUNITY OUTREACH

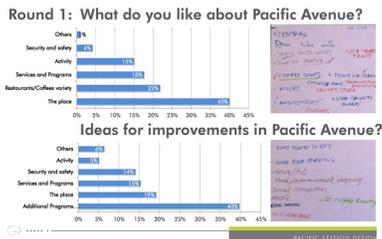
Through a highly participatory process, the project team brought together a diverse cross-section of Santa Cruz County residents. In order to guide this process, Group 4 created a Project Management Team (PMT) consisting of the METRO CEO, METRO Staff, and City of Santa Cruz Staff that met at regular intervals to proactively manage the project. Through public meetings across Santa Cruz and semi-monthly project team meetings, the PMT identified



*Existing METRO Pacific Station
Overall Tarmac*

Attachment A

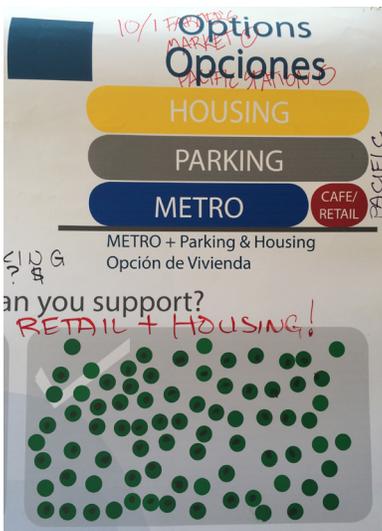
i. EXECUTIVE SUMMARY



Community Outreach Round #1:
Pacific Station Opportunities



Community Outreach Round #2:
Design Values Results



Community Outreach Round #3:
Transit-Oriented Development
Options

key station needs, developed a range of building programs, and prepared a recommendation for optimal site usage within the parameters of the Santa Cruz Planning Guidelines.

Over one thousand individuals gave input to the project through three rounds of Community engagement that included kiosks at the downtown farmers market, Pacific Station, and the First Friday Art Walk, as well as over thirty focus groups with constituents including transit unions, local businesses, and City departments. This input provided the Ad Hoc Committee and PMT with significant information upon which to base their decisions. These meetings had the added value of engaging the community in the project at an early stage and have led to ongoing community engagement through social media including Facebook, Twitter, Civinomics, and SpotMojo.

There was support for many uses with housing and parking amongst the top five. The primary improvements included additional people spaces, the facility, restrooms, a cafe, and safety and security. The community overwhelmingly supported a project that will integrate into the existing urban fabric, incorporate sustainable strategies, and had warmth and human scale.

PROJECT GOALS

In parallel to the project’s Community Outreach, the design team was tasked with evaluating the development of a range of options for a mixed-use, transit-oriented development. These goals prioritized the following:

- Provide a modern transit station that integrates well into the urban fabric of Downtown Santa Cruz
- Facilitate access to public transportation, ease of transfer between buses and access to Santa Cruz’s retail and office district
- Efficient public transit bus operations
- Highly functional passenger service with exceptional amenities
- Potential auxiliary land uses suitable for proximity to a busy transit terminal
- Mixed-use development is preferable

Additional METRO goals for a successful project can be found in the ‘Project and Stakeholder Goals’ section of the Report.

METRO TARMAC, TERMINAL + TOD REQUIREMENTS

The base project site is the approximately 1.5 acres that includes the existing Pacific Station terminal and layover lots plus the city parking lot:



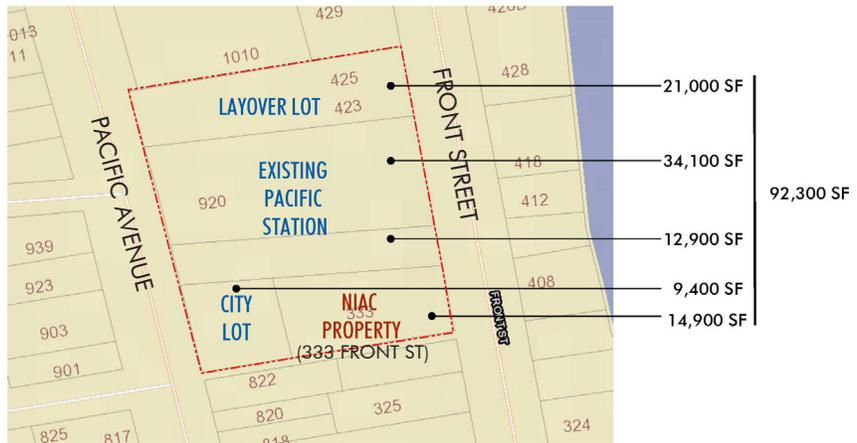
Existing Site Aerial View

In order to determine the project parameters, the consultant team explored a wide range of bus tarmac and terminal configurations for the combined existing Pacific Station site and adjacent City parking lot. As preliminary tarmac design alternatives were developed the limitations of the project site to meet primary transit, accessibility, and safety functions were established. Without the 333 Front Street parcel, METRO operations were not feasible given their bus berthing needs. As a result, the METRO Board authorized Conceptual Development Strategy alternatives for an expanded site to include the adjacent parcel at 333 Front Street, a property owned by the Non-Profits Insurance Association of California (NIAC).

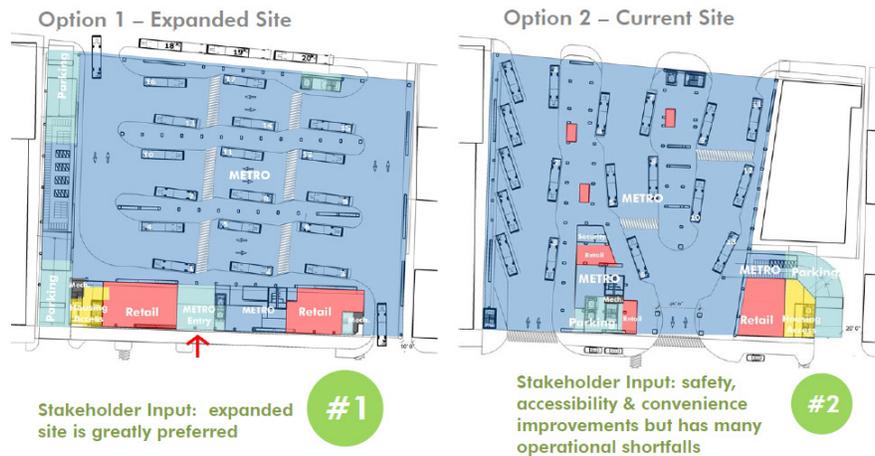
Integrating this parcel will provide significant improvements for transit operations today and into the future. To facilitate this option, METRO and the City have expressed to the owners their interest in possibly acquiring the Front Street parcel. Site acquisition is a major early decision for both bodies.

Attachment A

i. EXECUTIVE SUMMARY



Expanded Site Including 333 Front Street



333 Front Street/ Non-333 Front Street Layout Comparison

PROJECT PROGRAM

As part of the programming phase of this project the consultant team explored a wide range of air rights development options and determined that there is strong demand for market rate and affordable housing as well as a need for additional downtown district parking. Additionally, a private not-for-profit health clinic has expressed interest in locating above Pacific Station. Other uses such as large commercial office space, a relocated downtown library, and a permanent home to Santa Cruz Warriors minor league basketball franchise were determined not to be feasible.

The final mixture of programs was developed following extensive input and affirmation by the Community-at-Large. (Additional information on the public participation process can be found in the body of the report.) Through the programming process, the PMT distilled the project down to the following components:

- **METRO:** An efficient, multi-modal operations center that can accommodate future growth and operational change

- **Ground Floor Retail Spaces:** Attractive leasable spaces integrated into the character of upper Pacific Avenue frontages
- **Sub-Tenant Spaces:** Leasable office spaces at upper levels of building
- **Public Parking Garage:** Public parking spaces for downtown Santa Cruz visitors, as well as dedicated spaces for METRO Staff and Residents
- **Housing:** A mix of studio, one bedroom and two bedroom housing types at both market-rate and affordable housing prices

During earlier phases of the project, zoning direction and development guidelines had not yet been clarified. The consultant team developed and evaluated a variety of proposals that worked with different heights and setbacks. When analyzed and compared, it was determined that the development guidelines that were being enacted were beneficial to meet project goals and economic feasibility. Parallel to this process, the City has supported this project by engaging a planning overlay study that is proposing the extension of development guidelines from project site to Laurel Street providing a 75' height limit with significant setbacks and other requirements.

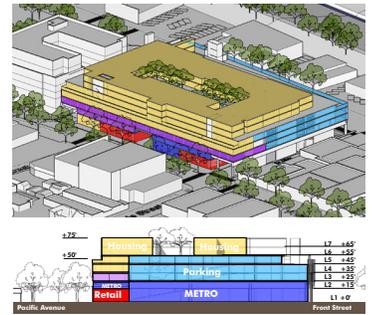
CONCEPTUAL DEVELOPMENT STRATEGY OPTIONS

This Report identifies three potential strategies to redevelop Pacific Station. In this project, the consultant team evaluated different redevelopment options for the existing site. However, without the acquisition of the 333 Front Street property, minimum METRO requirements are not met. In order to meet these goals, the acquisition of the NIAC parcel is strongly preferred if obtainable at a fair price. This additional parcel will improve the efficiency of not only the transit center but also the parking spaces and housing units at the upper levels of the building. As such, the following options all include the acquisition of the aforementioned parcels.

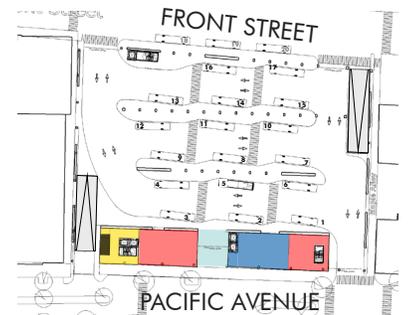
PREFERRED CONCEPTUAL DEVELOPMENT STRATEGY

The preferred Conceptual Development Strategy (Option 1A in the Design Documents) consists of a rebuilt Santa Cruz METRO Pacific Station composed of the variety of programmatic components outlined in the project program and including METRO facilities, retail spaces, office spaces, a public parking garage, and a range of housing units. In total, the building will be seven stories tall, stepping back from the street at 50' before topping out at 75' in accordance with City of Santa Cruz planning guidelines.

The first floor will consist of 20 bus berths, the METRO and Greyhound Station, a residential lobby for upper level housing, and two leasable spaces. All conditioned spaces will be located along Pacific Avenue with the bus station beyond and accessible through an open-air breezeway located mid-block. For efficient transit operations, there will be two bus access points along Front Street and one along Pacific Avenue. The north edge of the parcel along Pacific Avenue and the south edge of the parcel along Front Street will each have a curb cut for ramps to access public parking on the third through fifth floors of the building.



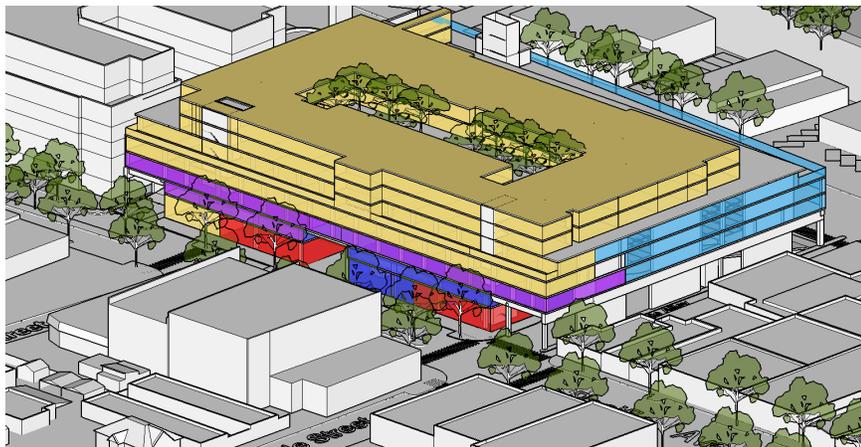
Preferred Conceptual Development Strategy Massing and Section



Preferred Conceptual Development Strategy First Floor Plan

Attachment A

i. EXECUTIVE SUMMARY



Preferred Conceptual Development Strategy

	Ground Floor Retail 4,700 SF
	Ground Floor Metro (non 2,650 SF
	Second Floor Metro 2,935 SF
	Housing 108 Units
	Parking
	Metro: 11 spaces
	Public: 384 spaces
	(inc. HCP: 8 spaces)
	Housing: 136 space
	(inc. HCP: 5 spaces)
	Total: 531 spaces
	Bicycle Parking Bike parking: 1L: 40 spaces
	Third Floor Health Clinic 13,400 SF
	Second Floor Sub-Tenant 4,400 SF

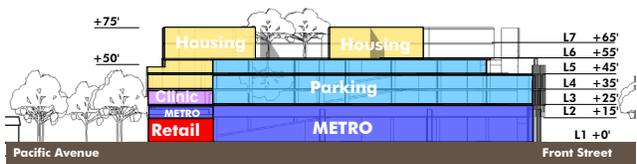
The second and third floors will also consist of approx. 40' deep leasable space along Pacific Avenue. The parking garage will start behind the leasable space on the third floor. On the fourth and fifth floors, residential units will be aligned along Pacific Avenue with parking beyond and step back in accordance with the planning guidelines. Finally, the sixth and seventh floor residential units will be developed with views out across the city and into central, planted courtyard.

Architecturally, the preferred conceptual development strategy will continue the successful architectural massing established along upper Pacific Avenue. Through a setback at 50' the adjacent streets will continue to be sun-lit throughout the year and activated through a series of streetscape seating and planting areas. The building itself will have a civic presence to clearly highlight the transit station as one drives or walks along Pacific Avenue. A bright, wide open-air entry portal will let pedestrians move across the block to access the bus tarmac. Large internally-illuminated marquee signs (one per street frontage) could announce Pacific Station as a landmark anchor along both Pacific Avenue and Front Street.

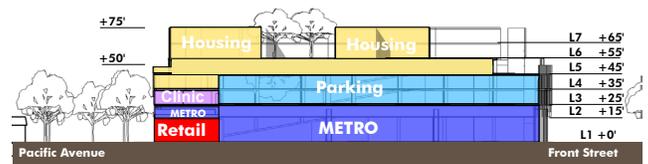
Regarding constructability, the project falls within the applicable state building codes, including the 2013 California Building Code (CBC) and the 2013 California Fire Code (CFC). The site constraints, building program, hazard levels and vertical stacking require that the building be constructed as 1B construction, fire-resistive, non-combustible exterior walls, structural frames and ceiling/floor assemblies. The new Pacific Station will most likely be constructed utilizing a cast-in-place, post-tensioned concrete foundations, columns, and beams. The project could potentially be constructed as a Type 3A building if the city were to allow an Alternative Means and Methods request that incorporated increased fire separations between uses or if the new CBC (scheduled for 2017) allowed vertically mixed uses with increased fire separations.

PREFERRED CONCEPTUAL DEVELOPMENT OPTIONS

Within the framework of the preferred conceptual development strategy, the design team has identified two alternatives that could potentially make the project more economically advantageous. First, the project could pursue approval from the local building official for an alternative lower cost type of construction for upper portions of the building. A second option is to replace the fourth floor parking with additional housing units. While meeting less of the downtown need for public parking, the additional revenue generated by the increased housing lowers the amount of grant funds needed to make the overall project viable. The building sections below illustrate this potential alteration:



*Preferred Conceptual Development
Program Option 1*



*Preferred Conceptual Development
Program Option 2*

Please see the ‘Funding Strategies’ section of the report for additional information on these options and their respective cost model-differentials.

COORDINATION WITH ADJACENT DEVELOPMENTS

In 2014 a private development team began exploring consolidation of many of the parcels south of Pacific Station extending to Laurel Street with the intention of developing a mixed use project of housing above retail and parking. A City-owned parking lot is amongst the parcels under consideration. To best meet community development goals the City wishes to coordinate this development with that of the Pacific Station project – particularly in addressing updates to area zoning overlays, parking, traffic, and building massing.

In February 2015 the Pacific Station team held a charette with the developer’s representatives to explore if a larger joint transit-oriented development project could be developed more efficiently and economically. Following the charette and with consensus from the Ad Hoc committee, the Project Team and developer agreed that a conceptual joint project had potential to meet collective objectives. In addition to looking more comprehensively at the potential of a larger public-private partnership, the City also embarked on a broader level massing study to evaluate the overall mass, height, density, and scale of potential changes to the Downtown Recovery Plan development standards relating to Pacific Avenue and Front Street.

In the spring of 2015 the project team met regularly with the developer to further vet and refine overall project components and parameters. The joint public-private development option includes project efficiencies and savings in overall costs, timing, and phasing, and adds both additional public elements including a public paseo and additional ground level retail, as well as potentially up to an additional 100 units of privately developed housing.

Attachment A

i. EXECUTIVE SUMMARY



Concept Sketch looking
South on Front Street

If the timing of the private and public projects can be aligned there are additional possibilities to further coordinate the two projects. At the time of the writing of this report the City is coordinating a dialogue between the City, METRO and the private developers to see if there are options to reconfigure project site boundaries and/or reconsider vertical and horizontal configurations of the proposed land uses. The Pacific Station recommendations described in this document can be used to compare the benefits and limitations of other options that may be identified as part of the coordination discussion with the adjacent development. The current status of this study as of March, 2015, is included within the Technical Appendix.

PROJECT COST MODEL

The following table shows the cost-by-component for the preferred development strategy. Note that these figures include hard/soft costs, contingency, and escalation, and are based upon a 25 month construction period starting in January 2016. These figures exclude any project phasing, escalation beyond 2016, and street improvements.

Component	Gross Floor Area (SF)	Suggested Budget
SITE		
333 Front Acquisition	14,900	\$3-5M
Contaminated Soils Remediation*	68,000	\$TBD
Site Subtotal		\$3-5M
METRO		
Tarmac + Infrastructure	80,500	\$15.657M
Retail	5,500	\$2.200M
Station	8,575	\$4.716M
Parking	5,500	\$0.617M
Temp. Facilities	N/A	\$1.500M
METRO Subtotal		\$24.690M
Health Clinic		
Clinic Tenant	18,070	\$7.228M
Clinic Parking	5,500	\$0.617M
Clinic Subtotal		\$7.845M
Housing		
Residential Units	112,600	\$38.980M
Residential Parking	85,500	\$9.576M
Housing Subtotal		\$48.556M
Parking		
Public Parking	150,000	\$17.423M
Garage Lobbies	5,000	\$0.241M
Parking Subtotal		\$17.664M
Project Hard Cost (2015 \$\$) *not including site remediation		\$101.755M - \$103.755M
Project Total Cost (2015 \$\$) *including 40% Soft Costs		\$142.457M - \$145.257M

FUNDING STRATEGIES

It is anticipated that the Pacific Station project METRO funding will be through a combination of transit-oriented development (TOD) funding at the state and federal level. Additionally, this development strategy will be unique in its partnership with a regional health clinic which in turn will benefit from the direct proximity to public transit. Each stakeholder will need to compile the necessary funding to build the project. The following table shows potential funding sources for the preferred conceptual development strategy.



Concept Sketch looking North on Pacific Avenue

Component	Funding Source	Potential Funding
METRO		
TIGER Grant	US DOT FTA	up to \$25M+
AHSC	State of California	up to \$15M
Community Development Block Grant (CDBG)	"	up to 1.5M
METRO Capital	METRO	\$6M
Dev. Air Rights Purchase	Private Developer	\$2M
METRO Subtotal		up to \$49.5M+
Health Clinic		
Private Capital	Health Clinic Tenant	TBD
New Market Tax Credits	US Treasury Dept	TBD
Clinic Subtotal		\$TBD
Housing		
Affordable Housing Funds	State of California	\$4M
Private Capital	Private Developer	\$44.556M
Housing Subtotal		\$48.556M
Parking		
City of S.C. Parking Funds	City of Santa Cruz	TBD
Parking District Bonds	"	TBD
Parking Subtotal		\$TBD
Potential Funding (2015 \$s)		\$TBD

For the transit center, METRO has identified the United States Department of Transportation Federal Transportation Authority (US DOT FTA) and a variety of other State and Federal agencies as a key source of funding. Potential funding programs include Transportation Investment Generating Economic Recovery (TIGER) grants, Low Carbon Transit Operating and Affordable Housing Grants, and Sustainable Community Grants. While US DOT FTA funds are currently pending authorization in Congress, it is anticipated that future rounds of grant funding will become available within the time needed to complete this project.

This strategy has clear precedent in bus station TOD projects such as the Kent Central Gateway (Kent, Ohio) and Grand River Station (La Crosse, Wisconsin). At Grand River Station, a nine-story project including 70 housing units, retail,

Attachment A

i. EXECUTIVE SUMMARY



View looking Northeast along Pacific Avenue



View looking Southeast along Pacific Avenue

and a bus station, the FTA contributed \$9.1M to the \$33M total project cost. At the Kent Central Gateway, \$20M in TIGER grants greatly contributed to the feasibility of the \$105M public-private partnership project. Pacific Station, very similar in scale and scope to the Kent Central Gateway and Grand River Station, will be extremely competitive for this funding process.

Additionally, during the 2000s, The City of Santa Cruz RDA issued \$4M in affordable housing bonds that the City of Santa Cruz Economic Development Department has identified as a source of subsidy for the housing component.

At the State level, funding is available from the California Department of Housing and Community Renewal through the Affordable Housing and Sustainable Communities (AHSC) Program. For the 2015 funding cycle, approximately \$120 million in funding was available, and a single project could be awarded up to \$15 million. There are two components to the program, one for Transit-oriented Development and another for Integrated Connectivity Projects. Both involve some component of housing and transportation infrastructure, and the Pacific Station project as conceived with a combined bus terminal, public parking, and housing with an affordable component is an eligible candidate based on the program guidelines.

For the CDBG program, the maximum award for a public facility is \$1,500,000, and the applicant must be a city or county jurisdiction. The City of Santa Cruz could use these funds towards the cost of constructing the public garage, which could lower the bond amount and reduce debt service paid by the City. Another potential funding source can come from the City issuing general obligation bonds to finance the public parking garage.

Finally, a private developer will be solicited through a Request for Proposal (RFP) process to build the residential portion of the project. This part of the development could also include the use of private funds from the developer to purchase air rights above METRO's ground floor transit station. For more information on potential funding strategies, please see the 'Next Steps and Implementation' section of this Report.

ENVIRONMENTAL PLANNING AND ENGINEERING

As described above, a significant milestone in the successful implementation of any conceptual development strategy includes the fulfillment of state (CEQA) and federal (NEPA) environmental protection requirements. The site will require the following primary project effects to be addressed for both state and federal approvals: aesthetics, air quality/greenhouse gas emissions, cultural resources, geotechnical/geology, hazards/hazardous materials, hydrology, noise, public services, and traffic. If the project does not create significant impacts in any of these areas, then the project may qualify for a categorical exemption. If not, the project will have to go through an Environmental Assessment or Impact Statement pursuant to the NEPA process.

The CEQA process will most likely involve determining whether or not there are any exemptions to State CEQA guidelines. Categorical Exemption Class

32 - ‘Infill Development Projects’ could be utilized. In this situation, a Notice of Exemption will be filed upon project approval. Alternately, the lead agency may consider if the General Plan Environmental Impact Report (EIR) already provides an adequate analysis of the site and project. Finally, CEQA guidelines also set out a streamlined environmental review process for Infill Projects that Pacific Station to which this project could be eligible.

At the Federal level, METRO, in conjunction with the Federal Transportation Agency (FTA), will have to determine the level of environmental impact the project will have per federal guidelines (class of actions I, II, or III). Preliminary review of the project by Strelow Consulting suggests that the project may fall under federal laws governing flood plain management, coastal zone management, water quality, and environmental justice. Strelow Consulting’s preliminary review indicates that all Pacific Station development strategies may qualify.

For the environmental site assessment, a Phase 1 and Phase 2 Environmental Site Assessment (ESA) of the METRO site and adjacent City parking lot has been conducted as part of this report. It identified sub-surface contamination from previous land uses. Required remediations will include some removal of contaminated materials, encapsulation through proposed new construction above, and monitoring. A preliminary Action Plan was prepared and submitted to Santa Cruz County which has approval authority over remediations. For additional information, please see the ‘Environmental Planning and Engineering’ section.

IMPLEMENTATION STEPS

The Conceptual Development Strategy Report was presented to the METRO Board and the Santa Cruz City Council in the Spring of 2015. METRO and City staff are in the process of determining the next steps for the Pacific Station project in regards to both funding sources and project schedule. A primary task is to have this project be ‘shelf-ready’ for upcoming rounds of Federal and State grant applications.

For the successful continuation of the project, the following decisions and actions need to be taken by the City and METRO:

- Determination of the preferred conceptual development strategy
- Acquisition of the NIAC parcel, and the process for this purchase
- Determination of the mix of housing and public parking prior to developer solicitation
- California Environmental Quality Act (CEQA) Process- Confirm METRO’s lead agency status
- National Environmental Policy Act (NEPA) Process- Confirm with Federal Transportation Authority
- Grant applications at the State and Federal levels
- Developer Solicitation process and agreements



View looking East through the breezeway to bus tarmac beyond



View looking Southwest along Front Street

Attachment A

i. EXECUTIVE SUMMARY

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SANTA CRUZ METRO PACIFIC STATION TODAY

Located between the Santa Cruz Mountains and Monterey Bay, the City of Santa Cruz (County Seat of Santa Cruz County) is a bustling city of approximately 63,000 people (2013 U.S. Census Bureau estimate) known for its stunning natural landscapes. The City benefits from its beachfront location as well as the University of California, Santa Cruz. Pacific Station itself is located in the heart of downtown, approximately 3 miles from the University and within walking distance to the Beach Boardwalk. Citizens of Santa Cruz pride themselves on the unique cultural attributes of the City, its natural beauty, and the oceanfront amusement Park, in continual operation since 1907.

The unique constituency of Santa Cruz can be witnessed daily at Pacific Station as students, locals, daytrippers, and officeworkers congregate to travel within and beyond City and County lines. Recognizing the significance of this space as a gateway to the region, METRO and the City of Santa Cruz are dedicated to creating a positive, visionary transit-oriented development project that will complement and extend the vibrancy of downtown Santa Cruz through a redesigned, safer transit plaza with multiple other uses adjacent to, and above, the station.

EXISTING METRO PACIFIC STATION + ADJACENT PARCELS

The approximately 1.5 acre site spans between Pacific Avenue and Front Street, south of Cathcart Street and north of Maple Street across three distinct parcels. The current METRO Pacific Station parcel at 912 and 920 Pacific Avenue is complemented by the former Greyhound lot at 423 and 425 Front Street totalling 1.561 acres. The parcel directly south, at 912 Pacific Avenue is City-owned Parking Lot #12, with approximately 0.215 acres with frontages on Pacific Avenue and Maple Alley. As part of the METRO-City partnership, this property will be included in the expanded METRO Pacific Station.

As preliminary tarmac design alternatives were developed the limitations of the project site to meet primary transit, accessibility, and safety functions were established. As a result, the METRO Board authorized Conceptual Development Strategy alternatives for an expanded site to include the aforementioned adjacent parcel at 333 Front Street. The parcel's size is 14,900 SF, upon which an existing two story, 23,000 SF building stands. If included with the other parcels, it will provide additional frontage along Front Street, as well as create a continuous southern boundary to the site along Maple Alley.

The overall dimension of these parcels are approximately 350' long along Front and Pacific Avenue by 270' long at the north edge of the 425 Front Street parcel. Pacific Avenue and Front Street taper towards each other as the parcels move to the south, creating tighter operation constraints towards Maple Alley.

Integrating this parcel will provide significant improvements for transit operations today and into the future. To facilitate this option, METRO and the City have expressed to the owners their interest in possibly acquiring the Front Street parcel. Site acquisition is a major early decision for both bodies.



Santa Cruz's Historic Boardwalk



Existing METRO Pacific Station



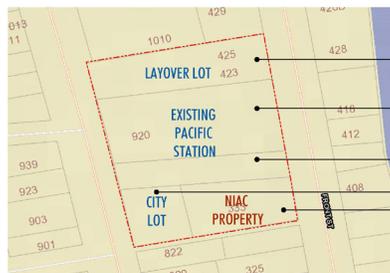
METRO bus and operator

Attachment A

1. INTRODUCTION



Existing Parcel Map



Proposed Parcel Map

EXISTING METRO PACIFIC STATION STATISTICS

The current Pacific Station consists of a two story, 7,000 SF terminal and a tarmac consisting of 14 bus berths on four separate platforms. The intermodal terminal serves 10,000 daily riders who can access 37 METRO bus routes connecting to Santa Cruz County, Greyhound, trains, and airports. Pacific Station includes lockable spaces for approximately 116 bicycles and 16 secure bike lockers, as well as a 2-cab taxi stand. METRO operations include 10 independent bus berths, 4 fleeting berths, 11 bus layover spaces, and 10 non-revenue parking spaces.

The terminal building includes a ticketing booth for both METRO and Greyhound, ticket vending machines, a convenience store, restaurants, restrooms, and an indoor waiting area on the first floor. Additional casual food concessions are located in kiosks on the boarding platforms. The second floor serves some of Pacific Station's business needs with bus operators ready room, an ADA paratransit eligibility office, customer service offices, and the ticketing and passes office.

RE:IMAGINE PACIFIC STATION PROJECT BACKGROUND

The Re:Imagine Pacific Station project funding was secured by METRO through a \$886,000 FTA grant. METRO served as the primary party responsible for the execution of the contract with the consultant team. The City served as a partner, sharing project management responsibility and City staff resources (under the same FTA grant) to move the project forward. The roles and responsibilities of METRO and the City were described in a Memorandum-of-Understanding dated February 27, 2015, and an updated draft of this document to take this project into the next implementation stages is included in the technical appendix.

In 2013 METRO solicited Requests for Proposals for the Conceptual Design of a new Pacific Station Transit Center at 920 Pacific Avenue. That June, METRO commissioned Group 4 Architecture, Research + Planning to facilitate the conceptual design process. Group 4 has developed a framework for METRO and the City of Santa Cruz incorporating input from the public-at-large, the City of Santa Cruz, an Ad Hoc Committee, and METRO.

In order to guide this process, Group 4 worked with a Project Management Team (PMT) consisting of the METRO CEO, METRO Staff and City of Santa Cruz Staff that met at regular intervals to proactively manage the project.

METHODOLOGY

The overall project scope runs from project initiation through construction documents for the new METRO Pacific Station. However, this report focuses primarily upon the preferred conceptual development strategy. Other options and tasks are briefly summarized and additional information may be found in the technical appendices.

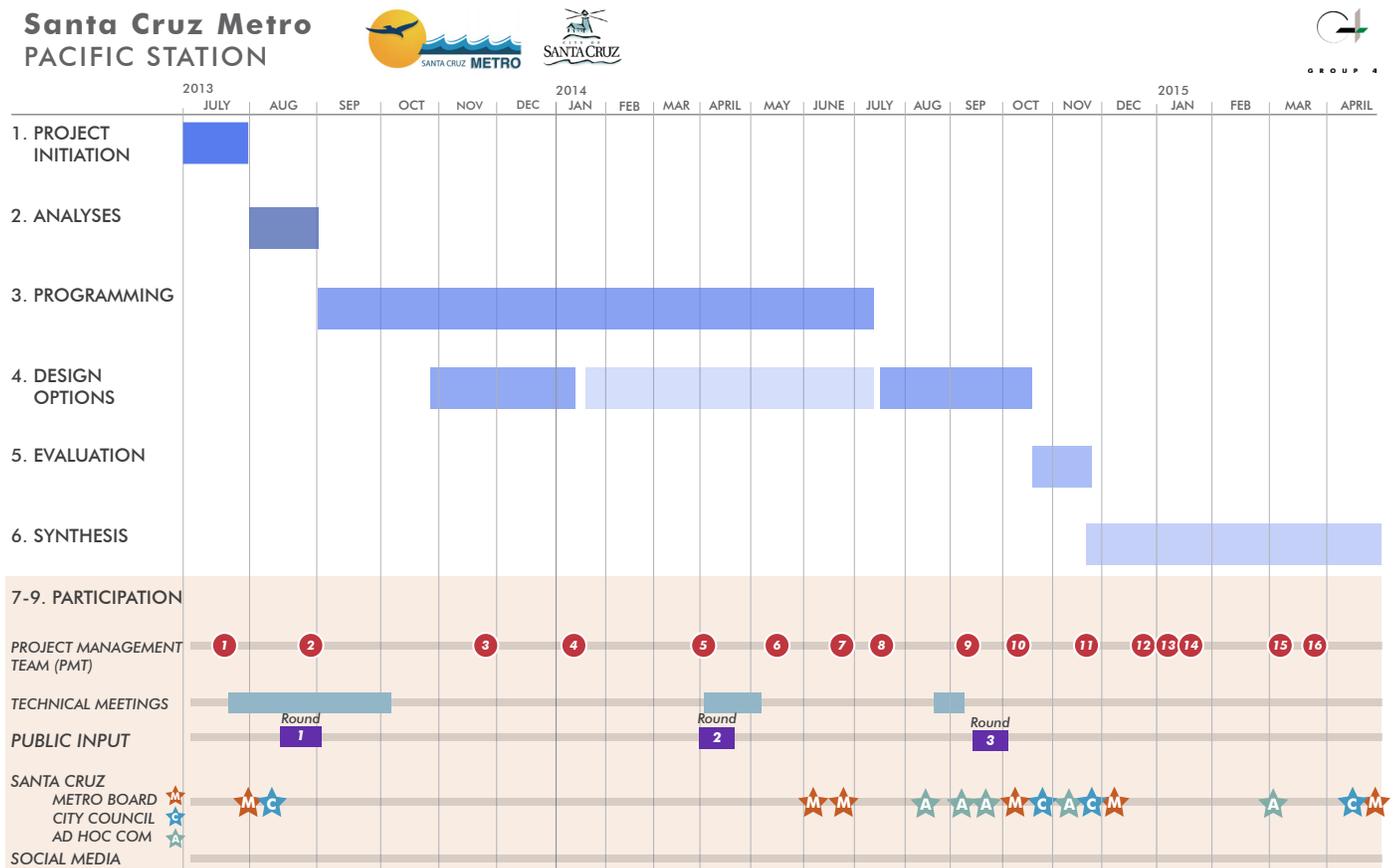
As developed in the project scope of work, the consultant team has completed the following eight tasks:

- Task 1: Project Initiation and Goals
- Task 2: Analyses
- Task 3: Programming
- Task 4: Design Options
- Task 5: Evaluation
- Task 6: Synthesis
- Task 8: METRO Board, City Council, and Social Media Program
- Task 9: Community Outreach and Participation

The following task will be completed at a later date:

- Task 7: Construction Documents (to be completed at a later date)

PROJECT WORKPLAN



Attachment A

1. INTRODUCTION

PACIFIC STATION CONSULTANT TEAM

Prime Design Consultant: Group 4 Architecture, Research + Planning, Inc.

Transportation Engineering: Mark Thomas and Company

Landscape: Merrill Morris Partners

Cost Estimating: Mack5

Housing: Van Meter Williams Pollack

Structural Engineering: TTG

Parking: Watry

Code Consultant: Jensen Hughes

Environmental Planning: Strelow Consulting

Environmental Engineering: Weber-Hayes and Associates

Economic Analyst: BAE Urban Economics

Spanish Translation Services: Santa Cruz Spanish

Social Media Services: Group 4 Architecture, Research + Planning

Additionally, the consultant team met with the following stakeholders, who also contributed to the overall community-at-large goals:

- METRO Operations
- Monterey Salinas Transit
- Greyhound
- Downtown Santa Cruz
- Cruzio
- Redtrees Properties
- Santa Cruz Chamber of Commerce
- Non-Profit Insurance Alliance
- University of California Santa Cruz
- Association of Monterey Bay Area Governments
- Santa Cruz Regional Transportation Commission
- Eldery and Disabled Transportation Advisory Committee
- MCM Diversified
- City of Santa Cruz
- Santa Cruz Police Department
- United Transportation Union
- Salaried Employees Association
- Professional Supervisor Association
- Santa Cruz Public Library
- Vehicle Maintenance Unit
- Paratransit
- First Alarm
- Seaside Company
- Barry Swenson Builder
- Zoning and Planning
- Economic Development
- City Parking Department

VISION STATEMENT

“Santa Cruz Metropolitan Transit District (METRO) seeks to provide a modern transit station that integrates well into the urban fabric of downtown Santa Cruz and that facilitates access to public transportation; ease of transfer between buses; access to the Santa Cruz retail and office district and seamless connections to UCSC, Cabrillo College, Watsonville Transit Center, Highway 17 commuter service, Capitola Mall and the cities of Capitola, Scotts Valley, Watsonville and all points in-between.”

-Alex Clifford, METRO CEO

Pacific Station is poised to be a national example of transit-oriented development combining a state of the art multi-modal bus terminal, a health clinic, affordable housing, and public parking. The project will be the first West Coast example of transit-oriented development incorporating a bus station, public parking and housing. Additionally, this development strategy will be unique in its partnership with a regional health clinic which in turn will benefit from the direct proximity to public transit. Located in the heart of Santa Cruz’s main street, the reconstructed Pacific Station will be the capstone of post-earthquake downtown redevelopment as well as a landmark portal for more than 10,000 daily riders.

PROJECT AND STAKEHOLDER GOALS

METRO and the City of Santa Cruz have identified the following goals for the project:

- Transform the transit station into a safe, efficient, and customer-oriented location with efficient operations
- Create a landmark location within a vibrant downtown
- Revitalize lower Pacific Avenue through pedestrian-friendly urban design
- Connect retail frontages along Pacific Avenue
- Facilitate high quality transit-oriented development that enhances livability
- The project should have community input and support
- The project should be economically viable
- The project should be capable of securing funding

METRO Operational Goals:

- METRO needs bus berths to accommodate at least 20 buses.
- Bus access to both Front Street and Pacific Avenue is needed.
- The facility must be owned, not leased.

METRO Transit-Oriented Development Goals:

- METRO’s operational needs are paramount.
- Ancillary uses (i.e. parking) should not compromise efficient bus operations.
- METRO prefers to not directly perform the construction.
- Positive monthly cash flow to METRO is preferred.
- METRO air rights have value.

Attachment A

2. PROJECT GOALS

- METRO's cost of the project must minimize METRO's contribution and reliance upon unknown grant potential.
- Must be a Transit-oriented Development regardless of land use
- Partnership with the City to include public parking spaces as long as doing so does not negatively impact the economics of the project
- Any public-private partnership must comply with FTA regulations on Joint Development and Public-Private Partnerships, including the requirement for METRO to receive a fair share of project revenue.

City of Santa Cruz Transit-Oriented Development Goals:

- Create an east-west open space connection to the San Lorenzo River
- Insure sun access to the east-west open space to promote activity
- Meet as many community goals as possible to ensure a rapid entitlement process and meet private sector current market/financing conditions

Developer Transit-Oriented Development Goals:

- Reasonable profit, including a 10% return on investment
- Minimize project risk
- Create market-desired housing and retail products
- Be a good neighbor to adjacent properties and transit-oriented developments

See Section 3: Tarmac, Terminal and Transit-Oriented Development Requirements for additional programmatic requirements.

AN INTEGRATED FACILITY

The successful implementation of the Downtown Recovery Plan has resulted in a limited number of developable parcels available downtown. As such, the study area of this project has taken on increased significance. Additionally, its location midway along Pacific Avenue has the potential to knit together Upper and Lower Pacific Avenue.

Within the parcels themselves, the project shall provide improved transit operations for both METRO staff and riders. By integrating a new transit terminal along Pacific Avenue, the bus berths themselves can retain their excellent proximity to downtown but be physically buffered from the pedestrian scaled activities of Pacific Avenue. Additionally, divisible spaces along Pacific Avenue will allow for ground floor retail and restaurant amenities to further activate this space throughout the course of a typical day. Above the ground level, an integrated transit-oriented design has the opportunity to provide direct access to the bus station and downtown for a wide range of users.

In order to further the development of downtown Santa Cruz, the City has identified this parcel as an opportunity to meet several City goals. First, the City currently has a deficit of parking. The air rights above the transit station can be utilized by both the City and METRO for parking and creates the potential for revenue generating parking spaces, METRO staff spaces, and park-and-ride opportunities. The inclusion of parking within an integrated facility provides

the additional opportunity to develop both market-rate and affordable housing.

Second, the City currently has a need for additional market-rate and affordable housing downtown. Housing can be a potential revenue generation tool for METRO as well. The combination of housing and parking above the transit station creates a truly integrated, 24-hour facility while meeting both METRO and City goals. Finally, the creation of a transit-oriented development allows METRO to apply for a range of grants to fund this type of facility. By creating an integrated facility, METRO and the City are able to capture the highest and best use for these key properties.

21ST CENTURY TRANSIT STATION TRENDS

Across the country, downtown transit stations are embracing their unique destination-qualities and becoming economic catalysts for both transit operators and downtowns-at-large. To further encourage this evolution, new transit-oriented developments are locating mixed-uses such as housing, retail centers, restaurants, and office space directly within transit projects, if not within the immediate surroundings. This synergy of uses allows a wide range of constituents to access the transit center in a safe, orderly manner while spurring economic growth and continual activity. By creating multiple types of spaces from dining options, to coffee shops, to office space, these projects attract a variety of user groups. The City of Santa Cruz is particularly well situated in this respect with its unique cultural attractions drawing students, tourists, and emerging businesses to its burgeoning downtown.

DOWNTOWN TRANSIT-ORIENTED DEVELOPMENTS

As described in the previous paragraph, downtown transit-oriented developments have the opportunity to catalyze and transform previously underdeveloped or served portions of a city. Cities, from San Francisco (the Transbay Terminal), to Rochester (interregional bus station), to La Crosse, Wisconsin (Grand River Station), have embraced this opportunity. By integrating the shared benefits of housing, parking, and transit programs these facilities truly become greater than the sum of their parts.

By tapping into federal and state funding streams, these neighborhood-scaled developments can spur economically viable, healthy, walkable downtown communities. The process of creating a successful downtown transit-oriented project will require the commitment of City and METRO resources throughout the funding, planning and building process. The end result will in turn stimulate further growth of downtown Santa Cruz with the particular benefit of linking upper Pacific Avenue's commercial corridor to lower Pacific Avenue, and further south to the current location of the Santa Cruz Warriors' Kaiser Permanente Arena. As precedent, please see the following urban transit-oriented development projects that have been completed across the country.

Attachment A

2. PROJECT GOALS

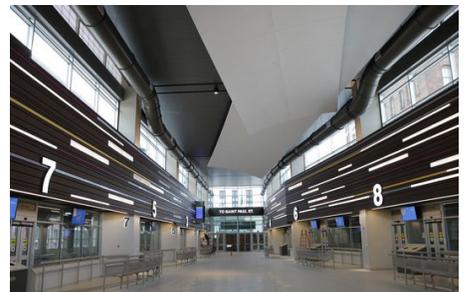
Central Gateway Project (Kent, Ohio): 9-story TOD project, \$105M construction cost, \$20M TIGER grant



- **Grand River Station** (LaCrosse, Wisconsin): 3-story TOD project, \$33M construction cost, \$9.1M in federal funding



- **Downtown Transit Center** (Rochester, New York): bus station with waiting area, \$50M construction cost, \$40M in federal funding



PARTICIPATION

Through a highly participatory process, the project team brought together a diverse cross-section of Santa Cruz County residents, stakeholders, and other constituent groups. The design team met with the METRO Board five times, the City Council of Santa Cruz four times, and the METRO Board Ad Hoc Committee five times. The design team also met with the community-at-large three times over a year and a half, as well as over thirty specific constituencies in focus groups. These participants ranged from union leaders, to transit providers, to local businesses. These meetings had the added value of engaging the community in the project at an early stage and has led to ongoing community engagement through digital forums including Twitter, Civinomics, and SpotMojo. The results informed the content of 28 PMT meetings that resulted in the preferred conceptual development strategy.

COMMUNITY-AT-LARGE INPUT

Throughout the initial phases of this project, the PMT reached out to the community-at-large through multiple physical and digital forums to develop an understanding of the public’s vision of the current site, and its potential future uses. Through more than 30 focus groups and three separate Community Meetings, the project team engaged more than 1,030 community members. In order to reach the largest cross section of potential users of a new Pacific Station, Group 4 set up kiosks at the Farmers Market, on existing METRO bus platforms, First Friday, and dedicated Community Meetings. Over three distinct rounds of Community Participation in October 2013, February 2014, and September 2014, the Community gave input on the Pacific Station project.



Community Meeting



Community Engagement

Community – Round 1, 2 & 3 Participation

	Round 1	Round 2	Round #3
Farmers Market	88	8*	125
Platforms day 1	86	11*	30
Platforms day 2	91	63	25
First Friday	-	-	120 (to 175)
Community meeting	4	0*	2
Total	269	82	300+

*Kiosks and meeting conducted during heavy rain by reduced team.



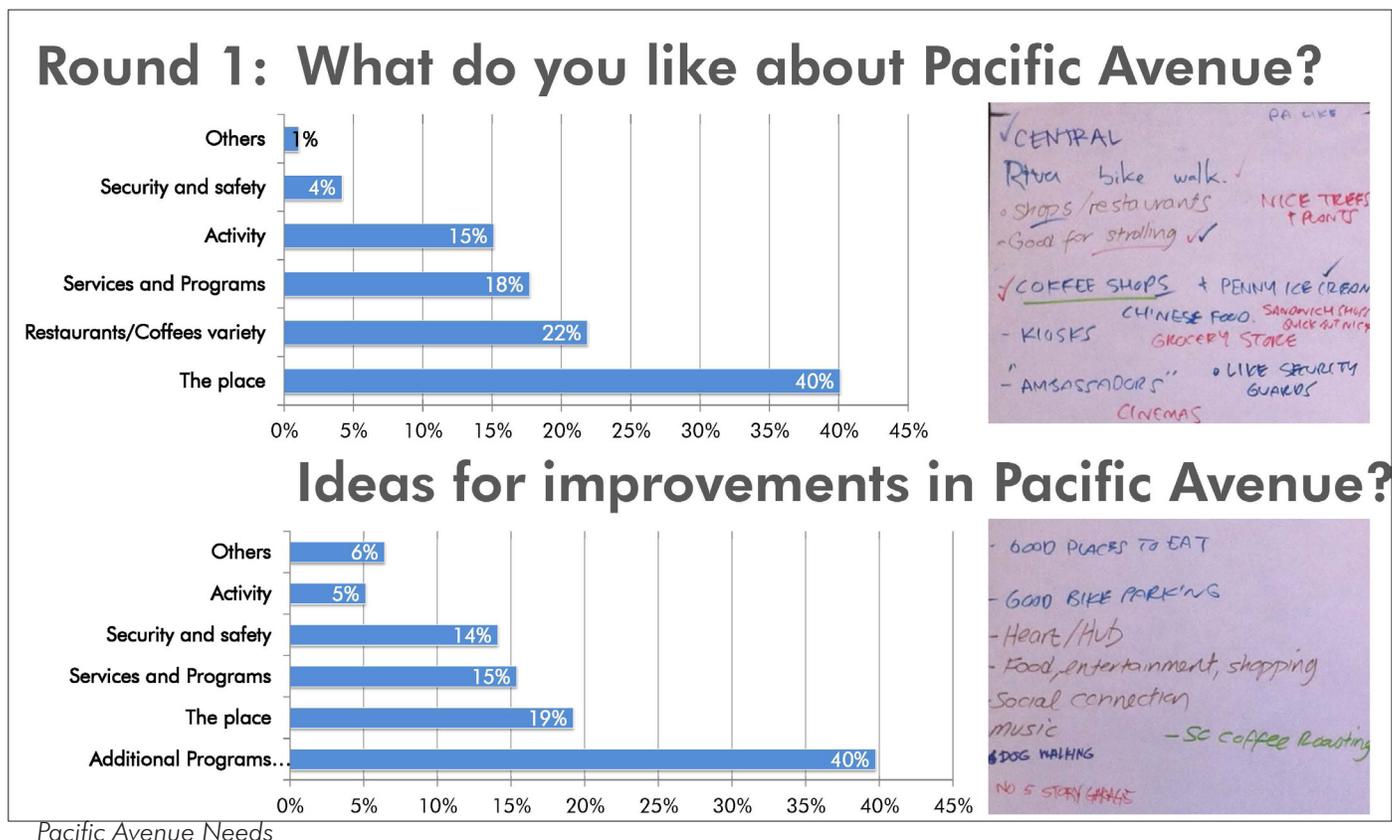
Attachment A

2. PROJECT GOALS

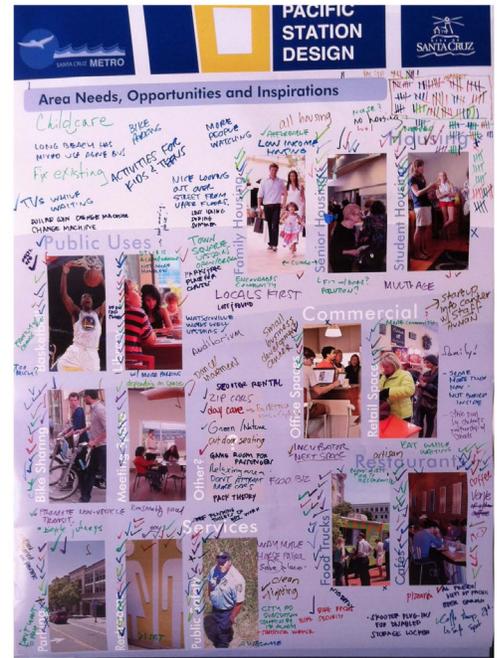
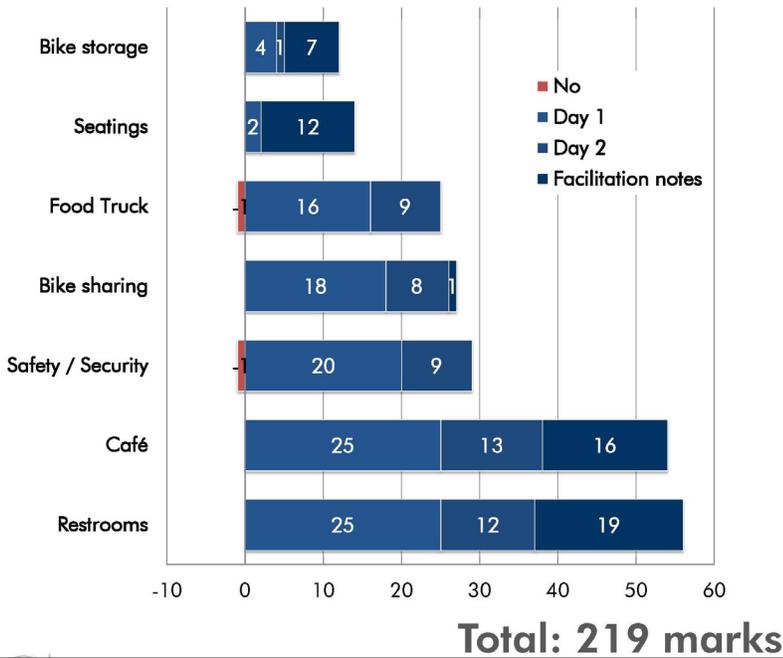
ROUND 1 COMMUNITY INPUT

The first round included over 250 community members giving input on the current condition of Pacific Station, and what amenities and improvements will be ideal in a new project. The most highly-rated improvements identified by the community included additional people spaces, the facility, restrooms, a cafe, a bike sharing station, and safety and security.

Additionally, the first round of community engagement involved community feedback on the scale and type of transit-oriented development that will be appropriate at a new Pacific Station. During these meetings the community indicated a preference for housing, a library, office space, retail and parking in a new transit-oriented development. The current program reflects these goals through the inclusion of retail space, housing, and divisible spaces for coffeeshops or restaurants along Pacific Avenue. These results are reflected in the following graphics synthesizing the Community's input during Round #1:

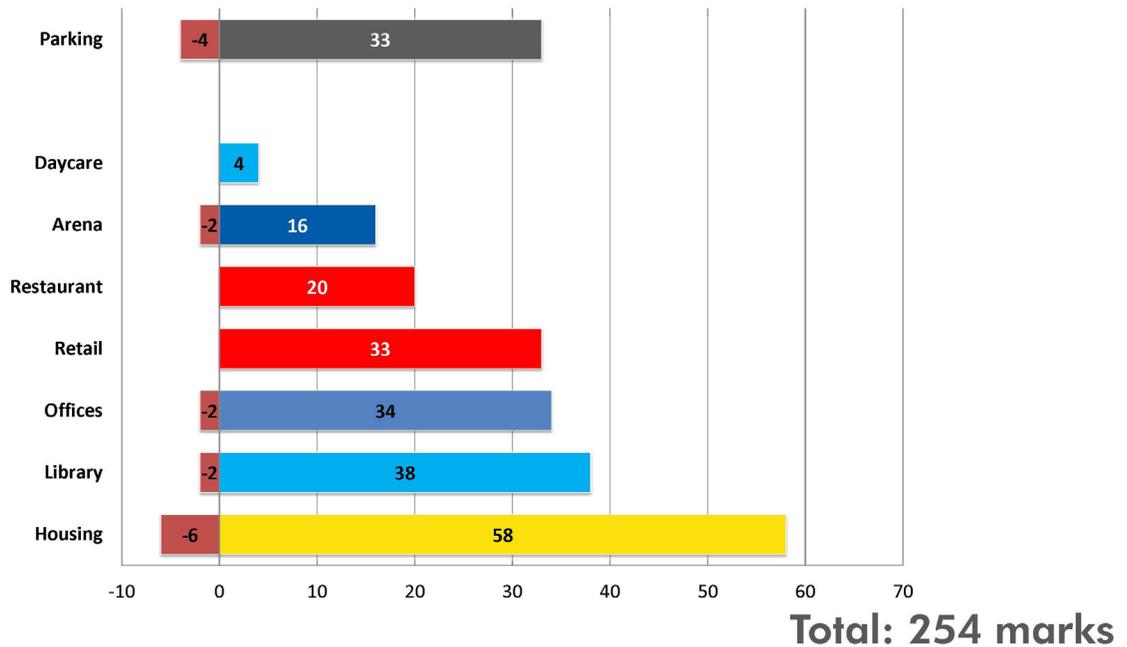


Round 1: Area Needs, Opportunities and Inspirations Platforms and facility - Summary



Platform Needs

Round 1: Area Needs, Opportunities and Inspirations Above Pacific Station - Summary



Neighborhood Needs

Attachment A

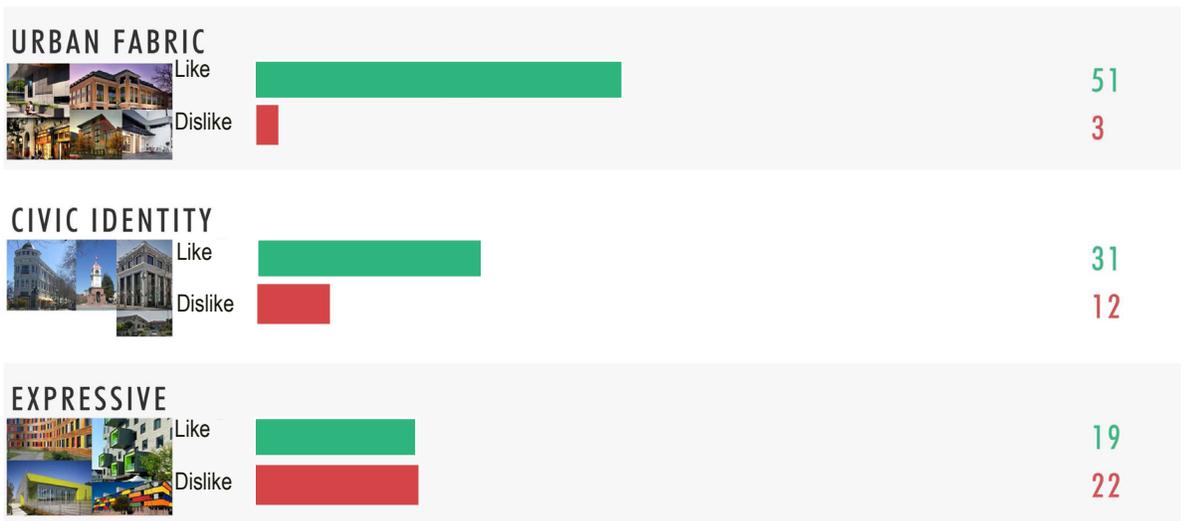
2. PROJECT GOALS

ROUND 2 COMMUNITY INPUT

During the second round, over 320 community members gave input on design values for a new project. Through the use of precedent project images, the design team was able to gauge the appropriate architectural language for a project in downtown Santa Cruz. By engaging the community-at-large on these items prior to beginning the design phase of the project, the design team will be able to integrate community goals for the new building at the onset of this future phase.

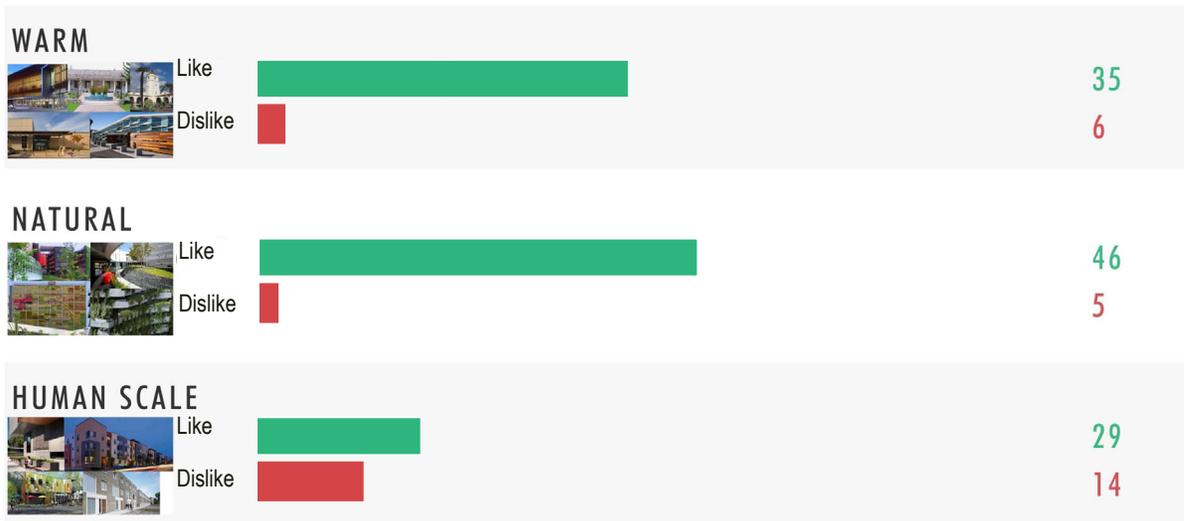
The community overwhelmingly supported a project that will integrate into the existing urban fabric of Downtown Santa Cruz, utilized natural materials, and had warmth and human scale. Additionally, the community strongly disapproved of bold buildings that will be distinct from the existing urban design of Pacific Avenue. These results are reflected in the following graphics synthesizing the Community's input during Round #2:

Round 2: Design Values – Vote Analysis



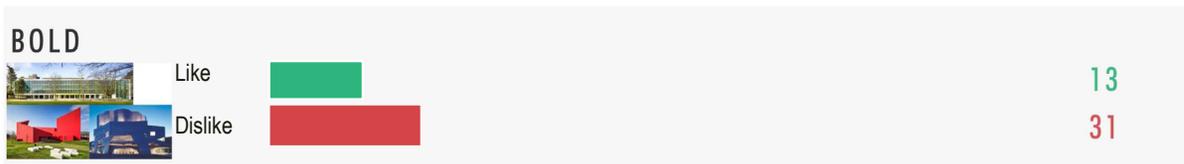
Design Values Analysis

Round 2: Design Values – Vote Analysis



Design Values Analysis

Round 2: Design Values – Vote Analysis



- Total vote: 320 dots

Design Values Analysis

Attachment A

2. PROJECT GOALS

ROUND 3 COMMUNITY INPUT

The final round of community input sought public comments on key emerging project directions such as project mixed use options and development characteristics.

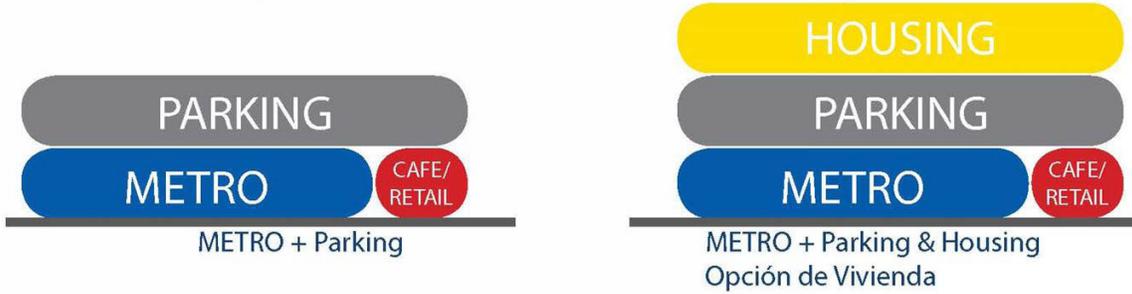
Regarding project mixed use options community input showed strong support for public parking above the Metro tarmac and greater support for the proposed uses of housing being included in addition to the parking.

In terms of development characteristics – community input most strongly supported inclusion of sustainable features such as solar, living walls, and or use of recycled materials. There was also very strong support for the project being of the character and scale of other Pacific Avenue buildings such as the adjacent, recently constructed, seventy five foot high, 1010 Pacific project mixed use building, or the long standing Palomar seven story mixed use tower. There was also strong, but somewhat lesser support for the inclusion of “Civic Features” such as landmark marquees like those on the Del Mar or Regal theaters or contemporary commissioned public art as is found today along upper Pacific Avenue.

The “design values” shared in round two of community input were open for additional input and the top three switched orders but remained the same: The new project should “knit together the urban fabric”, include “natural” elements and have a “warm” character.

This input shows support for the project’s proposed uses and size as well as gives guidance to project features that will make this project a much welcome improvement to Pacific Avenue and downtown Santa Cruz.

Mixed use options



Which options can you support?

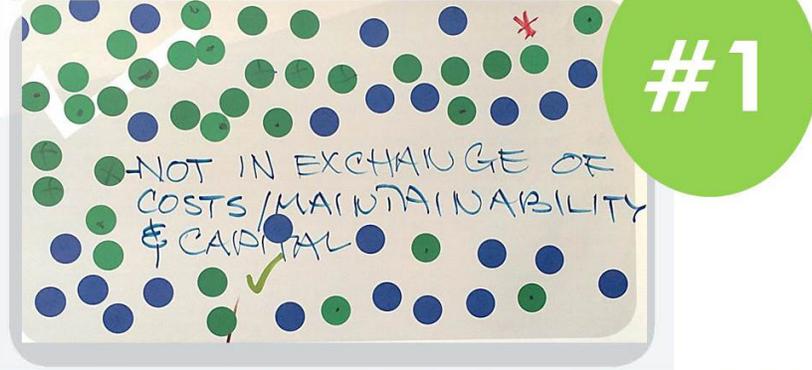


Support for this options from round#3 communication

Public support for the project increased when housing was included.

Sustainable Features

“Would you support the incorporation of sustainable features?”
¿Apoyaría la incorporación de características sostenibles?



Community input most strongly supported inclusion of sustainable features such as solar, living walls and/or use of recycled materials.

2. PROJECT GOALS

Character and Scale

"Would you support another building of the character and scale of this one?"
 ¿Apoyaría otro edificio del carácter y la magnitud de éste?"



Existing Buildings in Santa Cruz Downtown



6 floors



Pacific Avenue TODAY, looking south

6 floors



5 floors



5 floors



6 floors

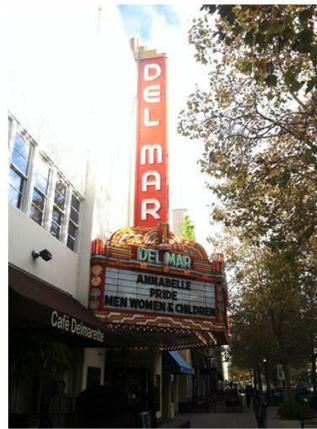
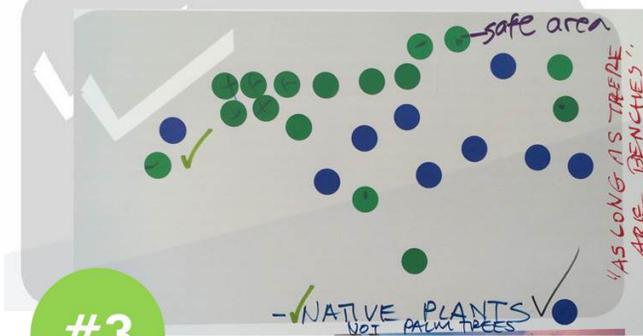


5 floors

There was also very strong support for the project being of the character and scale of other buildings such as the 75' high 1010 Pacific building or the long standing Palomar tower.

Civic Features

"Would you support the incorporation of "civic" features?"
 "¿Apoyaría la incorporación de los "cívicos" características?"



There was also support for the inclusion of "Civic Features" such as the Del Mar or Santa Cruz theater marquees or public art.

Knit Together Urban Fabric



Design Values Analysis

Natural



Design Values Analysis

Warm



Design Values Analysis

Attachment A

2. PROJECT GOALS

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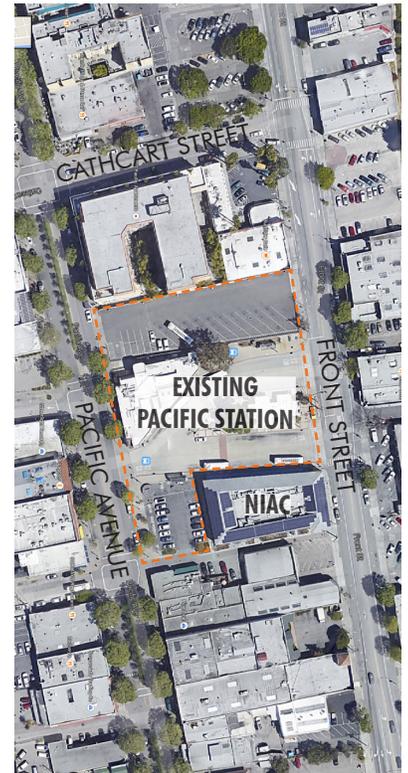
ARCHITECTURE AND URBAN DESIGN

The consultant team analyzed the existing site and its context in order to develop parameters to analyze potential programs and their feasibility for the site. These parameters are described below, and include both physical constraints (i.e. urban design guidelines) and economic feasibilities (i.e. the practicality of rental vs. condominium housing).

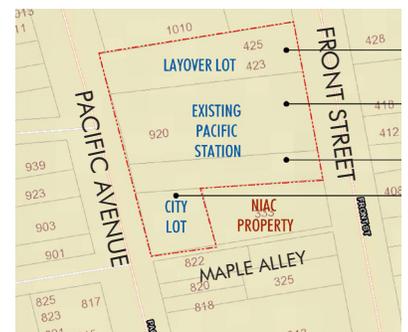
The immediate context of these parcels includes 1010 Pacific Avenue, a recently completed apartment complex with ground level retail and below grade resident parking. Directly west of the site, older one- and two-story buildings commercial real estate lines Pacific Avenue from Cathcart Street to Laurel Street. Additionally, Elm Street and Birch Street terminate their east-west extents at Pacific Avenue.

Maple Street, located at the south end of the expanded site, becomes a City-maintained alley running to Front Street once it crosses Pacific Avenue. This right-of-way could potentially be maintained or even expanded to create future cross block connections. Finally, the east side of the site, Front Street, is a primary south-bound arterial running along the edge of downtown Santa Cruz and leading to the beach beyond. Just east of Front Street, a series of small businesses and private and city-owned parking lots back onto the San Lorenzo River embankment and its corresponding trail network.

The impact of the new Pacific Station development was analyzed in relationship to these roads and parcels. Specifically, the City is in the introductory phases of a traffic study along Front Street which will incorporate proposed bus station/parking garage curb cuts and conditions into its analysis.



Current Pacific Station Site



Current Pacific Station Parcel Map

Attachment A

3. PROJECT NEEDS

SITE CONTEXT PHOTOS



Upper Pacific Avenue Looking South



Pacific Avenue at Cathcart Street Looking South



Lower Pacific Avenue Looking East towards the existing Pacific Station. Note how the vibrant character and pedestrian-oriented scale of Pacific Avenue is interrupted by the current Pacific Station.

BUS STATION PLANNING AND ENGINEERING

The current METRO Station is in poor condition following 30 years of continual use. Additionally, increased ridership has strained the current tarmac layout and results in transit inefficiencies. With 10,000 daily riders and increasing popularity of interregional lines such as the Number 17 Express, the Station needs additional capacity now and into the future.

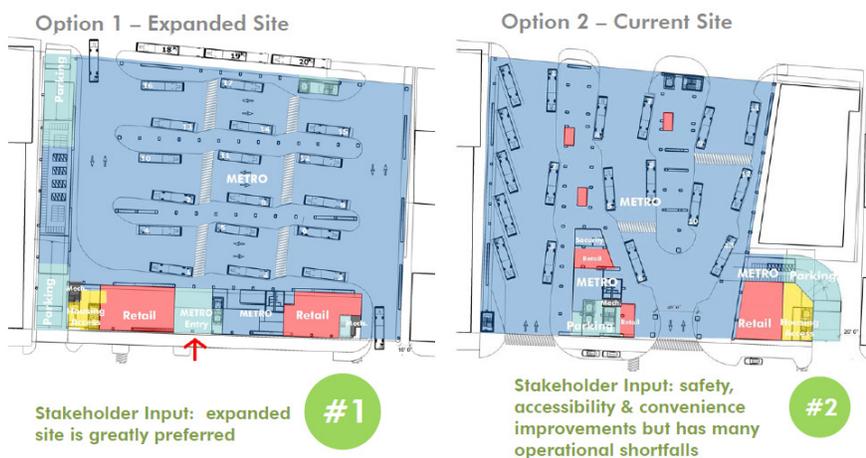
In addition to increasing bus berthing capacities, best practices for pedestrian and operator safety shall be incorporated into the new tarmac. Specifically, pedestrian scaled, sheltered waiting areas, as well as efficient station layouts will improve rider experience. Clear, unobstructed pathways from passenger waiting areas to boarding platforms will accommodate mobility devices for the disabled, and tactile, audible, and visible signage will deliver multi-media information to assist those with disabilities.

For METRO Operations, shallow sawtooth bus berths will be developed in order to negate the need for marshalling since buses will never have to back up. This will also significantly reduce the potential for accidents. Clear, easily navigated drive aisles shall additionally improve operations and minimize curb cuts along Front and Pacific Avenue. Finally, per METRO’s needs at the initiation of construction documents, the tarmac will be futureproofed through inclusion of items such as overhead or integrated-pad charging stations for electric buses.

BUS STATION TARMAC EXISTING CONDITIONS

The current METRO Station tarmac is in poor condition. Created over time as more parcels were included, the tarmac is inefficient in layout and has significant curb cuts. At the onset of this project, the design team investigated maintaining the existing site. Even when optimized, the site could not provide enough shallow-angle sawtooth bus berths to meet METRO operational needs. As such, the City and METRO have determined that the only way to complete the project without severely compromising METRO operations is to acquire the 333 Front Street parcel.

Site Options Input from Accessibility, Transit Groups, Operators, Unions, etc.:



3. PROJECT NEEDS



*Pacific Avenue
Street Context*



Existing Pacific Station Site

MARKET STUDY

The economics subconsultant BAE conducted a market study to review the potential mixed use program options. See appendix for the full market study. The study methodology included an analysis of demographic trends, focus group with downtown business representatives, and an assessment of market conditions for housing, retail, office, and public facility uses for the site. The study summarized prior economic studies and current City initiatives to provide an overview of planning and economic development efforts and found the following market outlook for potential uses.

HOUSING DEMAND

There are a range of uses that could be developed above the Pacific Station transit facilities that will likely experience moderate to strong market support. Housing is likely to experience strong market demand and positively benefit the financial feasibility of a mixed-use project. General market conditions for market-rate home and condominium sales support this, indicating relatively high prices compared to the overall Bay Area.

The rental market is also robust, with low vacancy rates and rents climbing steadily each year. There are a number of planned and proposed residential developments in Santa Cruz but few new units being added to the Downtown. It should be noted that although market conditions are favorable, the Pacific Station site may be impacted by negative perceptions of this end of Pacific Avenue (due to surrounding under-investment) and the perceptions associated with transit customers. To offset these perceptions and ensure marketability of market-rate condominiums or rental units, the future development should carefully design the units and also price them to establish this location as a desired catalyst site. This may impact financial feasibility, which will be tested in the next stage of study.

The need for additional affordable housing units is also very strong. A survey of four affordable rental properties within the City of Santa Cruz illustrates a nearly 100 percent occupancy rate, with wait lists exceeding three years in some cases. The City is well positioned to capture demand from different target groups, including low-income families, seniors, and university housing.

OFFICE DEMAND

Demand for new office space is relatively weak, marked by high vacancy rates in Downtown Santa Cruz and this use is not recommended for incorporation into the redeveloped mixed-use project in any significant amount. The exception to this conclusion will be an identified single tenant who may secure space in a development project, prior to development.

RETAIL DEMAND

Retail performance is strong in Santa Cruz, particularly in the Downtown submarket. Taxable retail sales data for the City reveal that retail sales have been recovering, and the City benefits from higher per capital retail sales compared to the state average, which indicates the City attracts a strong tourist base. Within the Downtown, retail sales data shows sales up by 8

percent between 2012 and 2013. In addition, vacancy rates are down to 3 percent, and asking rents are higher in the Downtown compared to the rest of the market, reflecting high pedestrian foot traffic and strong performance along the popular parts of Pacific Avenue.

Retail uses for this project are recommended to be limited to providing primarily convenience goods to bus patrons. This recommendation is made to minimize risk and provide maximum investment income to the development partner. In addition, uses at the redeveloped Pacific Station at street level, such as a moderately-priced destination restaurant, should experience strong market support and will serve to catalyze the area. Moreover, if this restaurant could capitalize on the entertainment aspects of the nearby Warrior's Arena, it may also bolster market demand. There are many innovative restaurant concepts, both locally and regionally, which may be able to combine high quality locally-produced food alongside a sports or entertainment theme, including bars and restaurants with branches in San Jose near its sports facilities.

3. PROJECT NEEDS



*Coastal Zone Boundary Map
Site Overlay*

ENVIRONMENTAL PLANNING AND ENGINEERING

The development of the project site is regulated by a variety of local and state statutes. The project site area has been included in a number of local city planning studies. Because it is anticipated that this project will apply for federal grants, it will be required to comply with National Environmental Policy Act (NEPA) as well as California Environmental Protection Act (CEQA) requirements.

Environmental impacts could include aesthetic, air quality, cultural resource, geotechnical/geology, hazardous materials, hydrology, noise, public service and traffic considerations. Project entitlements are likely to require studies be prepared to evaluate potential impacts regarding greenhouse gas emissions, geotechnical investigation, an archeological study, a health risk assessment, acoustic analysis, photo simulations, and a traffic study. Since the project will be subject to CEQA and NEPA, it will be required to follow the process laid out in the Environmental Planning Memorandum that can be found in the Technical Appendix of this report.

ZONING

Per the applicable City Zoning Maps and State Building Codes, the existing site falls within the boundaries of the Downtown Recovery Plan. All but the northernmost portion of the property is within the Coastal Zone boundary as well. The governing local land use programs are the Local Coastal Program, General Plan 2030, and Zoning Ordinance Regulations with a land use designation of CF: Community Facilities and a Public Facilities/High Density Overlay Zoning District. This high density overlay permits housing and a maximum floor area ratio for the housing component of 2.0. An additional Planned Development Permit will allow a 20' height increase with City approval. Finally, parts of the building can reach a maximum height of 75' due to its location within the High Density Overlay Zone of the Central Business District.

The Local Coastal Plan encourages mixed-use development in this location. The design team anticipates that the project will require Coastal, Special Use, Design and Planned Development permits. Additionally, environmental impacts for a project of this scale must be considered as well.

During early phases of the project, the consultant team prepared and evaluated project options at various heights to address the differing development regulations and zone boundaries. Options were prepared for different mixed use combinations that could be developed within the following height limitations: 50' maximum across the whole site, 75' height limit on the Pacific Avenue side and 50' on the Front Street side, and 75' across the whole site. These options are available for further review in the Technical Appendix.

Midway through this project, in early 2015, the City commissioned a Zoning Overlay Study to look at the project site and a broader area extending to Laurel Street. The study proposed to extend the pattern of development of upper Pacific Avenue with a 75' height limit across the whole project site down to Laurel with significant setbacks and other requirements. The proposed Zoning Overlay is

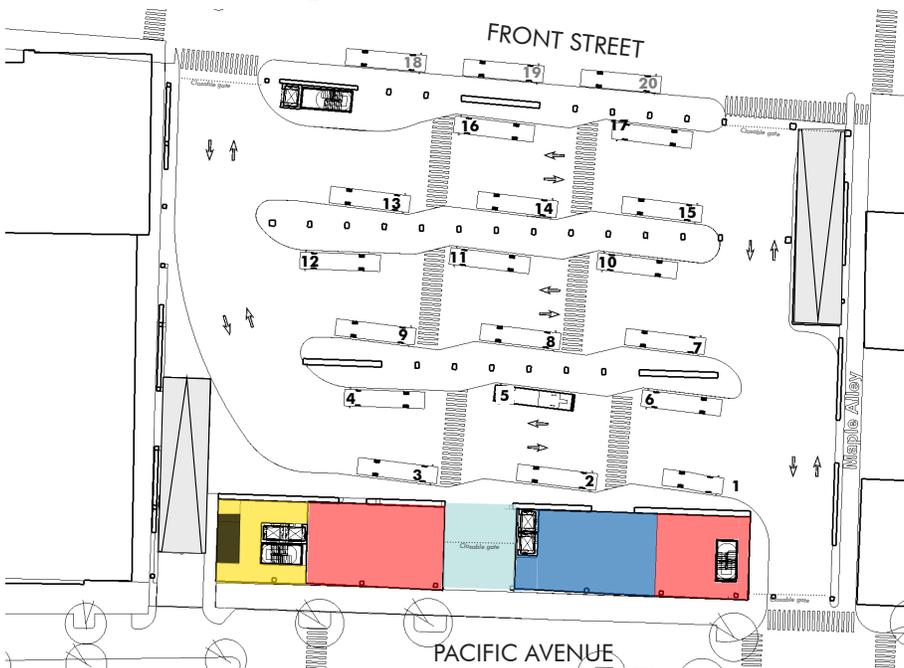
the most beneficial in meeting the project goals. At the time of writing, the City was moving forward with refining and enacting the Zoning Overlay.

PARKING AND TRAFFIC ANALYSIS - BUSES

In the current tarmac configuration, all bus aisles go east-west and there is no ability to reverse bus direction on the site and all buses must enter on one street and exit on the other. This means that 100% of all bus motions require travel on Pacific Avenue which is the priority pedestrian street and which has a more restricted vehicle traffic pattern. Also Pacific Avenue is closed to vehicle travel at the annual June Pride parade, October Halloween celebration and December Holiday Parade, events with high transit use and significantly impacted tarmac operations.

The proposed project will result in significantly improved METRO bus operations and will result in a changed traffic pattern. In the proposed tarmac layout the bus aisles are reoriented north-south. While most berths are designed to be accessible from both Front and Pacific Streets, there are a few berths that have limited access and can only enter or exit from a single street. Metro Operations and City Planning desire to change the balance of bus traffic to reduce bus traffic on Pacific Avenue in favor of more bus trips on Front Street.

A layover is the short term parking of a bus while its operator is on a scheduled break. Presently all buses that layover at Pacific Station must first exit the tarmac on Pacific and reenter the northern layover lot on Pacific leading to increased bus crossings of sidewalks. In the proposed design, the increase in berths to 17 and the use of sawtooth configuration permit independent bus motions and layovers to happen in berth – and the elimination of the separate lot and the additional bus motions required.



Preferred Conceptual Development Strategy First Floor Plan

Attachment A

3. PROJECT NEEDS



Existing Pacific Station Tarmac



Downtown Public Parking Map

Between the tarmac and the layover lot there are presently five bus driveways, two on Pacific and three on Front. In the proposed design, the bus driveways will be reduced to a total of three, the two primary on Front and a one secondary on Pacific.

Front Street has significant vehicular traffic and presently there is a signal controlled zone spanning both Front street bus driveways and a bus-only left turn pocket to facilitate buses entering and exiting. Street onto the tarmac and to permit buses to exit. In the proposed design the signals and any left turn pockets will have to be studied and redesigned.

In the proposed scheme three of the required bus berths are proposed to be in the Front Street right-of way. While these berths are not anticipated to be high use locations, the City has expressed concern about negative impacts of waiting busses and passenger queuing to the pedestrian experience of those passing by on Front Street.

PARKING AND TRAFFIC ANALYSIS - PUBLIC AND RESIDENT PARKING

Today City Lot #12 provides 15 metered spaces and is the only off-street public parking immediately adjacent to Pacific Station. This lot is accessed from Maple Lane. In the proposed project encompassing the existing Metro tarmac and layover lot, City Lot #12 and the NIAC parcel, there will be approximately 531 spaces developed in an above grade parking structure spanning levels three, four, and five. The exact parking count depends on policy direction of the City, and is related to the mix and type of housing that a future private developer. The option illustrated in this report shows 11 spaces for Metro passenger vehicles or non-bus vans, 384 public parking spaces, and 136 spaces for resident parking.

For ease of entry/egress, operational flexibility, and moderated traffic flows, the project proposes two sets of two-way speed ramps, one each on Pacific and Front, to connect dedicated street level parking driveways to the elevated parking levels. Due to the need for high clearance on the tarmac and deep spanning structure above, the first parking level is 25' above grade. On Pacific Avenue, the parking driveway is far from the bus driveway, but on Front Street the parking driveway is immediately adjacent to one of the primary bus driveways. To prevent vehicular and/or pedestrian conflicts this adjacency requires careful study and design including traffic controls, warnings and other possible mitigations. Due to the limited width east-west on the site the southern parking ramp from Front Street may need to be as much as 20% maximum slope, one of the steepest in the area which may not be comfortable for some drivers.

PARKING AND TRAFFIC ANALYSIS - BICYCLES/NON-MOTORIZED

Metro buses are bicycle friendly but many riders prefer to leave their rides at the station. Presently bicycle parking at Pacific Station includes a limited number of bicycle racks and a locker with 16 bicycle capacity that may be used for a small fee. The proposed project has the possibility to significantly increase bicycle parking and related services. While ground level space is at a great premium,

there are opportunities for bicycle parking under both parking ramps. There was also discussion amongst City Council members and project stakeholders about seeking a bicycle rental, valet, share services, or repair service business to occupy one of the Pacific Avenue storefront spaces. In any of these locations, the possibility exists to use high capacity storage taking advantage of overhead space to reach capacities of as great as 100 bicycles.

Presently there are northbound and southbound marked, non segregated, bicycle lanes on Front Street. There is also limited on-street parking and some driveways for businesses located on the east side of the street. It is anticipated that the east side of Front street along the San Lorenzo River levy will be developed in the future. The reconfiguration of bus and parking driveways, on street bus berths, and the bicycle lanes, east side property access will all need to be evaluated as part of a required traffic study and will need to be carefully engineered and designed in later phases.

The City Department of Public Works has identified the following items to be investigated in greater detail through a traffic study of the site:

- Study traffic patterns to determine impacts of proposed METRO tarmac
- Study vehicular circulation to address ingress/egress needs at both Pacific Avenue and Front Street
- Study Parking Ramp slopes: Currently parking ramps should be 17% slope or less with final direction from City (City is presumed developer of the garage component)
- Study potential conflict of Front Street parking ramp and bus ingress/egress
- Study bus berths on Front Street in relationship to bicycle path and pedestrian experience
- Evaluate pay-by-space/tag parking vs. gate approach to parking fee collection. Operational impacts of enforcement to be evaluated by City with final direction from City staff.
- Confirm that an automated parking system is an option that could be evaluated at a later date

METRO TERMINAL PROGRAM

As described in the Project Goals, METRO will require an updated transit station. The constituent parts of this station include the following:

METRO Space Requirements

The new METRO Pacific Station program will include space for customers, METRO staff, and support areas for drivers. The ground floor program will include public restrooms, information/ticketing, space for Greyhound, accessibility related areas, an eligibility coordinator's office, a custodial and a security office. The total square footage will be approximately 2,700 square feet. On either the first or second floor, METRO will have a Supervisor's Office, Meeting Room, Administrative Assistance space, Call Center, Driver's Restroom and Lounge, and Server Room totalling another 2,900 square feet. There will be additional space for retail and concessions to support ridership.

3. PROJECT NEEDS

Tarmac Requirements

The existing bus station has capacity for 11 independent bus berths, 4 fleeting berths, 11 layover spaces, and 10 non-revenue parking spaces. Currently there are a host of safety issues including the non-alignment of buses to berths, illogical pedestrian crossings, all bus routes crossing Pacific Avenue creating pedestrian conflicts, and the requirement that buses back up to exit berths during special events and when Pacific Avenue is closed. Additionally many buses are required to arrive at one berth and depart from another, leading to additional confusion. In order to mitigate these issues the new bus tarmac will have the following programming.

The new tarmac and platforms will include covered 20 bus berths (some on-street, if necessary), and integrated layover spaces into a shallow sawtooth configuration. This allows all berths to be used interchangeably. Non-revenue METRO parking spaces, as well as 50-100 park and ride parking spaces, will be on an upper level of the development to allow for increased bus movements on the ground floor. At least 40 bicycle parking spaces will be provided on the ground floor, with potential valet services. Buses will be placed in parallel rows and drive aisles (as opposed to the current wishbone configuration) in order to minimize curb cuts on Front Street and Pacific Avenue. All berths will have a minimum of 16' of clear height, and some will be designed to accommodate future articulated buses. Additionally, there will be a taxi-stand and kiss-and-ride drop-off areas. Pedestrians will cross on raised crossing tables to clearly delineate movement across the tarmac. Finally, most buses could depart and arrive from the same berth, and no buses will ever have to back up, significantly mitigating the risk of accidents between pedestrians and buses.

CITY OF SANTA CRUZ PROGRAM

In addition to METRO goals, the City of Santa Cruz prioritizes the following programmatic elements for the transit-oriented development:

Divisible Spaces

- Ground floor retail space with a minimum ceiling height of 15'
- 16,000 to 20,000 square feet Medical Office/Clinic

Housing

- Approximately 100 residential units to be owned and financed by the City or another public agency
- 100 square feet of open space per dwelling unit desired

Parking Allocation Requirements

- 1.25 parking spaces per dwelling unit for the residential parking
- Revenue generating public parking spaces, quantity to be determined, to be managed by Santa Cruz Downtown Parking District.



Initial Study for a New Bus Tarmac

RETAIL AND OFFICE PROGRAM

The new Pacific Station development will include retail and office spaces to complement the overall development. At the ground floor, retail and restaurant capable shell spaces shall be built to continue the Pacific Avenue commercial corridor. Two shell spaces shall be developed along Pacific Avenue in conjunction with a private lobby for the residential component and the METRO station. Additionally, the second and third floor shall have tenant spaces totalling approximately 18,000 gross square feet. These spaces could potentially be utilized for the Santa Cruz Health Clinic.

PARKING PROGRAM

As described above, METRO will need 11 non-revenue parking spaces. Additionally, the residential parking quantity will be based upon the final number of housing units at a ratio of 1.25 parking spaces per dwelling unit. The rest of the parking garage will be non-gated public parking for downtown visitors with payment kiosks at each elevator bank.

HOUSING PROGRAM

The housing programming will consist of a combination of studio, one bedroom, and two bedroom dwelling units. These units will be flexible, and allow for either condominium sale or apartment lease. 15% of the new housing will be affordable and the rest will be built as market-rate housing. The final quantity of housing will be determined by the overall building envelope, by whether or not the NIAC parcel is acquired, and by the overall distribution of public parking and residential quantities across the upper levels of the building.

Attachment A

3. PROJECT NEEDS

TEMPORARY BUS STATION PROGRAM

During construction of the new Pacific Station terminal, there will be a temporary terminal located proximate to the existing site. While final site selection for a temporary station is still under review, the temporary terminal will include three to four temporary trailers during construction of the new Pacific Station. These trailers will include space for a security office, ticketing/information, a couple of on-site offices, and potentially a Greyhound ticketing/waiting area.

OTHER PROGRAMMATIC OPTIONS AND ANALYSIS

During the programming phase of the project, a range of additional land-use options were explored. These options included, but were not limited to, a new main library, an arena for the Santa Cruz Warriors, a conference center, a hotel and multi-floor bus berthing.

The current mixed-use program identified for Pacific Station is a direct outgrowth of a feasibility analysis of these options in combination with the agreed upon housing, retail/restaurant, transit station, and health clinic programs.

CONCEPTUAL DEVELOPMENT STRATEGY OPTIONS

PREFERRED DEVELOPMENT STRATEGY

The preferred Design Option 1A incorporates a 75' building height limit, the NIAC parcel, and housing to create the most feasible transit-oriented development for a new METRO Pacific Station. The overall building layout is as follows:

The first floor will consist of 20 bus berths, the METRO and Greyhound Station, a lobby for housing above, and retail spaces. All conditioned spaces will be located along Pacific Avenue with the bus station beyond and accessible through an open-air breezeway located mid-block. For efficient transit operations, there will be two access points along Front Street and one along Pacific. Additionally, the north edge of the parcel along Pacific Avenue and the south edge of the parcel along Front Street will each have a curb cut for speed ramps to access public parking on the third through fifth floors of the building.

The second and third floors will also consist of approx. 40' wide divisible space along Pacific Avenue. The parking garage will start behind the divisible space on the third floor. On the fourth and fifth floors, residential units will be aligned along Pacific Avenue with parking beyond and step back in accordance with the planning guidelines. Finally, the sixth and seventh floors will be developed as completely residential floors with views out across the city and into an internal courtyard. More details of each program component are discussed below.

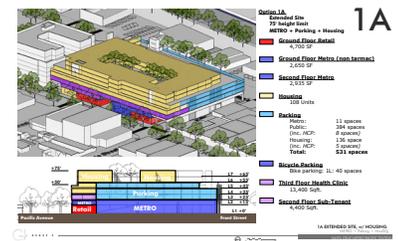
URBAN DESIGN

The new Pacific Station will integrate into the Pacific Avenue cultural corridor by providing a range of ground-level pedestrian spaces. In addition to an open-air passage to the tarmac, two divisible spaces, a lobby for housing, and the new METRO passenger terminal will activate the Pacific Avenue street frontage. These amenities will provide clear sidewalk and pedestrian access across and into the site itself.

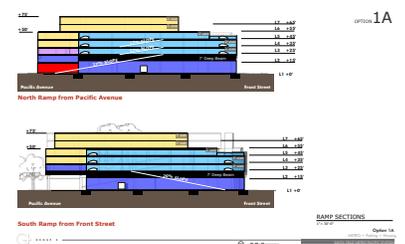
Along Front Street, the preferred design will reduce the number of curb cuts for buses from three to two. This adjustment will clarify bus turning lanes. Additionally, the two bus curb cuts will be located as far apart from each other as possible along the north and south ends of the site at Front Street. This will provide over 200 feet of sidewalk between curb cuts and greatly increase the pedestrian safety. The current plan shows bus berths along Front Street, but the final design and functionality of the streetscape is to be determined in conjunction with the City and the Department of Public Works.

BUS STATION CONSTRUCTION

Pacific Station is located between Front Street and Pacific Street at the current Santa Cruz METRO Site. Before any improvements can take place, the entire site (approximately 93,000 SF) shall be demolished. Items to be demolished will be all items on the site including: existing buildings and structures, paving,



Option 1A Massing



Option 1A Parking Garage Access Speed Ramps

Attachment A

4. PREFERRED DEVELOPMENT STRATEGY

curbs, gutters, sidewalk and transit platforms, site furniture (shelters, benches, trash receptacles), signs, and landscaping.

After demolition is complete, new hardscape features will be constructed. The new transit area drive aisles and bus berths shall have a new pavement section of continuously reinforced concrete pavement. The new transit station will also include concrete curb (and gutter), concrete pedestrian ramps (including truncated domes), and concrete sidewalk and platforms.

The transit platform design features sawtooth bus berths which allow independent bus movement. While the majority of the bus berths are designed to be accessible from both Front Street and Pacific Street, there are a few berths that have limited access and can only enter or exit from a single street.

In addition to hardscape features, the transit facility improvements include new signing and striping, site furniture and amenities, and lighting. Due to the new transit facility entrance and exit, new signing and striping will be required inside the facility as well as along Pacific Street and Front Street to accommodate new circulation patterns. Site furniture proposed for the transit station will be benches, trash receptacles and information kiosks. Both short term and long term bicycle parking shall also be installed at the transit center.

Other miscellaneous improvements that will be proposed for the site include on-site water quality measures and necessary drainage and utility connections. At the request of Santa Cruz METRO, two water connections will be provided at each transit platform for platform and bus cleaning and maintenance.

METRO STATION CONSTRUCTION

The new Pacific Station development will include the following METRO program spaces to ensure a successful transit center operation:

Customer information, ticket sales, and Greyhound facilities should be located on the first floor of the building with a clear view of the bus loading/alighting areas. This will create a barrier free view for customers and reduce their anxiety with a clear view of the bus loading area. Public and coach operator restrooms should be located on the first floor as well to minimize travel time from the restroom facilities to the bus loading areas. Although not necessary, it will be advantageous to have the security office on the first floor as well to minimize response time to any activity in the bus loading area.

Attachment A

4. PREFERRED DEVELOPMENT STRATEGY

The current Pacific Station building houses several functions that will be continued in any new facility. Functions that are to be continued:

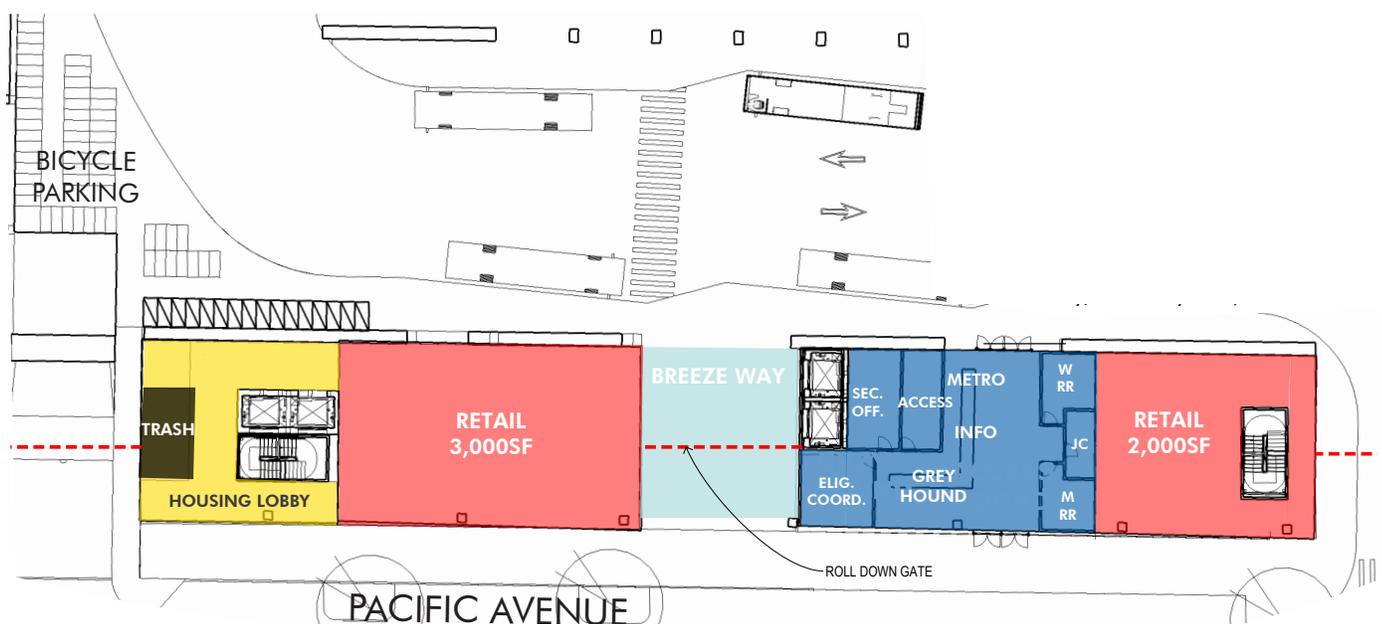
First Floor

- (1) Accessibility Coordinator Office
- (1) Eligibility Coordinator Office
- (2) Public Restrooms
- (1) Greyhound Facility
- (2) Custodial Facilities
- (TBD) Retail Space (food handling)
- (1) Lost and Found Space (2nd floor optional)
- (1) Security Office (2nd floor optional)

Second Floor

- (1) Ticket and Pass Specialist Office
- (4) Customer Service Representative Cubicles
- (1) Administrative Assistant Office
- (1) Supervisor Report and Meeting Room
- (1) Training and Meeting Room
- (1) Computer/Telephone/Electronics Server Room
- (2) Driver/METRO Restrooms

Greyhound currently operates a joint office with Santa Cruz Metropolitan Transportation District information and ticket sales. The Greyhound operation also has a package express component to their operations which should have easy access to the facility for pick-up and drop-off of packages. Greyhound package express and passenger services should have convenient parking curbside or in close proximity to the Greyhound office. It should also be noted that the Greyhound bus is a 45 foot over-the-road coach, front door loading only.



Potential New Tarmac and Terminal First Floor Plan

Attachment A

4. PREFERRED DEVELOPMENT STRATEGY

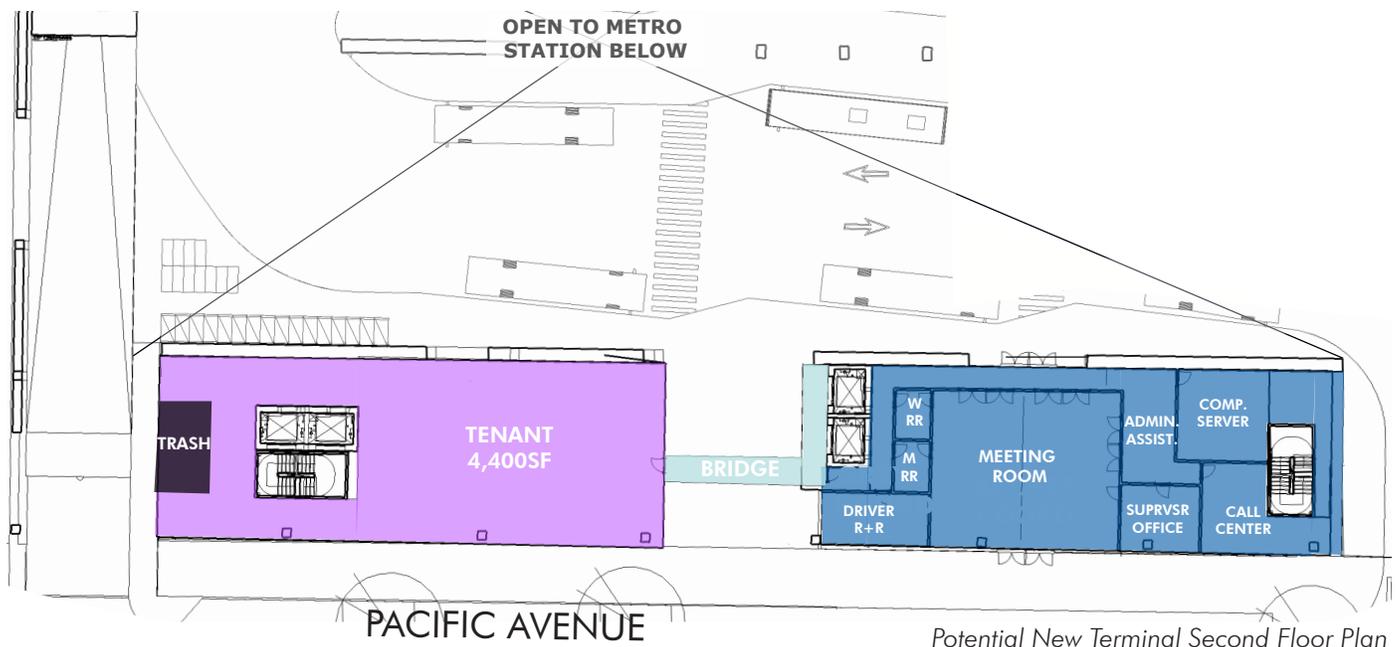
RETAIL AND OFFICE CONSTRUCTION

The retail components of the Preferred Conceptual Design include two separate divisible spaces along Pacific Avenue totalling 4,700 SF. Additionally, the second floor 4,400 square feet of space for a sub-tenant that could be connected via an internal stair to another 13,400 SF of space on the third floor. This stacked plate could potentially be used for the Santa Cruz Health Clinic.

PARKING GARAGE CONSTRUCTION

Passenger vehicle parking is located above the transit center, and directly behind the office and residential components on the upper floors. The parking serves the transit center employees, the general public and the housing. The parking for housing is located on the top floor of parking just below the housing and has gated control with a card reader. The public parking will be managed with a pay-by-space system where patrons will use either a space number or their license plate to key into the pay station and pay for their parking stay. The City studied using a gated access system was considered by the City in lieu of a pay-by-space system but significantly constrained the garage layout and reduced the total quantity of parking. However, the significant reduction in parking spaces for the gated system increased the cost per stall in comparison to the pay-by-space system. This type of system eliminates the need for gate control as you enter the public parking area. A pay-by-space system will require enforcement of the time limit in those spaces. The METRO non-revenue parking will be managed with signage.

The transit center requires large clear structural spans for the buses and the housing wants to have shorter structural spans to minimize the vibration. The structure for the parking deck can be provided in either long or short span



Potential New Terminal Second Floor Plan

structural systems. Currently, the structure is shown short span configuration to minimize the depth of structural beams. This strategy allows the design to maximize the divisible area within the 75' maximum building height. At the bus station terminal, the structural beam spans are longer than a typical parking long span. In order to span this greater distance, a structural section that will be as much as seven feet deep in certain locations will be required. Finally, the use of short span parking did affect the efficiency of the parking area as did the tapering site footprint.

Vehicular access to the parking garage is accomplished through two express ramps. At the parking levels, all drive aisles are shown with two-way traffic. The assumed parking geometry is an average size stall of 8'-6"x18'-0" with a 24 foot drive aisle. This stall is an average between standard and compact spaces and is a recommended geometry for this type of use. ADA spaces are provided within each area of public and private parking.

HOUSING CONSTRUCTION

The housing program comprises approximately 81,500 gross square feet of residential area for a range of housing units on floors 4 through 7. The total number of residential units will be dependent upon the final breakdown of studio, one and two bedroom apartments determined by the City. The residential units are single-story flats located above the Metro Pacific Station and divisible commercial space. All units are accessed by two dedicated elevators from a private ground-floor lobby on Pacific Street. All units are flexibly configured to allow for either condominium sale or apartment lease. The two lower floors are single-loaded liners wrapping parking floors, while the two upper floors wrap an internal courtyard.

Housing Floor Plan Descriptions

- **Floor 4:** dwelling units open onto Pacific Avenue with a hallway along the public parking garage side. 9,300 gross square feet of residential area for approximately 10 units.
- **Floor 5:** dwelling units open onto Pacific Avenue with a hallway along the public parking garage side. (Residential parking ratio: ~1.25 spaces per unit). 6,900 gross square feet of residential area for approximately 10 units.
- **Floor 6:** dwelling units open onto Pacific Avenue, Front Street, and an internal courtyard from both sides of a central hallway. 32,700 gross square feet of residential area for approximately 42 units.
- **Floor 7:** dwelling units open onto Pacific Avenue, Front Street, and an internal courtyard from both sides of a central hallway. 32,700 gross square feet of residential area for approximately 42 units.

Fifth Floor Alternate Housing Option

The Alternate Design proposes approximately 107,500 gross square feet of residential area for approximately 142 units. The Alternate Design offers a more efficient building configuration by revising Design Option 1A to replace the

Attachment A

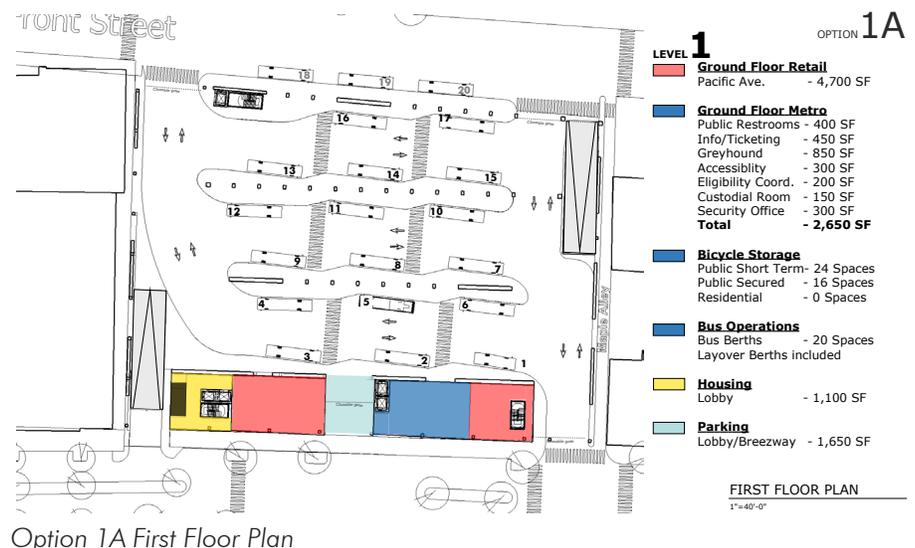
4. PREFERRED DEVELOPMENT STRATEGY

proposed public parking on the 4th floor with resident parking, and reconfigures the residential units on the 5th floor from single-loaded liners to an entire floor of double-loaded residential units. While this scenario will not satisfy the desire of the City of Santa Cruz to incorporate as much public parking facilities on site, it will result in a larger-scale residential project that will be considerably more attractive to institutional apartment investors such as Real Estate Investment Trusts.

Alternate Floor Plans Description

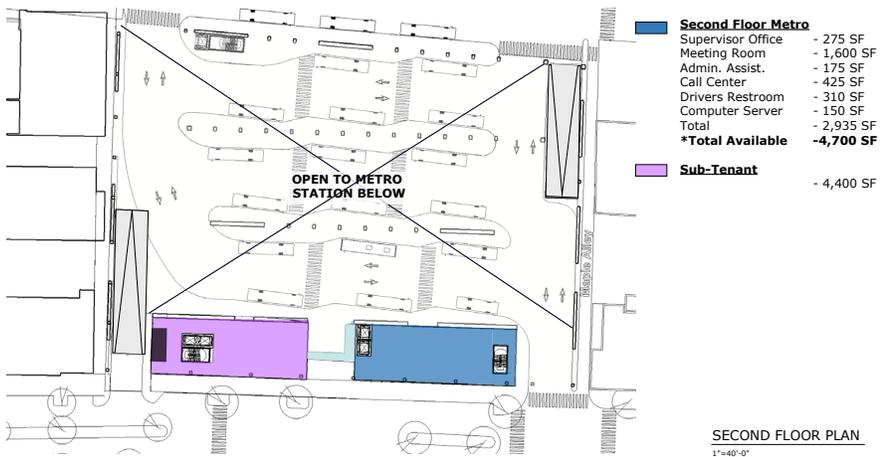
- **Floor 4:** dwelling units open onto Pacific Avenue with a hallway along the public parking garage side. (Residential parking ratio: ~1.25 spaces per unit). 6,900 gross square feet of residential area for approximately 10 units.
- **Floor 5:** dwelling units open onto Pacific Avenue, Front Street, and an internal courtyard from both sides of a central hallway. 32,700 gross square feet of residential area for approximately 42 units.
- **Floor 6:** dwelling units open onto Pacific Avenue, Front Street, and an internal courtyard from both sides of a central hallway. 32,700 gross square feet of residential area for approximately 42 units.
- **Floor 7:** dwelling units open onto Pacific Avenue, Front Street, and an internal courtyard from both sides of a central hallway. 32,700 gross square feet of residential area for approximately 42 units.

PREFERRED DESIGN FLOOR PLANS



Attachment A

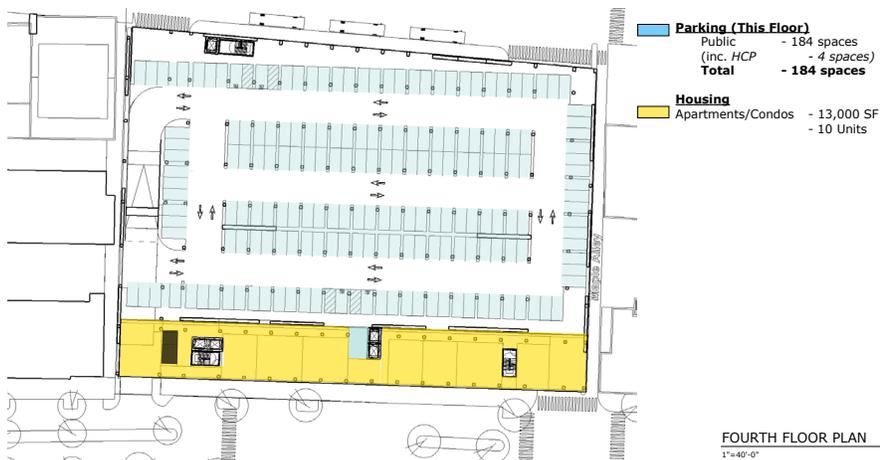
4. PREFERRED DEVELOPMENT STRATEGY



Option 1A Second Floor Plan



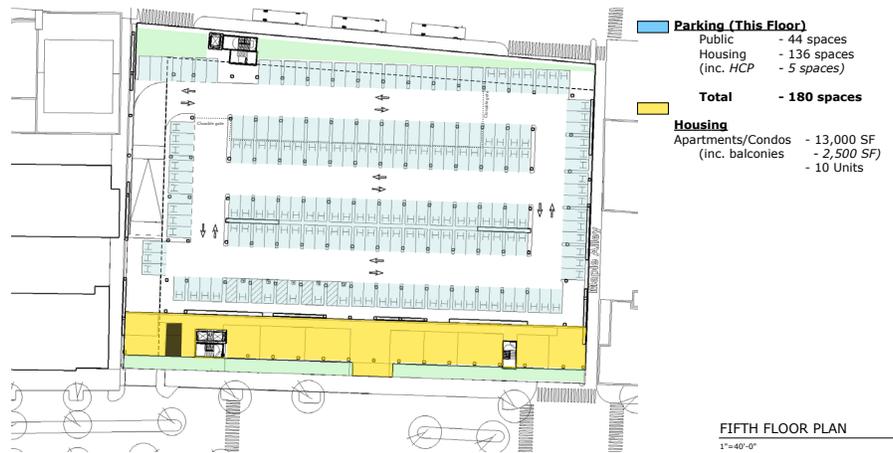
Option 1A Third Floor Plan



Option 1A Fourth Floor Plan

Attachment A

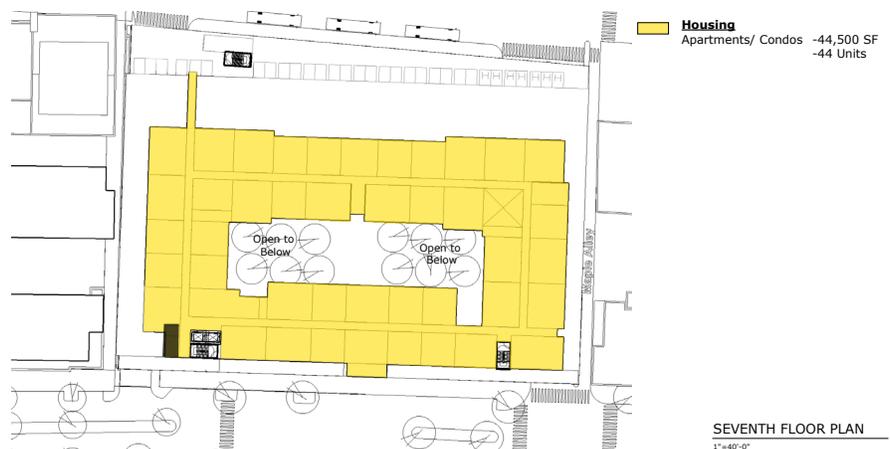
4. PREFERRED DEVELOPMENT STRATEGY



Option 1A Fifth Floor Plan



Option 1A Sixth Floor Plan



Option 1A Seventh Floor Plan

Attachment A

4. PREFERRED DEVELOPMENT STRATEGY

PREFERRED DESIGN CONCEPTUAL RENDERINGS

The following renderings are of possible project massing and scale. Please note that the actual architectural design will be prepared at a later stage of the project.



View looking Northeast along Pacific Avenue



View looking Southeast along Pacific Avenue



View looking East through the breeze-way to bus tarmac beyond

Attachment A

4. PREFERRED DEVELOPMENT STRATEGY



View looking Southeast along Pacific Avenue



View looking Southwest along Front Street



View looking Northwest along Front Street

Attachment A

4. PREFERRED DEVELOPMENT STRATEGY

ALTERNATIVE CONCEPTUAL DEVELOPMENT STRATEGIES

Throughout the conceptual design process, the PMT worked to develop the most economical and appropriate plan for the new Pacific Station. Three key variables emerged: the acquisition of the NIAC parcel, the building height limits and setbacks per the existing and proposed urban design guidelines, and the programmatic mix of uses developed within this overall building envelope. In order to evaluate these different programs, the design team developed the following options for both transit-oriented developments and METRO base case designs:

INITIAL DESIGN OPTIONS

Pacific Station Parcel and NIAC Parcels - TOD Scenarios

- Option 1A- 75' Height; Housing, Parking, METRO, Retail
- Option 1B- 75'/50' Height; Housing, Parking, METRO, Retail
- Option 1C-50' Height; Parking, METRO, Retail

Pacific Station Parcel Only - TOD Scenarios

- Option 2A- 75' Height; Housing, Parking, METRO, Retail
- Option 2B- 75'/50' Height; Housing, Parking, METRO, Retail
- Option 2C- 50' Height; Parking, METRO, Retail

Pacific Station Parcel and NIAC Parcels - Base Case Scenarios

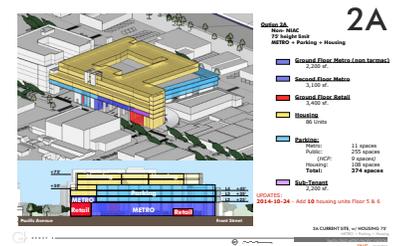
- Option 1- Renovate existing station and tarmac
- Option 2- Rebuild similar station, renovate tarmac
- Option 3- Rebuild 2-story station with expanded frontage
- Option 4- Rebuild 2-story station with covered platforms
- Option 5- Rebuild 2-story station with covered platforms and tarmac
- Option 6- Rebuild 2-story station with parking level above station

DESIGN ANALYSIS AND EVALUATION

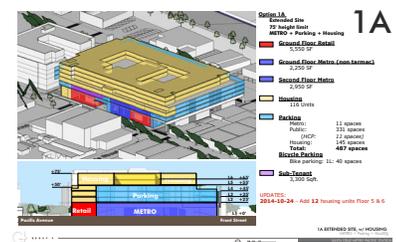
Following the development of the scenarios listed above, they were analyzed in order to determine the most feasible conceptual design. This analysis took into consideration METRO needs, City goals, the Department of Public Works' comments, and the potential for the project to attract private developers through a Request for Proposals (RFP) process.

SITE OPTIONS

The current tarmac configuration is severely limited by the irregular dimensions of the current parcels owned by METRO. In order to meet minimum METRO operations, the acquisition of the NIAC parcel will be required. The existing 2-story office building is wholly occupied by NIAC. METRO and the City have been in conversation with the property owners about facilitating a friendly acquisition. Additionally, the inclusion of City Parking Lot 12 for use in a new METRO project will further improve the efficiency of ongoing and future METRO operations.



TOD Option Not Including NIAC Property



TOD Option Including NIAC Property



Base Case Scenario Including NIAC Property

Attachment A

4. PREFERRED DEVELOPMENT STRATEGY



Soquel / Front Avenue
City-owned Parking Garage



TOD Project - Potential Fire
Separation Locations

BUS STATION OPTIONS

Regarding the bus station, two major layouts were investigated: one in which buses will transit across the tarmac in an east-west direction, and one in which the buses will transit north-south. The east-west direction closely mirrored the existing configuration and led to significantly more curb cuts (five total) than the north-south tarmac layout (three curb cuts). The north-south configuration was preferred for efficiency as well as impact on adjacent streets. In order to successfully implement a north-south scheme, the NIAC parcel will need to be acquired.

TRANSIT-ORIENTED DEVELOPMENT OPTIONS

The design team also studied the feasibility of housing and parking within the project. During this phase, the City confirmed that the parcel zoning and envelope could be at the 75' maximum height associated with the Central Business District. This clarification provided the necessary height to allow for housing, housing parking, and a public garage to be incorporated into the project and to defray the costs of building a transfer deck over the new Pacific Station. As such, the design team recommended incorporating four levels of housing and three levels of parking into the project.

BUILDING CODE

The project falls within the applicable state building codes, specifically the 2013 California Building Code (CBC) and the 2013 California Fire Code (CFC). The site constraints, building program, hazard levels and vertical stacking require that the building be constructed as Type 1B construction. That said, the exterior walls along public streets can be non-rated construction due to their distance from other structures.

Type 1B construction consists of fire-resistive, non-combustible exterior walls, structural frames and ceiling/floor assemblies. The new Pacific Station will most likely be constructed utilizing cast-in-place, post-tensioned concrete structural system. The building will be fireproofed and fully sprinklered. The exterior skin of the parking garage will be similar to existing downtown City parking garages such as the garage located on Soquel/Front Avenue.

The project could potentially be constructed as a Type 3A building if the City Building Official were to allow an Alternative Means and Methods request that incorporated increased fire separations between uses or if the new CBC (scheduled for 2017) allowed vertically mixed uses with increased fire separations. These options are further developed in the Technical Appendix section of this Report.

Attachment A

4. PREFERRED DEVELOPMENT STRATEGY

ECONOMIC ANALYSIS

The project was analyzed in regards to its funding and potential revenue streams. As described below, the integration of housing makes the new Pacific Station a banner project for transit-oriented development funds while also allowing the City to appropriate affordable housing funds for the project. Public parking also provides the ability for the City to raise general obligation bond funds for the project, though there will be limited revenue generation from public parking.

METRO BASE CASE SCENARIOS FUNDING REQUIREMENTS

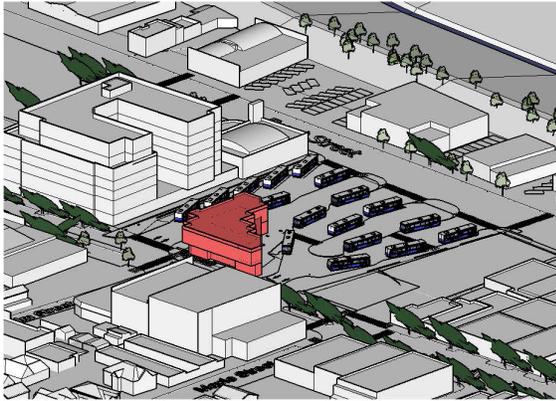
The following funding table represents the costs METRO will incur to build a stand alone station and/or parking structure. This information is intended to provide a comparison to the transit-oriented development costs that will be incurred by METRO. Please note that these options are not the preferred design direction for the new METRO Pacific Station but serve as backup documentation in case METRO were to build a standalone station.

Base Case Options <i>*Including 30% Soft Costs</i>	Overall Budget	Programmatic Elements	Site
Option 1 -Renovate Existing Station	\$8.208M	<i>METRO Pacific Station</i>	Current Site
Option 2- Rebuild Similar Station	\$9.146M	<i>METRO Pacific Station</i>	Current Site
Option 3- Rebuild 2-story Station with Retail	\$15.061M	<i>METRO Pacific Station, Retail</i>	Current Site
Option 4- Rebuild 2-Story Station with Retail and Covered Platforms	\$17.372M	<i>METRO Pacific Station, Retail</i>	Current and Expanded Sites
Option 5- Rebuild 2-Story Station with Retail and Covered Tarmac	\$31.997M	<i>METRO Pacific Station, Retail</i>	Current and Expanded Sites
Option 6- Rebuild 2-Story Station with Retail and Parking Above	\$38.107M	<i>METRO Pacific Station, Retail Parking (City, METRO)</i>	Current and Expanded Sites

Attachment A

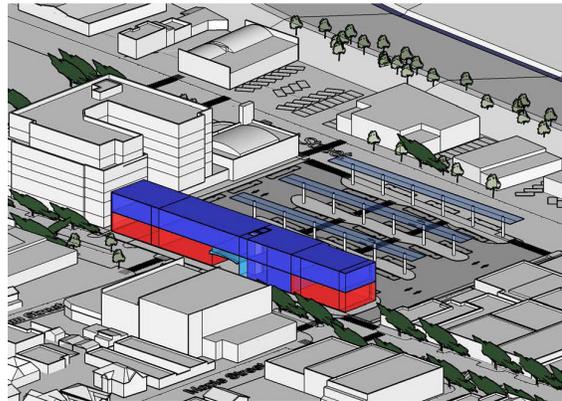
4. PREFERRED DEVELOPMENT STRATEGY

BASE CASE SCENARIO CURRENT SITE

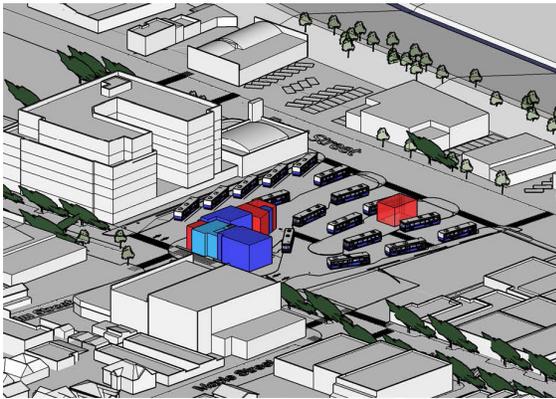


Base Case Option 1 -
Renovate Existing Station

BASE CASE SCENARIO CURRENT + EXPANDED SITE



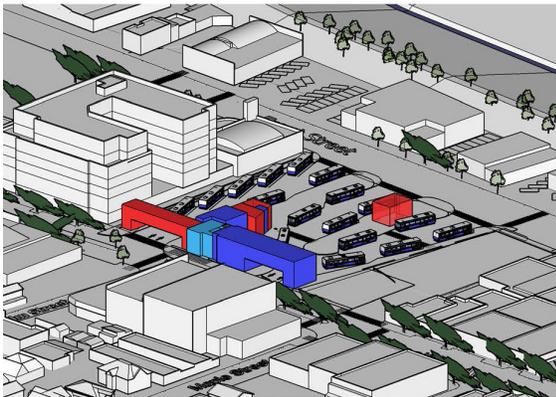
Base Case Option 4 -
Rebuild 2-Story Station with Retail, Covered Platforms



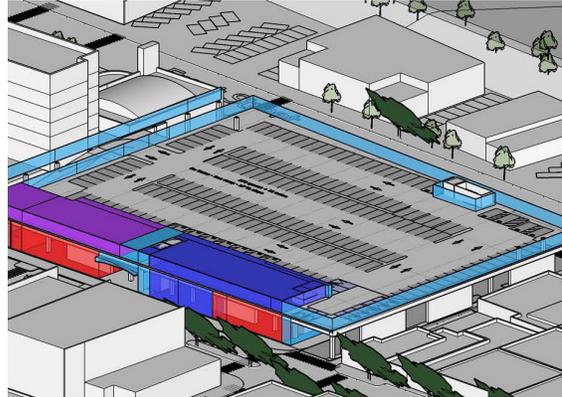
Base Case Option 2 -
Rebuild Similar Station



Base Case Option 5 -
Rebuild 2-Story Station with Retail, Covered Tarmac



Base Case Option 3 -
Rebuild 2-Story Station with Retail



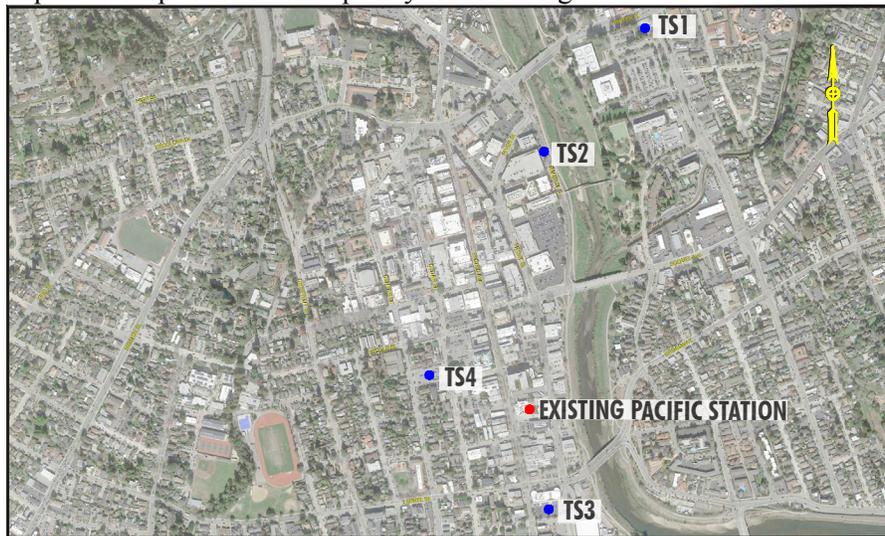
Base Case Option 6 -
Rebuild 2-Story Station with Retail and Parking Above

Attachment A

4. PREFERRED DEVELOPMENT STRATEGY

TEMPORARY BUS STATION ANALYSIS

The preferred design requires demolition of the existing terminal and operating tarmac prior to construction of the new terminal. In order to maintain transit operations during construction, METRO needs a temporary operating facility for approximately two years. The design team identified the following locations as potential options for a temporary station design:



TEMPORARY SITE 1 (TS1)

Ocean Street and Water Street: An empty parcel of approximately 1/2 an acre is located at the southwest corner of the Water and Ocean Street intersection near the County Courthouse. This site is the furthestmost from the current location and therefore will cause the most significant challenges in re-routing and re-scheduling bus timetables. Buses operating to the south and west of Pacific Station will either have their schedules shortened, or, if the desire is to have those routes still provide direct access to downtown, the schedules will have to be lengthened accordingly. Buses operating from the north and the UCSC Campus will have to lengthen their routes and schedules to access this site. The lengthening of the routes will likely have cost implications in both operating costs and additional equipment cost.

From a bus operating perspective, this site is at a fairly busy intersection and interactions with other vehicular traffic could be problematic. Buses pulling into traffic lanes might experience difficulty and delays in merging into the traffic. Additionally, buses will have to fleet in and out of the site as there is insufficient curb length to have independent bus movements.

Transferring passengers will have fairly long walks between buses with uncertainty as to as to the location of their transferring bus location. The site does have the potential for location of temporary office and ticketing facilities on the adjacent lot at the corner of Ocean Street and Water Street.

TEMPORARY SITE 2 (TS2)

River Street extension: This site is about six blocks from the current Pacific



Temporary Terminal 1 Site Plan



Temporary Terminal 2 Site Plan

Attachment A

4. PREFERRED DEVELOPMENT STRATEGY

Station on the same side of the San Lorenzo River. This site offers a balanced trade-off of minor route and schedule extensions or shortenings based on its good central location adjacent to the downtown Santa Cruz central business district (CBD). Such minor schedule and routing modifications should be able to be accommodated within the current fleet availability and schedule allowances.

From a bus operating perspective, the site has fairly low traffic volumes and merging the buses back into traffic should not be problematic. While there is enough curb space to create independent bus movements, the extremely long curbing space for such (approximately 120' per bus) will make for a very long linear facility.

Transferring passengers will have a fairly easy time locating their transfer bus as the bus stalls could be marked by route. However, with the large number of buses along the curb, the transfer walk could be very long (approaching one third of a mile). The site does have the potential for temporary trailers in the shopping center parking lot subject to the approval of the owners and tenants.

TEMPORARY SITE 3 (TS3)

The block bounded by Spruce Street, Laurel Street, Pacific Avenue, and Front Street – This site was considered due to its proximity to the current Pacific Station. However, in discussions with the city it was deemed not practical due to traffic circulation, business interference, difficult bus merging, and poor passenger transferring capabilities.



Temporary Terminal 3 Site Plan

TEMPORARY SITE 4 (TS4)

The parking lot between Cedar Street and Center Street just south of Lincoln Street – This site is an off street site located on a rather large city parking lot. This site is in close proximity to the current Pacific Station, a mere two blocks to the north. As such, virtually no impacts to schedule and budget to operate will be expected. The site is also in close proximity to the Santa Cruz CBD and provides good pedestrian and vehicle access to the area.



Temporary Terminal 4 Site Plan

From a bus operating perspective, Cedar and Center Streets are much lower traffic volume streets than Pacific Avenue and Front Street and buses should have little difficulty in merging into the access streets. The buses could be arranged either in a straight curb fleeting operation or the potential exists for a sawtooth design to allow for independent bus movements.

Transferring passengers will have the shortest connect in this alternative. With the buses aligned in four rows across from each other, transferring passengers could quickly migrate to their transferring bus quickly. Additionally, the passenger can quickly survey the bus loading zones to determine the degree of alacrity necessary to make the transfer.

Temporary trailers could be a bit problematic to locate and might require some additional parking space on the street or, conversely, narrow temporary buildings placed on the platforms may be possible.

COORDINATION WITH ADJACENT DEVELOPMENT

A private development group, Devcon Investments, LLC / LHH Partners, LLC (Devcon) has been planning a mixed-use project on approximately 2 acres extending northward from Laurel Street to Pacific Station between Front Street and Pacific Avenue. After several conversations, METRO, the City and Devcon realized that coordinating the developments could produce a superior urban design, cost savings and construction staging advantages which will benefit both projects and the three participants. In January 2015, the City, as part of its process to prepare the area's zoning overlay study of the lower Pacific Avenue area including Pacific Station and the Devcon sites, sponsored a design charrette that produced features that merited further analysis. In the spring of 2015 the participants continued to meet to meet to synthesize realistic designs which actualized the conceptual benefits of a joint development. An alternative preferred joint-development emerged.

This alternative incorporates design features to create significant advantage over stacking all uses in a single building as depicted in the option recommended. These features are illustrated below. Option 2 includes "fallback" framework of related alternatives which will serve METRO's Pacific Station redevelopment objectives should the partnership, funding or right-of-way acquisition by Devcon, the City or METRO prove infeasible. The alternate offers significant transit operating advantages.

Three of 20 required bus berths are removed from Front Street, a feature which the City Public Works Department found objectionable in Option 1. It resolves the inherent conflict between automobiles and bus traffic by separating the bus aprons and parking deck driveways, and it facilitates better passenger access to the boarding platforms by activating Maple Alley as a pedestrian "paseo" along the southern boundary of the operating tarmac. In addition, this alternative achieves cost savings by using more economical construction types than the Type I vibration required to stack housing over a parking deck over the operating tarmac. Further exploration of this alternative was outside of the scope of the consulting contract and will be advanced in later stages of the project.

EXPANDED TOD TRANSIT VILLAGE CONCEPTUAL DEVELOPMENT STRATEGY

On February 18, 2015, all stakeholders met to review a range of conceptual design options. It was agreed at this meeting that the various stakeholders will continue to develop an expanded transit village scheme that took advantage of the larger site to accomplish the following objectives:

- East-West mid-block pedestrian, and potentially vehicular, connection
- Approximately 300 dwelling units with parking spaces
- 20 off-street bus berths in a two drive aisle, north-south tarmac layout
- Open-air or covered METRO tarmac
- Public parking garage, final space count to be determined, potentially share ingress/egress points with housing parking
- Continuity with, and continuation of, the Central Business District 75' Building Height Limit

Attachment A

5. NEXT STEPS

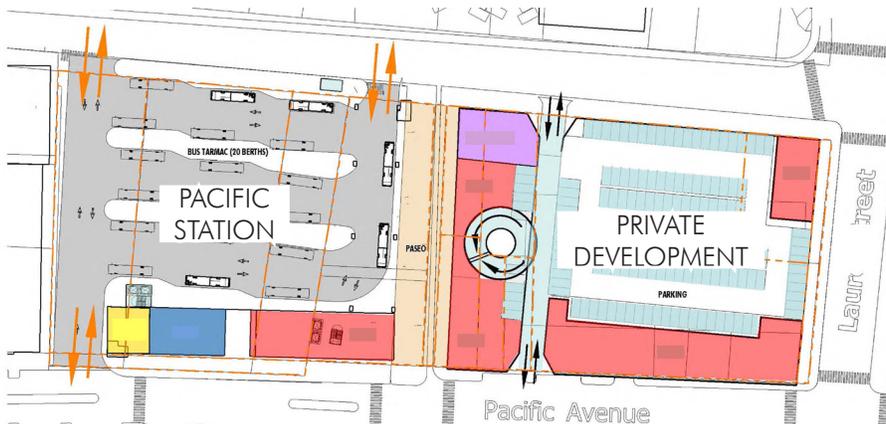
COORDINATION WITH ADJACENT DEVELOPMENTS BENEFITS

As described previously, the project team is continuing to develop Option 2, which will create a potential joint Public-Private development incorporating the adjacent development. In addition to providing all the components listed in primary option,

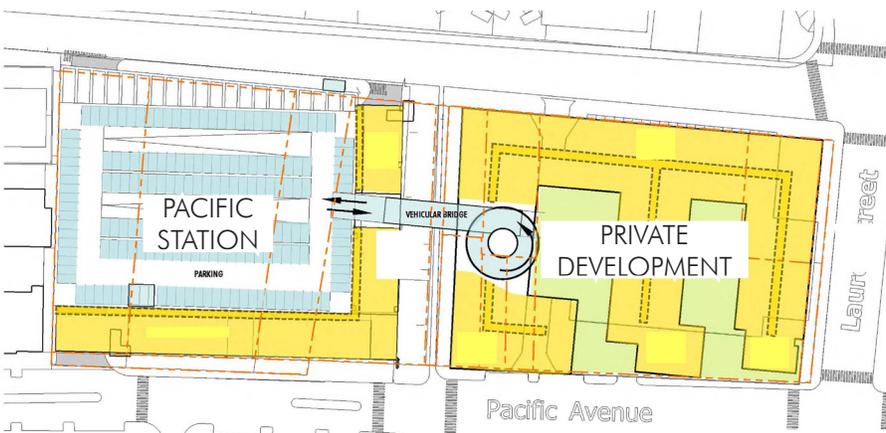
Regarding the conceptual design of Option 2, there are several possible variations and phasing. These permutations are shown on the following page, and will continue to be developed by the project team.

Irrespective of the selected permutation, Option 2 presents the following project efficiencies and benefits:

- Lower public parking costs and the potential for increased overall public parking: The public parking will be the only use above the METRO terminal reducing the overall parking cost and construction costs. Access to the public parking could be connected via a vehicular bridge between the private and public developments (over the paseo/lane), addressing the problematic steep parking ramp designed in Option 1. There will be a separate parking garage for the proposed private residential development and associated retail that may also include spaces for the City/public use while Pacific Station is under construction.
- Lower overall construction costs: The retail, residential and office components of the project are designed to be built as an adjacent but separate building (in front of and/or wrapping the parking) which will likely change the construction type and lower overall construction costs.
- Overall project phasing of both the private and public components of the project can proceed in a logical manner and the public components of the project can proceed as funding is secured (Option 1 has upfront costs for added infrastructure for uncertain development on top of the tarmac which will have to be built in and secured at the beginning of the project). Efficiencies in parking phasing as identified above and overall construction staging in the initial phase of the joint public-private development could also be realized.
- Addition of a public paseo/lane as envisioned in the Downtown Recovery Plan oriented towards connecting downtown with the river. The public paseo/lane is a community benefit in general, but it is an amenity and safe pedestrian feature for transit riders in particular. It is also envisioned that the proposed health clinic will be located on the paseo/lane in addition to café-oriented retail which could further enliven the open space.
- Addition of up to 100 privately-developed housing units. There is the potential to develop approximately 400 housing units collectively between the two projects including both affordable and market rate units of various sizes.



First Floor Plan



Third Floor Plan

Preliminary Illustration of an Alternative Strategy developed as part of an expanded, coordinated transit-oriented development with adjacent development

PROJECT BUDGETS

The preliminary project budgets are as follows for the initial conceptual development options. As described above, the preferred conceptual development strategy has been identified as Option 1A. The attached table shows the currently identified funding, as well as the additional funds that will be needed to complete the project.

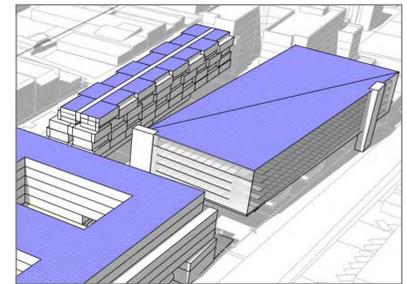
As shown below, the project will be funded through the sharing of costs across local, regional, state, and Federal agencies. The overall breakdown of project costs will be further developed based upon the overall funding available from each source. Potential sources and quantities for these additional funds are identified in the next section.



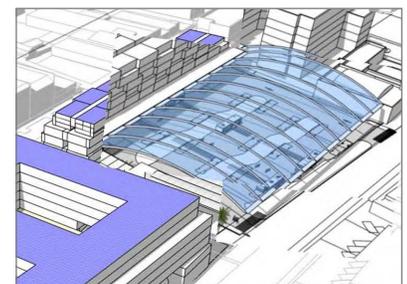
'Texas-Wrap' Style Housing Option



Single-Loaded Housing Option



Double-Loading Housing + Parking Garage Option



No Development Above Tarmac/ Double-Loading Housing Option

Attachment A

5. NEXT STEPS

COST-PER-COMPONENT FUNDING TABLE

The table below shows the total project cost for METRO, Housing, the Clinic, and Public Parking for the preferred Development Strategy. Note that these figures (in 2015 dollars) include hard costs, soft costs, contingency and escalation, and are based upon a 25 month construction period starting in January, 2016. These figures exclude any project phasing, escalation beyond January, 2016, street improvements, and underpinning of adjacent structures.

Component	Gross Floor Area (SF)	Suggested Budget
SITE		
333 Front Acquisition	14,900	\$3-5M
Contaminated Soils Remediation*	68,000	\$TBD
Site Subtotal		\$3-5M
METRO		
Tarmac + Infrastructure	80,500	\$15.657M
Retail	5,500	\$2.200M
Station	8,575	\$4.716M
Parking	5,500	\$0.617M
Temp. Facilities	N/A	\$1.500M
METRO Subtotal		\$24.690M
Health Clinic		
Clinic Tenant	18,070	\$7.228M
Clinic Parking	5,500	\$0.617M
Clinic Subtotal		\$7.845M
Housing		
Residential Units	112,600	\$38.980M
Residential Parking	85,500	\$9.576M
Housing Subtotal		\$48.556M
Parking		
Public Parking	150,000	\$17.423M
Garage Lobbies	5,000	\$0.241M
Parking Subtotal		\$17.664M
Project Hard Cost (2015 \$s) *not including site remediation		\$101.755M - \$103.755M
Project Total Cost (2015 \$s) *including 40% Soft Costs		\$142.457M - \$145.257M

FUNDING STRATEGIES

Santa Cruz METRO will seek Federal and State grant programs as a likely source of engineering and construction funds. Prior grants for Pacific Station demonstrate a significant level of Federal and State commitment to the project.

In 2000 the California Transportation Commission allocated \$1M to Santa Cruz METRO through the California Traffic Congestion Relief Fund to conduct an environmental review for the first right-of-way expansion parcel, the Greyhound lot at 425 Front Street.

In 2005 the Federal Transit Administration (FTA) delivered a \$1.45M bus and bus facilities grant to Santa Cruz METRO to complete the Greyhound acquisition and construct the current bus layover lot.

In 2006 and 2008 the FTA granted another \$886,000 to fund conceptual design and the environmental review of Pacific Station, and in late 2014, the California Department of Transportation (Caltrans) allocated \$5.9M for Pacific Station construction from the final year of the 2006 Proposition 1B bond program.

Although the U.S. Department of Transportation evolved new grants programs with passage of the latest Federal Surface Transportation Act in 2012, the Transportation Investment Generating Economic Recovery program (TIGER) remains a viable funding source for projects like Pacific Station. TIGER appropriated approximately \$600M in 2015, and is subject to annual reappropriation. The level of funds available in future years is unknown but this program is expected to wind down in the years to come despite the large backlog of projects that may hope to get funded through the program.

In previous phases of the TIGER program, there are multiple examples of mixed-use bus terminals that incorporate similar program and property acquisition elements into their proposals. One excellent example can be found in the 2009 TIGER grant allocations in which a \$20M grant was awarded to the Portage Area Regional Transit Authority (State of Ohio).

This grant program also assisted in the funding and implementation of the Kent Central Gateway, a mixed-use transit center very similar to that envisioned for Pacific Station with ground-floor bus operations, passenger terminal and retail space, second-floor offices and a three-story parking deck above. When METRO selects its preferred design, completes the environmental review and acquires any additional right-of-way, if needed, Pacific Station will be positioned to compete for TIGER funds.

Also in 2009, U.S. Department of Transportation, the U.S. Department of Housing and Urban Development and the U.S. Environmental Protection Agency (EPA) formed the Partnership for Sustainable Communities to fund projects that increase transportation access, promote affordable housing, value urban sustainability and leverage federal investments. In the last five years, the Partnership has granted over \$4.6 billion to 1,000 urban sustainability projects.

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Again, Pacific Station is highly qualified to compete for grants from this program.

At the State level, potential new infrastructure-funding legislation and new revenue in the Cap-and-Trade program lend to an optimistic outlook for new construction funds. With expiration of the Proposition 1B bond program, the California Transit Association is working with its members and the state legislature to create a new public transit infrastructure program funded by transportation user fees. State Senator Jim Beall of San Jose as well as Assembly Speaker Akers are strong proponents for new transportation infrastructure funding, and Pacific Station can be advanced into any resulting grant solicitations.

The California Global Warming Solutions Act of 2006 (AB 32) implemented the Greenhouse Gas Reduction Fund (GGRF), which receives revenue from the sale of carbon emission credits (the Cap-and-Trade program). The GGRF supports the Low Carbon Transit Operating and the Affordable Housing and the Sustainable Communities programs, which allocate grants to qualifying projects such as Pacific Station. Santa Cruz METRO designated its first year's Low Carbon Transit Operating formula allocation to "shovel ready" improvements to the Watsonville Transit Center, and the anticipated annual growth in Greenhouse Gas Reduction Fund offers an annual opportunity to apply for grant funding from the state as Pacific Station attains eligibility status.

The Affordable Housing and Sustainable Communities program received an appropriation of \$130M in 2014 for discretionary grants to projects that increase transportation choices, improve housing and support reduced travel demand. In subsequent years, 20% of all revenue in the GGRF will flow to the Affordable Housing and Sustainable Communities, offering a growing funding sources for grants from Santa Cruz METRO to help build Pacific Station.

Given the existing and potential funding sources at the Federal and State level, it behooves Santa Cruz METRO to prepare for successful grant applications to multiple sponsors. As the preferred design emerges, finer project details can be added to bolster the presentation of project readiness in the application, and the application modules can be mixed and matched to meet the sponsors' criteria. As such, it is recommended that Santa Cruz METRO staff immediately begin to compose concise, persuasive modules to create multiple, successful applications for emerging solicitations.

Finally, the project team recommends looking for additional public/private partners, as well as additional grants. Other funding sources and partnerships will also contribute to the economic feasibility of the project. Specifically, an RFP could be issued to a housing developer for the air rights to build over METRO's station. The City Parking District could also contribute funding for a public garage component. Finally, the City also has \$4M available for affordable housing on the site.

COST SHARING METHODOLOGY

In order to clearly define each user group's cost for this development strategy, the consultant team created the below cost-per-component table. Please note that the long span structural system required for METRO operations results in an additional premium cost of \$8.7M. Per the attached cost model, METRO carries all additional column and shear wall costs up to the third floor assembly (\$2.8M). At the third floor assembly (which doubles as the ceiling for METRO operations), METRO carries the cost premium of \$5.9M more than the cost for a typical floor assembly. The cost of the typical assembly (\$28/SF) is carried by the parking and residential components.

Component	Funding Source	Potential Funding
METRO		
TIGER Grant	US DOT FTA	up to \$25M+
AHSC	State of California	up to \$15M
Community Development Block Grant (CDBG)	"	up to 1.5M
METRO Capital	METRO	\$6M
Dev. Air Rights Purchase	Private Developer	\$2M
METRO Subtotal		up to \$49.5M+
Health Clinic		
Private Capital	Health Clinic Tenant	TBD
New Market Tax Credits	US Treasury Dept	TBD
Clinic Subtotal		\$TBD
Housing		
Affordable Housing Funds	State of California	\$4M
Private Capital	Private Developer	\$44.556M
Housing Subtotal		\$48.556M
Parking		
City of S.C. Parking Funds	City of Santa Cruz	TBD
Parking District Bonds	"	TBD
Parking Subtotal		\$TBD
Potential Funding (2015 \$s)		\$TBD

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PACIFIC STATION ECONOMIC ANALYSIS

In addition to the aforementioned grant funding strategies, Bay Area Economics developed a memorandum to assess the viability of the Preferred Conceptual Design. The memorandum is as follows:

This memorandum summarizes BAE's feasibility analysis regarding the potential to develop a mixed-used development above of METRO's transit facility in downtown Santa Cruz. Given the desirability of the location in downtown, developing the air rights above the terminal with public parking, housing, and office stacked above the transit component may be a viable source of revenue for METRO. In addition, the mixed-use transit-oriented development may qualify for additional sources of federal or state funding such as cap-and-trade funding for affordable housing, that it otherwise wouldn't be able to access as a stand-alone bus project.

Simultaneously, the City of Santa Cruz, facing a shortage of 700 parking spaces at the southern end of downtown, was interested in maximizing the public benefits that could be derived from this site. The City wanted to compare the cost of building a publicly owned and operated parking lot over the bus terminal to alternative sites elsewhere in downtown.

After Group 4's conceptual design met the goals of METRO and the City, BAE was tasked to conduct a feasibility analysis to answer the following questions:

- What are the air rights above METRO worth, and how much value can be generated by offering the area above the bus terminal for development?
- How much will it cost to construct a parking structure above transit?
- How much does METRO need to fundraise in order for this transit-oriented development to be feasible?

The table below summarizes the conceptual program created by Group 4 Architecture (Option 1), and the alternative devised by BAE (Option 2). Because METRO is interested in the air rights above the transit facility, the development program focuses primarily on uses on levels Floors 3 through 7.

Option 1 consists of five stories above the bus station. Two public parking levels are situated directly above the bus facility, followed by one housing parking level, and two housing floors. In total, there are 519 parking spaces (378 public), 104 units of housing, and 17,200 square feet of office/commercial space.

Option 2 is comprised of the same components as Option 1, with the exception that there is an extra floor of housing that replaces one level of parking. In total, Option 2 consists of 344 parking spaces, 142 units of housing, and 17,200 square feet of office. 191 of the parking spaces will be dedicated for the public parking garage.

TABLE 1: BAE CONCEPTUAL DEVELOPMENT OPTIONS

Option 1 (a)				Option 2 (a)			
Office Space			3,800	Office Space			3,800
Health Clinic			13,400	Health Clinic			13,400
Housing			107,621	Housing			137,684
Public Parking Spaces			378	Public Parking Spaces			191
Housing Parking Spaces (b)			130	Housing Parking Spaces (b)			142
Metro Parking Spaces			11	Metro Parking Spaces			11
Total Parking Spaces			519	Total Parking Spaces			344
Total Parking Garage Sq. Ft.			331,989	Total Parking Garage Sq. Ft.			246,489
Total Built Space (excluding METRO)			462,310	Total Built Space (excluding METRO)			406,873
Housing Mix (c)	Market	Affordable	Total	Housing Mix (c)	Market	Affordable	Total
Studios	1	4	5	Studios	19	11	30
1-Bedrooms	34	10	44	1-Bedrooms	53	8	61
2-Bedrooms	53	2	55	2-Bedrooms	48	3	51
Total Units	88	16	104	Total Units	120	22	142
% of Total	85%	15%		% of Total	85%	15%	

Notes:
(a) The City of Santa Cruz's Planning and Community Development Department is considering a revision to the site zoning which would allow a height increase from 50' to 75' on this site. Both Option 1 and 2 assume the maximum height of 75'.
(a) Option 1 assumes a housing parking ratio of 1.25 spaces per dwelling unit. For Option 2, the parking ratio was adjusted down to 1.0 spaces per dwelling unit in order to maximize the number of spaces available for public parking.
Source: BAE, 2015.

COST AND REVENUE ASSUMPTIONS

Costs

Hard cost estimates for the schematic design were provided by Mack5, a consultant hired by Group 4 Architecture. The cost estimate provided by Mack5 assumed a Type 1B construction method, which describes a fire-resistive, non-combustible, concrete and rebar structure with a 2-hour fire rating between floors. This construction type is sturdier and more expensive than those found in stand-alone structured parking garages or housing developments, and is code compliant for bus terminals with vertical stacked uses. Mack5 estimated the housing cost at \$279 per SF using Type 1B construction. As an alternative, Mack5 also provided an estimate for a structure with Type 1B construction for the bus terminal and parking lot, but replacing the housing component with Type 3A construction. Type 3A consists of light gauge steel framing and has lower fire rating requirements, which lowers the overall cost. Because construction costs are spiking in some locations right now, housing costs could range from \$225 to \$250 per SF using Type 3A construction. BAE ran an analysis using both figures as low and high estimates in the proformas.

Revenue

Sales prices used in this analysis were based on market research from the Market Overview, with updated sales comparison data collected in February 2015. This analysis assumes sales prices of \$325,000 for a studio, \$375,000 for a 1-bedroom, and \$475,000 for a 2-bedroom. These prices are consistent

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with recent condominium sales at Laurel Street Commons, a new 16-unit condominium development in downtown Santa Cruz currently for-sale. While there may be some opportunity for these prices to increase by 5 to 10 percent given the pent-up demand for new housing in Santa Cruz, these prices reflect a conservative baseline for what can be achieved on the site.

Rents forecasted for this analysis were based on market research and mirror those at 1010 Pacific, a market-rate development built in the late 2000s directly adjacent to the subject site. This analysis assumes \$1,500 rent for a studio, \$1,800 for a 1-bedroom, and \$2,500 for a 2-bedroom.

Consistent with the City's inclusionary housing policies, BAE assumed that 15 percent of the units will be affordable to households earning 80 percent of area median income in both the for-sale and rental scenarios.

Other Assumptions and Limiting Conditions include the following:

- The City contributes up to \$4M for the affordable housing component. Given the 15 percent affordability requirement, and the higher costs associated with building above the bus terminal, this is a key financing piece that helps make the project feasible.
- Remediation of site contamination will be completed by METRO and the City, with no cost to the developer.
- These proformas assume no payment from the City to METRO, which can be negotiated in the future. Because the City is contributing land for the bus terminal expansion and affordable housing funds, the value of these contributions should be considered in the City's negotiations with METRO.

This analysis is based on a conceptual design and preliminary cost estimate with a series of assumptions, including allowances for greater heights up to 75', lower parking ratios for the housing component, and certain building code requirements. Changes in design, material costs, parking requirements, building code requirements, and other factors may have a material effect on BAE's findings.

Findings: Table 2 summarizes the feasibility analysis for Option 1 for condominiums and rentals. Table 3 shows a summary of Option 2.

TABLE 2: OPTION 1 FEASIBILITY STUDY

	CONDOMINIUMS				RENTALS		
	Option 1	Option 1 with Subsidy	Option 1 Type 3A High (a)	Option 1 Type 3A Low (a)	Option 1	Option 1 Type 3A High (a)	Option 1 Type 3A Low (a)
Housing Construction Type	1B	1B	3A	3A	1B	3A	3A
Housing Cost/SF	\$ 279	\$ 279	\$ 250	\$ 225	\$ 279	\$ 250	\$ 225
Feasibility Analysis							
Total Project Value (a)	\$ 47,947,500	\$ 47,947,500	\$ 47,947,500	\$ 47,947,500	\$ 40,599,655	\$ 40,599,655	\$ 40,599,655
Less: Total Dev Costs (a)	\$ (45,468,582)	\$ (43,536,102)	\$ (43,570,768)	\$ (43,591,027)	\$ (45,468,582)	\$ (41,447,724)	\$ (37,981,467)
Profit	\$ 2,478,918	\$ 4,411,398	\$ 4,376,732	\$ 4,356,473	\$ (4,868,927)	\$ (848,069)	\$ 2,618,188
Profit as % Of Costs	5.5%	10.1%	10.0%	10.0%	-10.7%	-2.0%	6.9%
Feasible	No	Yes	Yes	Yes	No	No	No
Contribution to METRO (partial NAIC site payment)	\$ -	\$ -	\$ 1,977,500	\$ 2,825,000	\$ -	\$ -	\$ -
METRO Financing Gap	\$ 27,385,000	\$ 29,185,000	\$ 25,407,500	\$ 24,560,000	\$ 27,385,000	\$ 27,385,000	\$ 27,385,000
City Costs							
Market Rate Housing Units	88	88	88	88	88	88	88
Affordable Housing Units	16	16	16	16	16	16	16
City Subsidy for Aff Hsg	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 1,600,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000
Public Parking Spaces							
Gen Fund Bond Payment/Yr	\$ 311,845	\$ 311,845	\$ 311,845	\$ 311,845	\$ 311,845	\$ 311,845	\$ 311,845
Gen Fund Bond Pymt/Space/Yr (Net of parking revenue)	\$ 825	\$ 825	\$ 825	\$ 825	\$ 825	\$ 825	\$ 825
Dev Cost/Public Parking Space	\$ 53,148	\$ 53,148	\$ 53,148	\$ 53,148	\$ 53,148	\$ 53,148	\$ 53,148

Notes:

a) Hard Costs for housing adjusted down from \$279 psf to ranges between \$225-250 psf to reflect change in housing construction from Type 1B to 3A. This would require approval from the City of Santa Cruz. Type 1B construction refers to a fire-resistant, concrete and rebar structure with a 3-hour rating for the structural frame and exterior walls, and a 2-hour fire rating between floors. Type 3A consists of light gauge steel framing with lower fire rating requirements. Source: BAE, 2015.

Condominiums and rentals are not feasible based on the current cost estimates for Type 1B construction. Hard construction costs for the housing component were estimated at \$279/SF, which is significantly higher than what is typical for stand-alone housing projects. When the cost of parking, financing, and soft costs are considered, the total development cost for housing is \$426/SF, which is higher than the revenue per square foot at \$379 generated from condominium sales or rentals at \$310/SF.

Condominiums are feasible using Type 1B construction if METRO identifies additional subsidies for the housing component. On top of the \$4M the City is planning to contribute, an additional \$1.8M subsidy from federal or state sources makes the condominium project feasible by maintaining a return on cost above 10% for the private developer (considered the feasibility threshold). This will require for METRO to increase the amount of money it fundraises to \$29.1M.

Condominiums are also feasible if the City allows an alternative means and method of construction for the housing component, such as Type 3A construction. This will effectively lower the construction cost to \$225 to \$250/SF for Type 3A, using the low and high estimates for that construction type. If the City allows Type 3A construction for housing, assuming costs of \$250/

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SF, the developer could pay almost \$2M to METRO to acquire the NIAC site. If a developer is able to build at \$225/SF, METRO could receive full payment to acquire the NIAC site, and the City could also lower its contribution from \$4M to \$1.6M, reserving its affordable housing funds for another project. This will create a well-designed and flexible bus terminal, along with 378 public parking spaces, 88 market rate units, and 16 affordable for-sale units. However, this hinges on the City permitting a different construction type to be used than what is currently required by code.

TABLE 3: OPTION 2 FEASIBILITY STUDY

	CONDOMINIUMS				RENTALS		
	Option 2	Option 2 with Subsidy	Option 2 Type 3A High (a)	Option 2 Type 3A Low (a)	Option 2	Option 2 Type 3A High (a)	Option 2 Type 3A Low (a)
Cost Metrics							
Housing Cost/SF	\$ 279	\$ 279	\$ 250	\$ 225	\$ 279	\$ 250	\$ 225
Feasibility Analysis							
Total Project Value (a)	\$ 59,510,900	\$ 59,510,900	\$ 59,510,900	\$ 59,510,900	\$ 49,534,200	\$ 49,534,200	\$ 49,534,200
Less: Total Dev Costs (a)	\$ (56,939,238)	\$ (54,040,518)	\$ (54,069,878)	\$ (54,097,502)	\$ (56,939,238)	\$ (51,795,188)	\$ (47,360,662)
Profit	\$ 2,571,662	\$ 5,470,382	\$ 5,441,022	\$ 5,413,398	\$ (7,405,038)	\$ (2,260,988)	\$ 2,173,538
Profit as % Of Costs	4.5%	10.1%	10.1%	10.0%	-13.0%	-4.4%	4.6%
Feasible	No	Yes	Yes	Yes	No	No	No
Contribution to METRO (partial NAIC site payment)	\$ -	\$ -	\$ 2,118,750	\$ 2,825,000	\$ -	\$ -	\$ -
METRO Financing Gap	\$ 27,385,000	\$ 24,685,000	\$ 25,266,250	\$ 24,560,000	\$ 27,385,000	\$ 27,385,000	\$ 27,385,000
City Costs							
Market Rate Housing Units	120	120	120	120	120	120	120
Affordable Housing Units	22	22	22	22	22	22	22
City Subsidy for Aff Hsg	\$ 4,000,000	4000000	\$ 4,000,000	\$ 550,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000
Public Parking Spaces	191	191	191	191	191	191	191
Gen Fund Bond Payment/Yr	\$ 157,572	157572.3764	\$ 157,572	\$ 157,572	\$ 157,572	\$ 157,572	\$ 157,572
Gen Fund Bond Pymt/Space/Yr (Net of parking revenue)	\$ 825	824.9862636	\$ 825	\$ 825	\$ 825	\$ 825	\$ 825
Dev Cost/Public Parking Space	\$ 53,148	\$ 53,148	\$ 53,148	\$ 53,148	\$ 53,148	\$ 53,148	\$ 53,148
Notes:	a) Hard Costs for housing adjusted down from \$279 psf to ranges between \$225-250 psf to reflect change in housing construction from Type 1B to 3A. This would require approval from the City of Santa Cruz. Type 1B construction refers to a fire-resistant, concrete and rebar structure with a 3-hour rating for the structural frame and exterior walls, and a 2-hour fire rating between floors. Type 3A consists of light gauge steel framing with lower fire rating requirements. Source: BAE, 2015.						

Market-rate rental housing is not feasible at the hard costs estimated, but if additional subsidies were secured or if hard costs could be lowered, market rate rental housing becomes feasible. As shown, even at \$225/SF and a \$4M city contribution to the affordable housing component, rental housing is not feasible because housing revenue of \$310/SF is not sufficient to cover the high construction costs. If the City allowed for a more affordable construction method, such as Type 5 wood frame, and/or a developer were able to identify cost savings to lower the cost to \$215/SF, then rental housing will be feasible.

If the project maximizes the amount of condominium housing by replacing one level of parking with housing, the condominium project is feasible assuming Type 3A construction, with more affordable housing units produced and a higher payment to METRO. This Option 2 depends on the lower hard construction costs described for Option 1, as well as a further reduction from 1.25 to 1.0 parking space per housing unit.

Given the high cost of parking, the City may want to limit the number of spaces built above the METRO site, especially if there are other sites available. Mack5 estimated that parking will cost \$43,000 per space, which is 43 percent higher than what the City is accustomed to constructing, at \$30,000 per space. However, due to both scarcity of sites and unknown city cost to acquire land, this partial fulfillment of city parking needs above the METRO station may help enhance downtown Santa Cruz's vitality. Raising parking revenues charged will also lower the net cost to the City per space for debt service on this public garage.

METRO needs to raise \$24 to \$29M. For Option 1, METRO's best case scenario is condominiums using Type 3A construction. Utilizing a less costly construction type allows the developer to pay more to METRO for the right to develop, thereby reducing the gap METRO needs to fundraise. However, if the structure has to remain code compliant with Type 1B, METRO will need to raise up to \$29.2M.

At the State level, funding is available from the California Department of Housing and Community Development (HCD) through the Affordable Housing and Sustainable Communities Program (AHSC). Additional funding for the public facility component is available through the Community Development Block Grant Program (CDBG). The AHSC program was recently launched and is tied to funding generated from California's cap and trade program. The program is intended to support infill development that reduces greenhouse gas emissions, improves options for mobility and connectivity to jobs, housing, and services, and serve disadvantaged communities. Eligible uses include affordable housing developments, housing-related infrastructure, and transportation-related infrastructure. HCD anticipates that there will be an annual round of funding. For the 2015 funding cycle, approximately \$120M in funding was available, and a single project could be awarded up to \$15M. There are two components to the program, one for Transit-Oriented Development and another for Integrated Connectivity Projects. Both involve some component of housing and transportation infrastructure, and the Pacific Station project as conceived with a combined bus terminal, public parking, and housing with an affordable component is an eligible candidate based on the program guidelines.

HCD also has funds available for public facilities through its CDBG program. According to the current Notice of Funding Availability due April 2015, HCD has \$25M available for CDBG-eligible activities that predominantly benefit low and moderate-income households, which applies to this site. Eligible projects include public facility and public infrastructure projects. The maximum award for a public facility is \$1.5M and the applicant must be a city or county

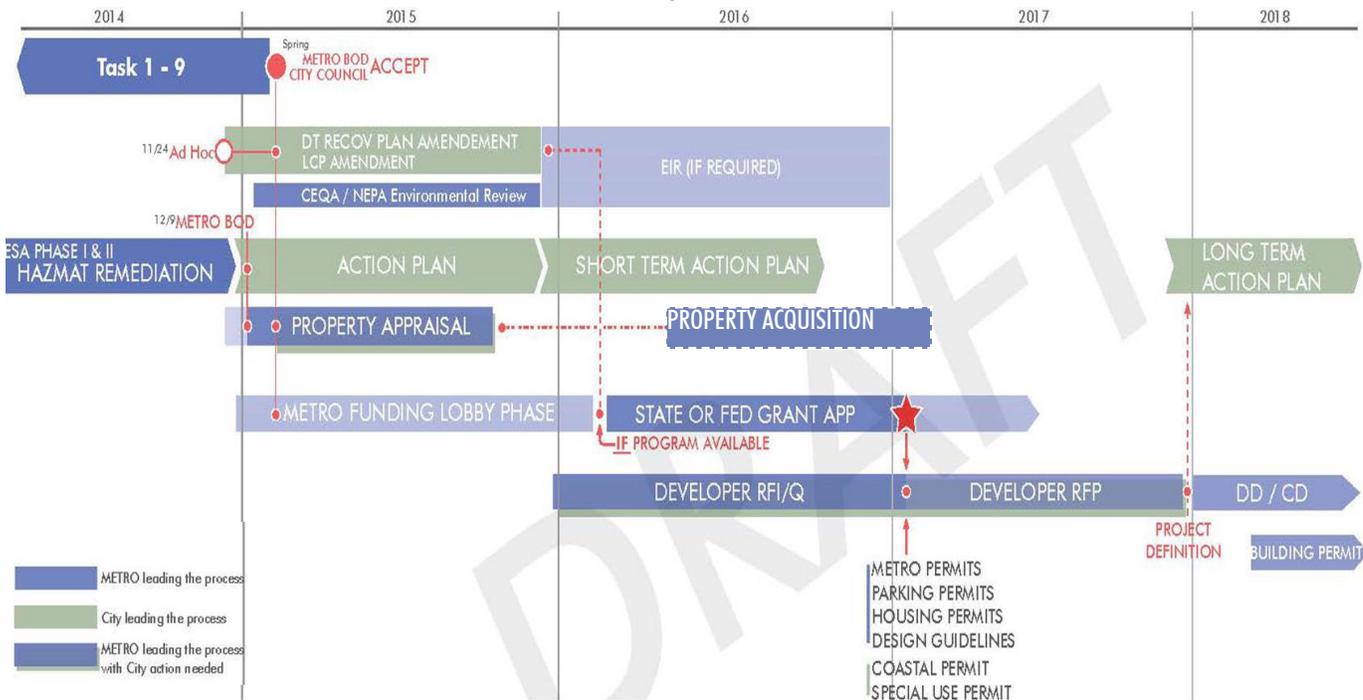
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jurisdiction. The City of Santa Cruz could use these funds towards the cost of constructing the public garage, which could lower the bond amount and reduce debt service paid by the City.

ENVIRONMENTAL PLANNING AND ENGINEERING

As described above, a significant milestone in the successful implementation of any conceptual development strategy includes the fulfillment of state and federal environmental protection requirements. Due to the project location, funding source, and proposed programs, the project will be required to complete an environmental review process under both state (CEQA) and federal (NEPA) processes. Additionally, the site must conform to the City's general plan and is located within a coastal zone. Because the site is within the Local Coastal Program approved by the California Coastal Commission, the City's General Plan 2030 also governs the site.



The location of the site will require the following primary project effects to be addressed through a series of technical reports for both state and federal approvals:

- Aesthetics – scale, massing, and visual character review
- Air Quality/Greenhouse Gas Emissions – emissions and air quality
- Cultural Resources – archeological sensitivity area in City General Plan
- Geotechnical/Geology – liquefaction area in City General Plan
- Hazards + Hazardous Materials – site contains moderate levels of contamination that will require remediation
- Hydrology – paved site will need to comply with City's Storm water Management regulations, and state/federal best management practices
- Noise – future residents' sound level exposure from buses must be within General Plan EIR and could require an acoustical study

- Public Services – no issues except drought conditions, fish habitat strategies
- Traffic – additional vehicular trips to site could require a traffic study

These primary issues will need to be addressed through a series of technical studies. Additional information on these items can be found in the Environmental Memorandum found in the Technical Appendix. Following the determination of the preferred project, the following environmental review processes will be initiated as well.

First, the CEQA process will most likely involve determining whether or not there are any exemptions to State CEQA guidelines. Potentially Categorical Exemption Class 32 – ‘Infill Development Projects’ could be utilized. In this situation, a Notice of Exemption (NOE) will be filed upon project approval. Alternately, the lead agency may consider if the General Plan EIR already provides an adequate analysis of the site and proposed project. If it can be determined that one or more effects has been addressed through an earlier EIR or negative declaration than the earlier analysis may be used. This analysis may be used when the project is consistent with the City’s General Plan.

Finally, CEQA guidelines were adapted in January 2013 to set out a streamlined environmental review process for Infill Projects. If this project meets the CEQA Appendix N checklist, it will be eligible for streamlining and lead to a determination that no further environmental review is necessary or that a Negative Declaration or EIR will need to be prepared. In order to meet the Infill guidelines, the Pacific Station will need to implement renewable energy, soil and water remediation, and residential units near high-volume roadways and stationary sources. Finally, if the predominant use of the project is determined to be Residential, the project will need to meet standards for the following: Below Average Vehicle Miles Traveled (VMT), Projects located within 1/2 mile of an Existing Major Transit Stop, and Low Income Housing.

At the Federal level, in conjunction with the Federal Transportation Agency (FTA), METRO will have to determine what Class of actions are required for the Pacific Station. The three Classes (I,II, and III) have varying levels environmental impact studies and environmental assessments.

The preliminary NEPA environmental review as outlined by the FTA will be a multi-step process beginning with Early Coordination between METRO and the FTA. Preliminary review of the project by Strelow Consulting suggests that the project may fall under federal laws, executive orders and/or regulations governing flood plain management, coastal zone management, water quality, and environmental justice. Following initial consultation with the FTA, the next step will be to determine if there was a Categorical Exception (CE) exempting this project from further environmental review. If the Pacific Station project does not significantly impact planned growth, land use, existing populations, natural resources, air quality, noise quality, water quality, or traffic patterns, then the project may qualify for a CE. Strelow Consulting’s preliminary review indicates that all Pacific Station development strategies may qualify for this CE.

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IMPLEMENTATION STEPS

This report describes work-to-date to create a state-of-the-art transit-oriented development. In order for the successful continuation of the project, the following decisions and actions need to be taken by the City and METRO:

- Acquisition of the NIAC parcel, and the process for this purchase
- Final determination of the preferred Conceptual Development Strategy
- Final determination of the appropriate mix of housing and public parking prior to developer solicitation
- CEQA Process – confirm METRO’s lead agency status
- NEPA Process – confirm with Federal Transportation Authority
- Grant applications at the State and Federal levels
- Developer Solicitation process and agreements
- Permitting and Entitlement to make the project ‘shovel-ready’

For additional information, please see the Environmental Review Process Memorandum prepared by Strelow Consulting in the Technical Appendix.

PROJECT IMPLEMENTATION SCHEDULE

The implementation schedule primarily focuses upon two parallel tracks, project preparation and project funding. This process will begin with a Downtown Recovery Plan/Local Coastal Plan Amendment, as well as the beginning of the CEQA/NEPA Process. If the lead agency determines that the project is not a Negative or Mitigated Negative Declaration, the Environmental Impact Report process will begin and last for approximately a year.

Concurrently, the site will require hazmat remediation. This process will require an action plan and its implementation to prepare the site or construction. A short-term action plan could begin shortly while a long-term action plan is developed.

Regarding the site itself, the City and METRO will need to develop a property appraisal for the site and potential adjacent properties. Upon completion of the appraisal, property acquisition can be undertaken. This step will define the project extents and scope of environmental analysis and remediation. In terms of funding, METRO and the City of Santa Cruz will need to position the project as well as possible to compete for regional, state, and federal funding.

As the full scope of government funding becomes clear, the City and METRO can begin the developer solicitation process. By issuing an RFI/RFQ and subsequent RFP, the City and METRO can finalize the project funding mechanisms. If successfully completed, this implementation schedule will result in a fully executable project.

REQUEST FOR PROPOSALS (RFP) PROCESS

Following the funding process and analysis portion of the project, METRO and the City of Santa Cruz will have the opportunity to solicit housing developer involvement in the Pacific Station transit-oriented development. Through a public Request for Proposals, the City and METRO could select a developer to fund and construct the residential and residential parking portions of the project. These units could be developed as either condominium or rental units dependent upon market conditions. The selection of a developer will necessitate the creation of a Public-Private Partnership (PPP) for the project.

CONSTRUCTION DOCUMENTS

Following the submission of this report, the City and METRO will continue to raise funds for this project. This process can continue to engage the public, various committees, and the City Council to maintain community engagement and awareness. Once funding is identified, the final building program and concept will be synthesized with the project budget. At this point, the PMT can begin the design process, culminating in construction documents following schematic design, design development, permitting, and the selection of a developer through an RFP process for the housing component of the project (pending its inclusion in the final building program following the fundraising period). Following the completion of construction documents, the City and METRO can solicit bids for the construction of the reimagined Pacific Station and create a successful, visionary transit-oriented development.

Attachment A

6. ACKNOWLEDGEMENTS

CITY AND COMMUNITY PARTICIPANTS

The Santa Cruz Project Management Team will first and foremost like to thank the citizens of Santa Cruz County for their participation in the project. Without their direct community engagement, the final preferred development strategy could not have been created. This Executive Report is built upon the extensive input and contributions of numerous County participants.

Master Plan Consultant Team

Alex Clifford, *General Manager, Santa Cruz METRO*

Bonnie Lipscomb, *Director of Economic Development, City of Santa Cruz*

Tom Hiltner, *Grants/Legislative Analyst, Santa Cruz METRO*

Claire Fliesler, *Grants/Legislative Analyst, Santa Cruz METRO*

Ciro Aguirre, *Operations Manager, Santa Cruz METRO*

Leslyn Syren, *District Counsel, Santa Cruz METRO*

SCMTD Board of Directors Ad Hoc Committee

Dene Bustichi, *Chair of METRO Board, Scotts Valley Vice Mayor*

Don Lane, *METRO Board, City of Santa Cruz Mayor*

Bruce McPherson, *METRO Board, Supervisor District 1*

Lynn Robinson, *Citizen-at-large, former City of Santa Cruz Mayor*

SCMTD Board of Directors

Ed Bottorff, Dene Bustichi, Karina Cervantez, Cynthia Chase, Jimmy Dutra, Zach Friend, Deborah Lane, John Leopold, Bruce McPherson, Mike Rotkin, Donna Biltzer

Santa Cruz City Council

Don Lane, Cynthia Mathews, Micah Posner, David Terrazas, Pamela Comstock, Cynthia Chase, Richelle Noroyan

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TECHNICAL APPENDIX SUMMARY SHEET

The Technical Appendix includes all documentation that has led to the decisions described in this report. It is organized starting with the preferred development strategy design documents, including consultant documents, which are then followed by the City, METRO, and Ad Hoc client presentations, and finally the Community Meeting presentations.

The design documents section includes the full design documents, cost model and funding strategies. Additionally, it includes the full BAE Market Study, Strelow Consulting's Environmental Memorandum, Weber Hayes' Environmental Site Assessment, and Jensen Hughes' Code Analysis Memorandum.

The client presentations sections includes all City, Ad Hoc, and METRO Board presentations and exhibits. Finally, the Community Meeting Presentations sections includes all presentations, as well as the design team's analysis of the interactive portions.

TECHNICAL APPENDIX TABLE OF CONTENTS

- Preferred Development Strategy
- Cost Model
- Funding Methodology and Market Study
- Environmental Remediation, CEQA and NEPA
- Conceptual Development Strategy Alternatives
- Conceptual Development Strategy Base Case Options
- Expanded TOD Charrette Presentations
- City, METRO and Ad Hoc Presentations
- Community Meeting Presentations and Results

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DATE: August 14, 2015
TO: Board of Directors
FROM: Robyn D. Slater, Human Resources Manager
SUBJECT: APPROVE CLASS SPECIFICATION CHANGES TO THE SCHEDULE ANALYST POSITION

I. RECOMMENDED ACTION

That the Board of Directors approve the suggested changes to the Schedule Analyst Class Specification

II. SUMMARY

- In January 2015 recruitment commenced to hire a Schedule Analyst.
- The class specification of Schedule Analyst had not been reviewed since 1986.
- Santa Cruz Metropolitan Transit District (METRO) received fourteen (14) applications, of which only 3 were considered qualified based on the minimum requirements in the class specification.
- As a result of the number of candidates rejected and the age of the class specification, the recruitment was closed and the class specification reviewed.
- Based on the review, job responsibilities and minimum qualifications for the position were revised.
- After meeting with the union it was agreed that no wage survey was required.
- Staff recommends that the Board approve the new class specification.

III. DISCUSSION/BACKGROUND

In January 2015 recruitment was opened for a Schedule Analyst. In the past there was only one Schedule Analyst position authorized and funded. For the FY16 budget it was determined that a second Schedule Analyst was needed.

METRO received fourteen (14) applications, 6 internal and 8 external applicants. After reviewing the minimum qualifications for the position, the Human Resources Department determined only 3 applicants were qualified.

Upon review, it was determined that the minimum qualifications for the job, which included a college degree and experience performing schedule analyst work, which was too restrictive, creating an unnecessary barrier to employment. It had

also been many years since the job responsibilities had been reviewed and updates were needed.

After meeting with the union and the current incumbent in the position, changes were made to the class specification which reflected the current and expected future responsibilities of the position. The minimum qualifications were also modified to more accurately reflect the entry level requirements. During discussions with the union it was agreed that current wage scale can continue to be used.

Staff recommends that the Board approve the new Schedule Analyst class specification.

IV. FINANCIAL CONSIDERATIONS/IMPACT

Funding for this position in the amount of \$117,000 is already included in the Planning, Grants, and Governmental Affairs department's FY16 operating budget. There is no change in fiscal impact.

V. ALTERNATIVES CONSIDERED

- Do not approve the changes in the class specification. Staff does not recommend this option since it will significantly reduce the number of qualified candidates and the changes more accurately reflect the current and projected duties of the position.

VI. ATTACHMENTS

Attachment A: Schedule Analyst Class Specification

VII. APPROVALS:

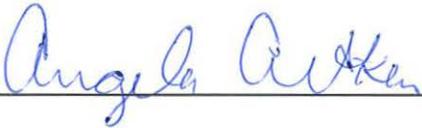
Robyn D. Slater, HR Manager



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



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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Attachment A



SCHEDULE ANALYST

DEFINITION

Under the direction of the Planning and Development Manager, develops transit schedules, Operator work run assignments, and related documents.

EXAMPLES OF DUTIES

Prepares operator bid and special bids as required by the Fixed Route Operators' Collective Bargaining Agreement.

Assists in preparing budget estimates for Fixed Route Operator pay categories.

Develops block sheets, Fixed Route Operator paddles, extra board lists and other related materials for operator bids.

Analyzes and utilizes new techniques and aids to scheduling as they become available.

Complies with requests for regular or ad-hoc reports.

Reviews, integrates, manipulates, exploits, extracts, and analyzes transit operations data bases needed to produce meaningful tabular reports to be used in evaluating and improving transit service.

Develops, enhances, tests, maintains, and supports computer applications, for schedule planning, schedule building, runcutting and data collection systems.

Develops transit operating schedules according to Planning Department guidelines and other available schedule data.

Revises existing schedules based on analysis of patronage, vehicle running times and other factors.

Develops Fixed Route Operator's work runs in accordance with METRO policy and labor agreements.

Develops and maintains statistical data related to schedules, work runs, personnel, requirements, and service costs.

Balances and verifies schedules, work runs, and personnel requirements for accuracy and compliance with applicable provisions and guidelines.

Analyzes patron complaint letters, recommends changes, and assists in writing responses.

Prepares and proofreads schedule materials prior to publication.

Attachment A

Participates in test trips of new or revised transit routes.

Develops operational schedules which utilize personnel effectively and meet labor contract provisions.

Communicates and meets with Union representatives in development of the operator bid, as directed.

Performs research and survey activities for various service planning projects.

Provides Fixed Route Operator bid and schedule information for payroll purposes.

Prepare comprehensive reports and correspondence including system analysis reports.

Attends meetings as directed.

Utilizes District computer hardware and software programs in the performance of job duties.

May develop routes as part of restructuring or research.

EMPLOYMENT STANDARDS

Must possess strong analytical skills

Must have intermediate level or greater computer skills

Knowledge of:

- General office procedures.
- Microsoft Excel – Intermediate level or greater, including complex formulas.
- Microsoft Word – Intermediate level or greater.
- Schedule building procedures and techniques.
- Relevant labor contract provisions.
- Basic statistical methods.
- Basic Public Transit functions related to scheduling.

Ability to:

- Work independently.
- Understand the theories, principles, and practices of transit schedule-making and run cut development.
- Respond to emergency situations as needed.

Attachment A

- Communicate effectively both orally and in writing.
- Ability to interact professionally and respectfully with management, employees, Union representatives and the public.
- Keep clear and accurate records.
- Interpret Labor Contract provisions.
- Learn and effectively use District computer hardware and software.
- Learn and use run cutting software programs.
- Develop schedules and Operator assignments according to METRO standards.
- Understand and interpret rules, policies, procedures and Collective Bargaining Agreement provisions.
- Gather and statistically analyze quantifiable information.
- Read and understand labor-management agreements.
- Perform arithmetic and basic statistical calculations.
- Set priorities under close deadlines.
- Learn schedule-making computer software applications.
- Perform work under stress.

Training and Experience

Preferred:

- BA or BS degree from an accredited college in a technical, administrative or business-related field.
- Work experience operating a computerized run cutting system.

Required:

- Two years of recent, full-time transit operations work experience including scheduling, dispatching, bus operations, or other transit work which demonstrates possession of the required knowledge and abilities listed above.

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DATE: August 14, 2015
TO: Board of Directors
FROM: Leslyn Syren, District Counsel
**SUBJECT: ADOPTION OF THE PARACRUZ SERVICE ELIGIBILITY AND
APPEALS PROCESS TO THE METRO ADMINISTRATIVE CODE**

I. RECOMMENDED ACTION

That the Board of Directors Adopt a Resolution to Establish Chapter 2 to Title VII of the METRO Administrative Code.

II. SUMMARY

- As a public agency that provides ADA complementary paratransit service, Santa Cruz Metropolitan Transit District (METRO) is required to establish a process for determining ADA paratransit eligibility (ADA Regulations §37.125).
- The Federal Transit Administration (FTA) requires that transit agencies provide the “determination of eligibility” in writing, clearly stating whether an individual is ADA paratransit eligible.
- METRO has created an Administrative Code to codify policies enacted by the Board of Directors. Staff requests that the Board adopt the proposed amendment to the ParaCruz Service Eligibility and Appeals Process and add the provisions to its Administrative Code.

III. DISCUSSION/BACKGROUND

In accordance with the Americans with Disabilities Act (ADA) and its implementing federal regulations, METRO shall insure that all eligible riders enjoy full access to either METRO’s fixed route service or METRO ParaCruz service, as appropriate. Pursuant to §37.125(g) of the Department of Transportation (DOT) ADA regulations, METRO has established an administrative appeal process through which individuals who are denied eligibility on our ParaCruz service can obtain review of the denial.

METRO recognizes the need for a Paratransit service for individuals who cannot otherwise utilize the fixed route service, whether it is due to their disability, or because of the inaccessibility of the fixed route system.

In order to meet its legal obligations to disabled patrons, METRO has established the METRO ParaCruz Service Eligibility and Appeals Process, which is attached as proposed Chapter 2 to Title VII of the Administrative Code (*Exhibit A*), for

patrons with a disability who believe that they meet the eligibility criteria for METRO ParaCruz service but have been denied eligibility.

This action is required to allow formatting changes to METRO's current regulation to fit into the current Administrative Code. There are no substantive changes made to the appeal process or to the panel composition. The Administrative Code is designed to complement the ParaCruz Handbook that is currently under revision.

IV. FINANCIAL CONSIDERATIONS/IMPACT

There are no financial considerations at this time.

V. ALTERNATIVES CONSIDERED

- Do nothing is an alternative, but staff does not recommend this action, as adding the ParaCruz Eligibility and Appeals Process to the Administrative Code will provide greater access to the public.

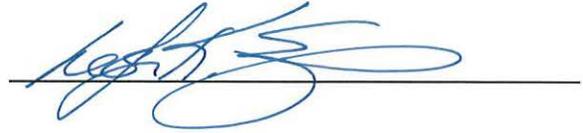
VI. ATTACHMENTS

Attachment A: Resolution adopting Chapter 2 to Title VII of the METRO Administrative Code.

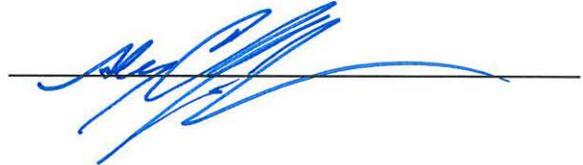
Prepared By: Rickie-Ann Kegley, Paralegal
Leslyn K. Syren, District Counsel

VII. APPROVALS:

Leslyn K. Syren, District Counsel



Alex Clifford, CEO/General Manager



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Attachment A

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

Resolution No. _____

On the Motion of Director: _____

Duly Seconded by Director: _____

The Following Resolution is Adopted: _____

ADOPTION OF CHAPTER 2 TO TITLE VII OF THE SANTA CRUZ METRO ADMINISTRATIVE CODE

WHEREAS, Title II and Title III of the Americans with Disabilities Act (ADA) requires the Santa Cruz Metropolitan Transit District (District) provide a service that is accessible to individuals with disabilities; and

WHEREAS, on July 26, 2002, the District's ParaCruz Service Eligibility and Appeals Process (AR-1024) was established to provide an administrative appeal process through which individuals who are denied eligibility on METRO ParaCruz service can obtain review of the denial; and

WHEREAS, this action shall establish METRO's ParaCruz eligibility appeals process as part of its Administrative Code.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, that it hereby resolves, determines and orders as follows:

1. The METRO Paracruz Service Eligibility and Appeals Process (AR-1024) previously adopted is hereby rescinded.
2. Any future ParaCruz eligibility determinations and appeals shall be consistent with Administrative Code, Title VII, Chapter 2, attached hereto, as Exhibit A.

PASSED AND ADOPTED by the Board of Directors of the Santa Cruz Metropolitan Transit District on August 28th, 2015, by the following vote:

AYES: DIRECTORS –

NOES: DIRECTORS –

Attachment A

ABSTAIN: DIRECTORS –

ABSENT: DIRECTORS –

DENE BUSTICHI
Chairperson

ATTEST:

ALEX CLIFFORD
CEO/General Manager

APPROVED AS TO FORM:

LESLYN K. SYREN
District Counsel

Attachment A

**EXHIBIT A, SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
RESOLUTION NO. _____**

**METRO PARACRUZ SERVICE ELIGIBILITY AND
APPEALS PROCESS**

(Attached)

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Exhibit A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

ADMINISTRATIVE CODE

TITLE VII - CHAPTER 2

METRO PARACRUZ SERVICE ELIGIBILITY AND APPEALS PROCESS

(This Chapter replaces AR-1024)

Table of Contents:

Article I	General Requirements
Article II	Applicability
Article III	Process for Amendment to METRO's Official Paratransit Plan
Article IV	Eligibility Criteria
Article V	Service for Visitors
Article VI	Application and Eligibility Process
Article VII	Appeal of Eligibility Determination
Article VIII	Composition of Appeals Panel
Article IX	Role of the Manager of Operations
Article X	Hearing Procedures
Article XI	Appeals Checklist

Article 1

General Requirements

- §7.2.101** It is the policy of Santa Cruz METRO that because it operates a fixed route system, it shall provide a paratransit service that is comparable and complementary to the fixed route service to eligible riders. Santa Cruz METRO's paratransit service shall be known as METRO ParaCruz.
- §7.2.102** METRO ParaCruz eligibility and appeals process shall be in accordance with the Americans with Disabilities Act (ADA) and its implementing federal regulations and

Exhibit A

shall insure that all eligible riders enjoy full access to either Santa Cruz METRO's fixed route service or to the METRO ParaCruz Service as appropriate. The eligibility and the appeals process for METRO ParaCruz shall be fair, effective, accurate, respectful and non-threatening.

§7.2.103 Santa Cruz METRO recognizes that the ADA establishes a civil right to paratransit services for individuals who cannot otherwise utilize the fixed route system whether because of their disability or because of the inaccessibility of the fixed route system. Therefore, a determination of ineligibility for such service is a serious matter.

Article II

Applicability

§7.2.201 This procedure is applicable to all individuals applying for METRO ParaCruz, filing an appeal regarding METRO ParaCruz eligibility and those who are current eligible riders of METRO ParaCruz.

§7.2.202 The Code provisions serve in conjunction with METRO's ParaCruz Customer Guide as METRO's Official Paratransit Plan. METRO's Official Paratransit Plan shall be available upon request and shall be posted on METRO's website.

Article III

Process for Amendment to METRO's Official Paratransit Plan

§7.2.301 When in the opinion of the General Manager, a modification or change to METRO's Official Paratransit Plan is required and/or necessary, public input regarding the proposed amendment will be obtained before the matter will be presented to the METRO Board of Directors for action.

§7.2.302 METRO staff will review the proposed modifications with METRO's Advisory Committee (MAC) and shall provide the Board of Directors with its comments and recommendations.

§7.2.303 METRO staff will also review the proposed change(s) and obtain input from the designated ParaCruz stakeholders. The review of the proposed change(s) and request for input may be made in person or through written correspondence. These stakeholders are designated as follows:

- a) Elderly and Disabled Transportation Advisory Committee; and
- b) Such other community based organizations as designated by the METRO Board of Directors.

Exhibit A

§7.2.304 METRO will also schedule, at a minimum, at least one public hearing in which METRO staff review the proposed change(s) with the public and obtain their input. METRO shall provide adequate notice of the hearing to the public, by advertisement in a newspaper of general circulation and posting of such notification on METRO's website.

§7.2.305 Input received from the public through the outreach process identified above will be presented to the METRO Board of Directors together with METRO staff recommendations.

Article IV

Eligibility Criteria

§7.2.401 The Manager of Operations or his/her designee shall determine whether an individual applying for METRO ParaCruz can use the fixed route service depending on his/her own circumstances.

§7.2.402 The eligibility process shall ensure that only persons who meet the federal regulatory criteria, strictly applied, shall be certified as METRO ParaCruz eligible.

§7.2.403 When a person applies for the METRO ParaCruz, the Manager of Operations or his/her designee shall provide all the needed forms and/or instructions. These forms and instructions may include a declaration of whether the individual travels with a personal care attendant (PCA).

§7.2.404 All documents concerning eligibility will be made available in one or more accessible formats, on request. Accessible formats include computer disks, Braille documents, compact disk (CD), and large print format. These documents will also be made available in Spanish upon request. A document does not necessarily need to be made available in the format a requester prefers, but it does have to be made available in a format the person can use.

§7.2.405 Should an applicant have an immediate need for METRO ParaCruz services before he/she has the time to submit to an eligibility determination, the Manager of Operations or his/her designee may certify the applicant on an immediate needs basis.

- a) This immediate needs certification shall be provided in only a limited number of cases.
- b) Immediate need certification, at a maximum, shall be valid for a period of time not to exceed 14 calendar days from the initial immediate need determination.
- c) This immediate needs certification is at the sole discretion of the Manager of Operations or his/her designee and cannot be appealed.

Exhibit A

- d) The Manager of Operations or his/her designee may require documentation in support of the immediate needs assessment.
- e) This certification will be valid until an eligibility determination has been made, preferably within seven days.
- f) Certification for an immediate need will not be evidence of eligibility for the METRO ParaCruz service.

§7.2.406 An individual shall be certified to be eligible for METRO ParaCruz under any of the following circumstances:

- a) Individuals with a disability who can use an accessible vehicle, but for whom any desired trip cannot be made because the fixed route service they need to use is not yet accessible. This concept is route based, not system based.
- b) An individual with a disability who is unable as the result of a physical or mental impairment and without the assistance of another individual (except the operator of a wheelchair lift or other boarding assistance device) to board, ride, or disembark from any vehicle on the system which is readily accessible to and useable by individuals with disabilities. This includes those who cannot “navigate” the system.
- c) Individuals who have impairment-related conditions that prevent them from getting to or from a boarding or disembarking location. This is intended to be a very narrow exception to the general rule that difficulty in traveling to or from boarding or disembarking location is not a basis for eligibility.

§7.2.407 A disability for purposes of METRO ParaCruz eligibility may be either permanent or temporary.

§7.2.408 An individual may be eligible for METRO ParaCruz whose disability is intermittent.

§7.2.409 METRO ParaCruz eligibility is based on a functional, rather than a medical, model. Persons are not qualified or disqualified on the basis of a specific diagnosis or disability.

§7.2.410 The application of a person’s eligibility will be determined as a practical matter whether the individual can use fixed route service in his/her own circumstances. This is a transportation decision primarily, not a medical decision.

§7.2.411 At the time eligibility for METRO ParaCruz is determined, it will also be decided whether the applicant needs the services of Personal Care Attendant (**PCA**) when traveling on METRO ParaCruz. In order for the PCA to ride free, the applicant must be registered with METRO ParaCruz as needing a PCA.

§7.2.412 The term of eligibility for METRO ParaCruz shall be for a maximum of three-years. The initial eligibility determination shall include an analysis of whether it is more likely than not that the individual’s functional abilities to utilize the fixed route

Exhibit A

service will improve with time. The renewal process shall in most cases be limited to a simple process of a one-page form indicating no changes in functional ability or residential location that would impact the individual's eligibility status. However, those individuals who were assessed at the time of the initial eligibility determination that it is more likely than not that their functional abilities to utilize the fixed route will improve with time or whose residential location is now determined to be accessible by the fixed route service or who have changed mobility devices shall have their renewal determination conducted either through an in-person assessment or telephone interview at the discretion of the Manager of Operations or his/her designee. An in-person assessment may also be required for a renewal when documented, known facts and circumstances indicate that the eligible status of the rider has changed and is no longer eligible for the service when the source of such information is specifically identifiable and reliable. If an ineligibility determination or a more restrictive eligibility determination (unconditional to trip-by-trip) is made at the conclusion of the recertification process, the affected individual shall have the right to appeal such determinations pursuant to this policy. ParaCruz Service shall continue until the final decision is made by the Appeals Panel.

- §7.2.413** Should an individual allow their eligibility to expire and then desire to utilize METRO ParaCruz services, the application shall be treated as a new application for eligibility.

Article V

Service for Visitors

- §7.2.501** METRO ParaCruz shall be provided to visitors from out of the County of Santa Cruz on the same basis as such service is provided to local residents. A visitor can become eligible for METRO ParaCruz by presenting eligibility documentation from his/her "home" jurisdiction's paratransit system. If the individual has no such documentation, the Manager of Operations or his/her designee shall require proof of visitor status (individual's place of residence) and, if the individual's disability is not apparent proof of the disability. Once this documentation is presented and is satisfactory, METRO ParaCruz will be made available for a maximum of 21 days on the basis of the individual's statement that he/she is unable to use the fixed route transit system. After 21 days, PARACRUZ service will only be provided if the visitor applies for METRO PARACRUZ and is determined to be eligible for such service through the regular eligibility process.
- §7.2.502** Visitors shall be provided with METRO ParaCruz based on visitor eligibility for no more than 21 days within a floating 365-day period. After 21 days (consecutive or parceled out), the individual must apply for METRO ParaCruz eligibility as provided in these procedures.

Exhibit A

Article VI

Application and Eligibility Process

- §7.2.601** To apply for METRO ParaCruz, an applicant shall contact the Manager of Operations or his/her designee and ask to schedule an appointment for an in-person assessment interview. Interviews normally will take about 30 minutes and shall include a transit evaluation. No application or user fees shall be charged to an applicant. During the assessment, the applicant will be asked questions about eligibility, functional abilities, including the ability to utilize the fixed route and travel abilities in detail. The interview will also provide an opportunity for the applicant to ask questions about METRO ParaCruz. At the interview, the applicant may be asked to participate in further assessment, including a functional assessment.
- §7.2.602** Eligibility assessment interviews will be scheduled within 7 days of the initial contact.
- §7.2.603** Upon request the applicant will be provided with transportation to and from the interview at no cost.
- §7.2.604** The eligibility determination shall be in writing and shall be postmarked within seven (7) business days of the in-person assessment.
- §7.2.605** If for any reason a decision is not made within 21 calendar days, METRO ParaCruz will be provided, until a decision of ineligibility is rendered.
- §7.2.606** If found to be eligible, a letter of eligibility and an identification card will be provided to the applicant. For those individuals granted eligibility, the documentation of eligibility shall include at least the following information: the individual's name, the name of Santa Cruz METRO, the telephone number of Santa Cruz METRO's paratransit administrator, an expiration date for eligibility and any conditions or limitation on the individual's eligibility including whether the individual requires the use of a PCA.
- §7.2.607** If found to be ineligible, and therefore denied service, a letter of explanation of ineligibility together with all appeal rights and procedures shall be provided to the applicant. An applicant may also appeal the restricted eligibility of conditional or trip-by-trip. Additional information, that the applicant feels will assist the appeals panel in reconsidering the eligibility decision, should be submitted to the appeals panel for consideration. The reasons set forth for ineligibility or restriction must specifically relate the evidence in the matter to the eligibility criteria. This information will be available upon request in accessible formats including Braille, computer disc, CD, and large print format. It will also be available in Spanish upon request.

Exhibit A

Article VII

Appeal of Eligibility Determination

- §7.2.701** Applicants who believe an eligibility determination for METRO ParaCruz was made in error or who disagrees with the original certification decision may appeal the eligibility determination/certification decision within 60 days of the denial of an applicant's application.
- §7.2.702** Applicants shall complete the attached Appeal Form or shall provide the following information to the Santa Cruz METRO, although the Appeal Form must be signed by the applicant before or at the hearing to confirm that the contents of the appeal are accurate:
- a) Applicants name, address and phone number;
 - b) Reason why the determination was incorrect;
 - c) Any information supporting the appeal.
- §7.2.703** An appeal hearing shall be scheduled within 30 days of receipt of the Appeal with a decision on the appeal provided to the applicant within 10 days of the Appeal Hearing. If an applicant wants to continue the appeal hearing, the hearing will be continued one time. If a decision on the appeal is not rendered within 30 days of the completion of the Appeal hearing, then the Applicant shall be provided with METRO ParaCruz service until a decision of ineligibility on the appeal is rendered.

Article VIII

Composition of Appeals Panel

- §7.2.801** A three-member panel will hear each eligibility appeal for METRO ParaCruz. Each panel will include the General Manager or his/her designee, a METRO Advisory Committee (MAC) appointed representative, and an individual who works with persons with disabilities. The District Counsel will provide training as necessary to the Appeals Panel members. Training for appeals panel members will focus upon Federal ADA paratransit eligibility criteria and upon the procedures for conducting an appeals hearing. Each panel member will receive \$25.00 per appeal hearing except METRO employees.
- §7.2.802** The eligibility appeal panel members shall keep the information pertaining to an individual's appeal confidential including all medical information unless ordered by a court of competent jurisdiction to release the information. Santa Cruz METRO shall be permitted to utilize information provided during the eligibility and appeal process or generated as a result of the eligibility and appeal process to defend a determination rendered by the appeals panel.

Exhibit A

§7.2.803 This appeal panel may also be used for other METRO ParaCruz service issues including declaring a METRO ParaCruz rider ineligible for service, suspending a rider from METRO ParaCruz service and “NO Show” determinations.

Article IX

Role of the Manager of Operations

§7.2.901 The Manager of Operations or his/her designee will act as host at the appeal hearing and will provide administrative support for each appeal hearing, but will not directly participate in the deliberations and determinations made by the panel. The Manager of Operations or his/her designee will be responsible for the following:

- a) Receiving appeals from applicants;
- b) Scheduling appeals hearings within thirty days of the initiation of the appeal;
- c) Notifying panel members and applicants of the date, time and place for scheduled appeal hearings;
- d) Arranging free transportation to and from the appeals hearings for all applicants who request it;
- e) Maintaining accurate records of appeals activities, including final determinations and statements of justification for each determination; Providing written notice for applicants of the appeal determination within ten (10) days of the appeal hearing; and
- f) Attending the Appeals Hearing (consistent with the requirements of Section 10.03), explaining METRO’s eligibility determination and responding to questions of the Appeals Panel.

Article X

Hearing Procedures

§7.2.1001 Each appeal panel member will receive a copy of the eligibility assessment records for each applicant making an appeal. Applicants will be welcome to submit written documentation of their choosing in support of the appeal. Applicants must attend the appeal hearing and answer questions posed by the appeal panel. Applicant will, however, have the right to be assisted by any person of their choosing at the appeal hearing.

§7.2.1002 To help assure that appeals hearing are non-threatening, one member of the appeals panel will be designated as chair for each appeal hearing. That panel member will be primarily responsible for asking questions and conducting the appeal hearings in a professional and friendly manner. Any panel member may ask questions or seek clarifications as needed, but, for the most part, the chair will be responsible for directly communicating with the applicant and/or advocate. When necessary the

Exhibit A

appeal panel may refer the applicant for a functional reassessment to determine eligibility.

§7.2.1003 The chair will welcome all participants for each appeal hearing. The following process will be followed:

- a) Following introductions, the chair will invite the Manager of Operations or his/her designee, who acts as host, to summarize the nature of the ADA paratransit eligibility criteria and the basis for the determination.
- b) The Manager of Operations or his/her designee shall present any oral or written evidence in support of the determination, however, all written evidence must be provided to the applicant at least ten (10) days in advance of the hearing.
- c) The applicant can request that the individual hosting the ParaCruz eligibility determination not remain in the hearing after the initial presentation. The Appeals Panel shall decide whether to grant the request after allowing the parties to address the request.
- d) The applicant and/or his/her advocate will then have an opportunity to state why he/she disagrees with the original determination.
- e) The remainder of the appeals evaluation will be conducted by asking a series of open-ended questions that focus on aspects of the functional ability of applicants to use accessible public transit services in Santa Cruz.

Article XI

Appeals Checklist

§7.2.1101 To help insure fairness and consistency, a checklist of issues will be reviewed by the members of the appeal panel at the commencement of the appeal hearing and those questions will be asked of the applicant and/or the advocate if applicable. The chair may phrase specific questions in any manner that seems appropriate or helpful given the apparent communication abilities of the applicant and the particular issues that arise.

§7.2.1102 The issues that will be addressed at each appeal hearing, if applicable, will include:

- a) Confirm information collected during the eligibility determination assessment:
 - Name
 - Address and Phone
 - Condition
 - Mobility Device
- b) Is the applicant able to independently walk or wheel to and from bus stops?
- c) Is the applicant able to board/deboard an accessible bus (using stairs, a ramp, or a lift)?

Exhibit A

- d) Is the applicant able to ride the bus, whether as a standee, or only if seated, or only if seated and secured?
- e) Is the applicant able to collect and understand transit route information?
- f) Is the applicant able to count and handle money to pay bus fare including bills and coins?
- g) Are there any special circumstances that sometimes would prevent the applicant from completing a desired bus trip?

§7.2.1103 The appeal hearing chairperson will invite the applicant and/or his/her advocate to make any additional statements regarding factors that may prevent the applicant from independently using accessible transit services.

§7.2.1104 Following all questions and statements the chairperson will thank the applicant and his/her advocate for their cooperation. Afterwards, the three-member panel will deliberate in private and seek to reach by consensus an appropriate determination. If consensus is not possible, then the determination will be based on a vote of at least two to one, to sustain the initial decision of denial, restricted conditional or restricted trip-by-trip eligibility. The determination of the appeals panel shall be final. The Chair shall prepare a written decision, which shall set forth the decision and the written and oral evidence that was considered by the panel including the reasons why the appeal was denied if that is the decision. A copy of the written decision shall be provided to the applicant.

Exhibit A



ADA PARACRUZ SERVICE ELIGIBILITY APPEAL FORM

To: Manager of Operations
SANTA CRUZ METRO
110 Vernon Street
Santa Cruz, CA 95060

Name of Applicant: _____

Address of Applicant: _____

Mailing Address (if different from above): _____

Telephone number: _____

*E-mail Address: _____

Reason Why the Determination was Incorrect: _____

**Applicant's Signature or
Parent's Signature** (if Applicant is a Minor)

Date

***Attach any supporting documentation that you wish the Appeal Panel to consider.**

*Optional items

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Year to Date Monthly Financial Report as of May 31, 2015

Santa Cruz METRO Board of Directors

August 14, 2015

Angela Aitken, Finance Manager

FY15 Operating Revenue and Expenses

For the Month Ending May 31, 2015

92% of Fiscal Year Elapsed

\$ In Thousands	Actual	Budget	Actual vs Budget
Operating Revenue:	\$5,017	\$5,202	(\$185)
Operating Expenses:			
Labor	\$1,606	\$1,642	(\$36)
Fringe Benefits	\$1,507	\$1,644	(\$136)
Non-Personnel Expenses	\$607	\$736	(\$129)
Total Operating Expenses:	\$3,720	\$4,022	(\$302)
Operating Budget Under/(Over):			\$118

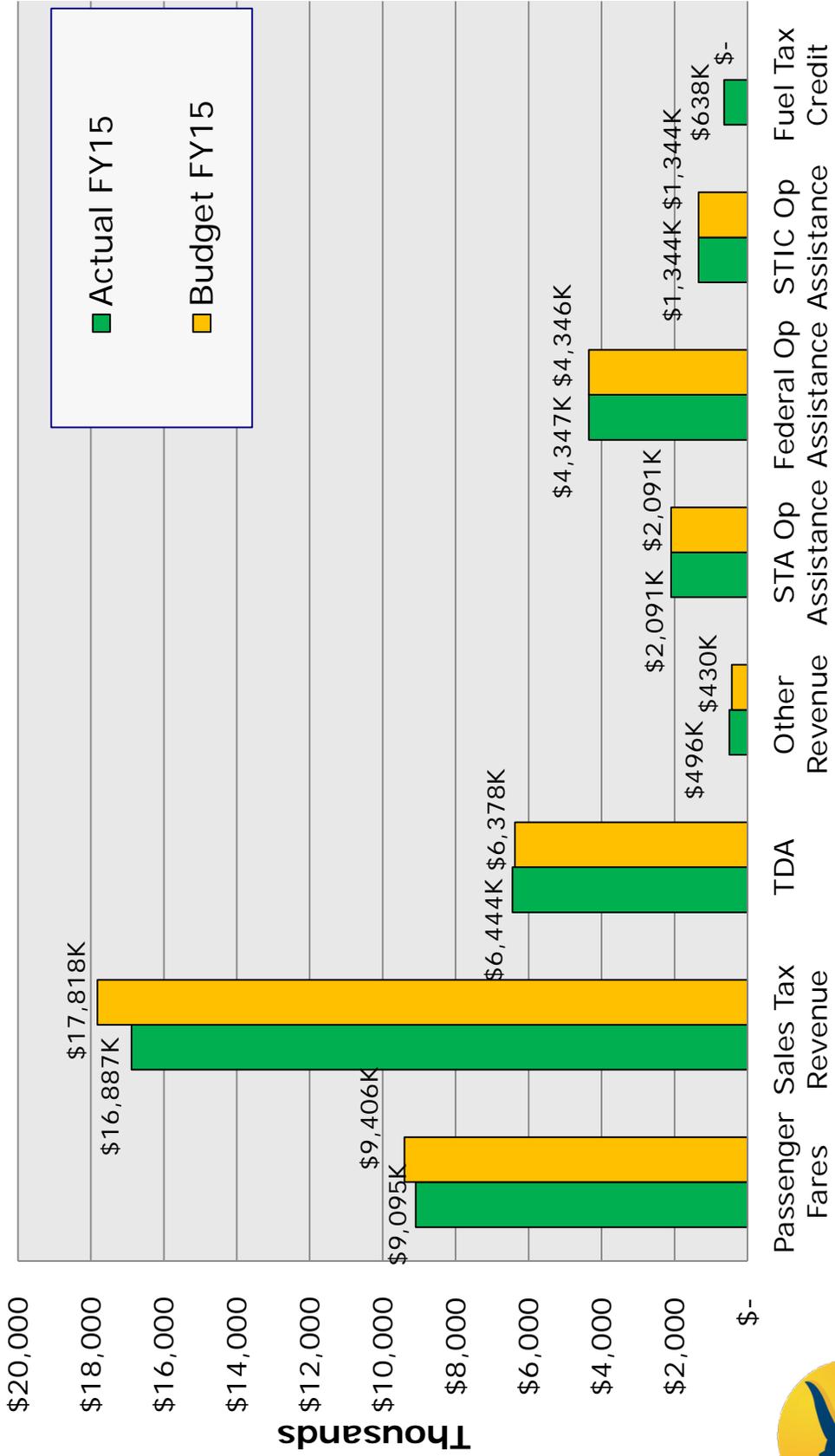
FY15 Operating Revenue and Expenses

Year to Date as of May 31, 2015

92% of Fiscal Year Elapsed

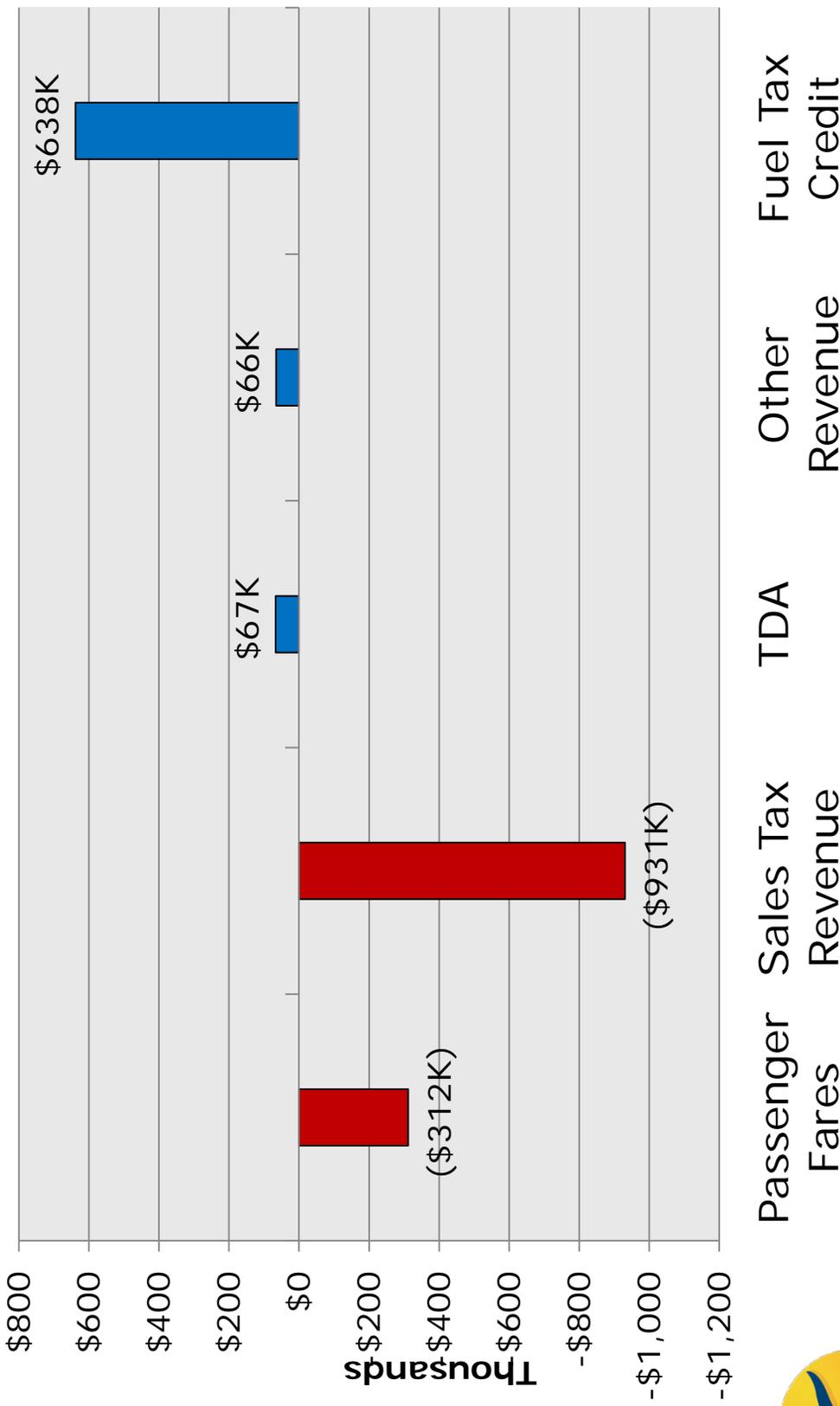
\$ In Thousands	Actual	Budget	Actual vs Budget
Operating Revenue:	\$41,343	\$41,815	(\$472)
Operating Expenses:			
Labor	\$17,533	\$18,063	(\$530)
Fringe Benefits	\$16,553	\$18,082	(\$1,529)
Non-Personnel Expenses	\$7,371	\$8,215	(\$844)
Total Operating Expenses:	\$41,457	\$44,360	(\$2,903)
Operating Budget Under/(Over):			\$2,431

FY15 Operating Revenue by Major Funding Source Year to Date as of May 31, 2015 92% of Fiscal Year Elapsed



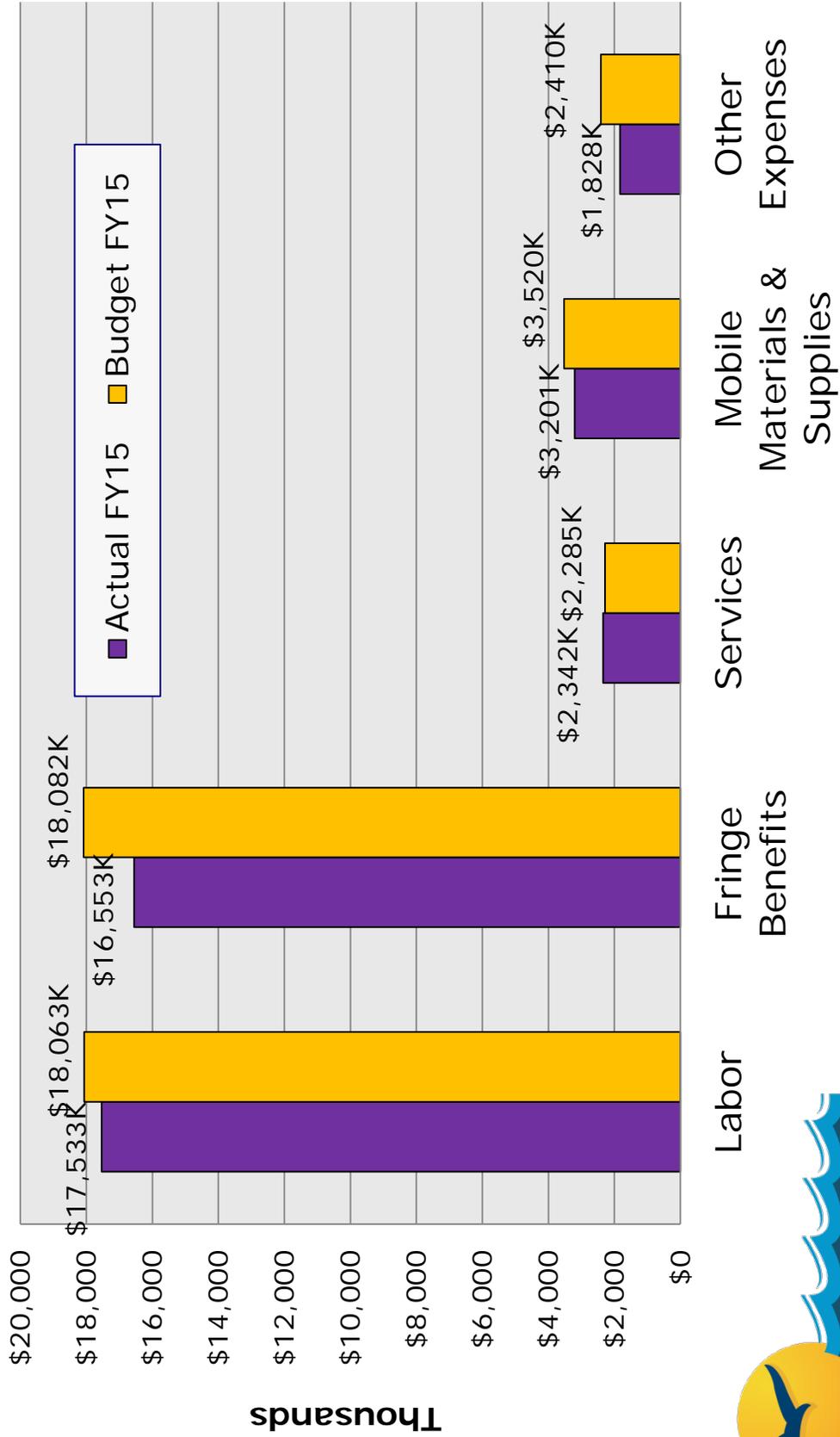
Favorable/(Unfavorable) Revenue Variance to Budget Year to Date as of May 31, 2015

92% of Fiscal Year Elapsed



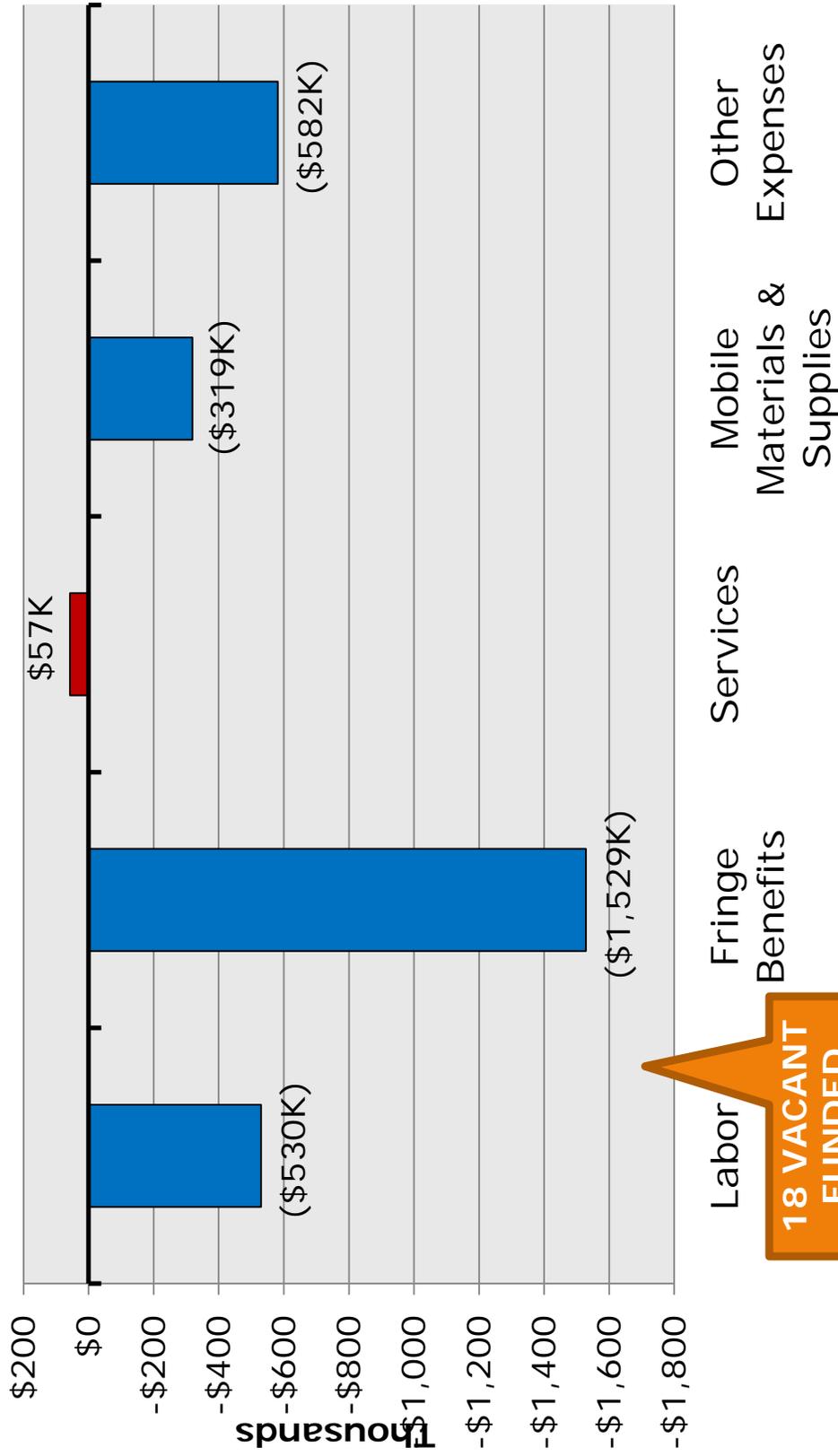
FY15 Operating Expenses by Major Expense Category Year to Date as of May 31, 2015

92% of Fiscal Year Elapsed



(Favorable)/Unfavorable Expense Variance to Budget
Year to Date as of May 31, 2015

92% of Fiscal Year Elapsed



18 VACANT FUNDED POSITIONS

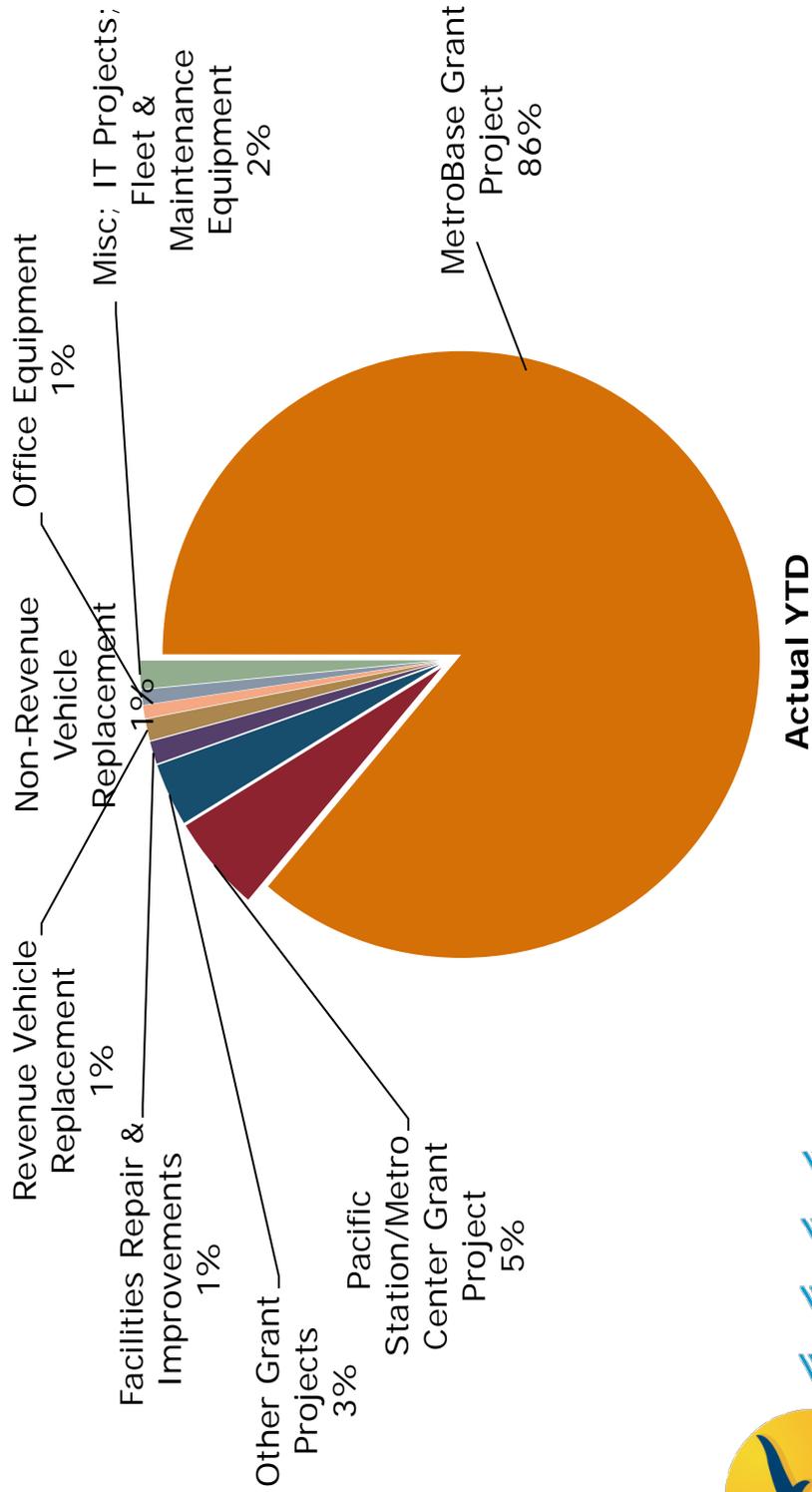


FY15 Capital Budget

Year to Date as of May 31, 2015

92% of Fiscal Year Elapsed

	Actual YTD	Total FY15 Budget	% Spent YTD
Total Capital Projects:	\$8,156,208	\$21,798,822	37%



MetroBase Phase II Operations Building Life of Project

Budget Adopted May 8, 2015

Spending as of July 23, 2015

9.9



MetroBase Phase II - Life of Project

Spending as of July 23, 2015

\$ In Thousands	Budget	Actual	Remaining	% Spent
LCN – Prime Construction Contract	\$13,572	\$10,633	\$2,939	78%
Construction Contract Contingency	\$1,771	\$761	\$1,010	43%
In-House Project Management	\$662	\$502	\$160	76%
Consultant Costs (Hill Int'l., TRC and RNL)	\$5,395	\$3,803	\$1,591	71%
Non-Construction Contingencies	\$62	\$0	\$62	0%
Contracted Professional Services – prior to 9/26/14	\$150	\$150	\$0	100%
Additional Cost and Services (VSWs, Security, Dubois, etc.)	\$2,992	\$1,714	\$1,278	57%
Totals Under/(Over):	\$24,604	\$17,563	\$7,040	71%

9.10



Questions

9.11



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DATE: August 14, 2015
TO: Board of Directors
FROM: Andrew Kreck, Project Manager, Hill International
**SUBJECT: CONSIDERATION OF AUTHORIZING THE CEO TO EXECUTE
CONTRACT AMENDMENT #7 WITH RNL DESIGN, INC. AND
APPROVE REVISING THE LIFE OF PROJECT BUDGET**

I. RECOMMENDED ACTION

- 1) That the Board of Directors authorize the CEO to execute contract amendment #7 with RNL Design, Inc. to increase the contract total by \$250,000 for Architect and Engineering Services, bringing the contract not-to-exceed to \$1,664,977; and,**
- 2) That the Board of Directors approve revising the MetroBase Phase II Operations Building Life of Project Budget from \$24,603,596 to \$24,853,596**

II. SUMMARY

- The Santa Cruz Metropolitan Transit District (METRO) has a contract with RNL Design, Inc. for Architect and Engineering Services for Construction of the Judy K. Souza Building (“the Project”).
- Due to design clarifications, owner-requested changes, and Contract Change Orders, the Project completion is anticipated to be later in the Fall.
- Staff recommends amending the Contract with RNL Design, Inc. to increase the Contract not-to-exceed amount by \$250,000 to maintain continuity of services through Project completion.
- Funding for this action is in the Capital Restricted Reserve allocated to this Project. Moving funds from this account would increase the Life of Project Budget to \$24,853,596 and reduce the Capital Restricted Reserves to \$1,012,928.

III. DISCUSSION/BACKGROUND

METRO entered into a contract with RNL Design, Inc. on March 19, 2012 for Architect and Engineering services to complete the plans, specifications and drawings for the new Operations Facility and related site work. Due to necessary design clarifications, owner-requested changes, and Contract Change Orders with time extensions, funds for this Contract are due to be exceeded before the Project is completed.

In order to maintain continuity of services with the Architect-Engineer through Project completion, staff recommends that the Board of Directors authorize the CEO to execute an amendment to the Contract with RNL Design, Inc. to increase funds in an amount not to exceed \$250,000. Andrew Kreck, Project Manager, will continue to serve as the Contract Administrator and ensure contract compliance.

Table 1 reflects the removal of \$250,000 for the RNL Design, Inc. Amendment from the Capital Restricted Reserves. Table 2 reflects the addition of \$250,000 to the Life of Project Budget.

Table 1 – Capital Restricted Reserve Account Modifications

\$1,262,928	Capital Restricted Reserve account: May 8, 2015
(250,000)	Funds required to increase RNL Contract
\$1,012,928	Proposed Capital Restricted Reserves balance: August 14, 2015

Table 2 – MetroBase Phase II (Operations Building) Life of Project Budget

\$24,603,596	Life of Project Budget: May 8, 2015
250,000	Funds from Capital Restricted Reserve account
\$24,853,596	Proposed Revised Life of Project Budget: August 14, 2015

IV. FINANCIAL CONSIDERATIONS/IMPACT

The fiscal impact of these actions, as reflected in this Board report, is as follows:

- The RNL Design, Inc. Contract increases from \$1,414,977 to \$1,664,977.
- The available Capital Restricted Reserves for the Project decrease from \$1,262,928 to \$1,012,928.
- The Operations Building project Life of Project (LOP) budget increases from \$24,603,596 to \$24,853,596.

V. ALTERNATIVES CONSIDERED

- Do not increase the not-to-exceed value of the Contract. Staff does not recommend this option, as the continued services of an Architect-Engineer firm are critical to the successful completion of the new Operations Facility.

VI. ATTACHMENTS

Attachment A: Contract Amendment #7 with RNL Design, Inc.

Attachment B: MetroBase Phase II (Operations Building) Life of Project Budget as proposed

Prepared By: Joan Jeffries, Administrative Assistant
Erron Alvey, Purchasing Manager
Andrew Kreck, Project Manager

VII. APPROVALS:

Andrew Kreck, Project Manager



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



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT SEVENTH AMENDMENT TO CONTRACT NO. 12-25 FOR ARCHITECT AND ENGINEERING SERVICES

This Seventh Amendment to Contract No. 12-25 for Architect and Engineering Services is made effective August 17, 2015 between the Santa Cruz Metropolitan Transit District ("Santa Cruz METRO"), a political subdivision of the State of California, and RNL Design, Inc. ("Architect-Engineer").

I. RECITALS

- 1.1 Santa Cruz METRO and Architect-Engineer entered into a Contract for Architect and Engineering Services ("Contract") on March 19, 2012. The purpose of the Contract is to review and update the current plans, drawings and specifications for the construction of the new Judy K. Souza Operations Facility, Parking Structure and related site work ("Project").
- 1.2 The Contract allows for amendment upon mutual written consent.
- 1.3 Santa Cruz METRO and Architect-Engineer desire to amend the Contract to increase the Contract total not-to-exceed amount.

Therefore, Santa Cruz METRO and Architect-Engineer amend the Contract as follows:

II. COMPENSATION

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

Santa Cruz METRO shall compensate Architect-Engineer in an amount not to exceed \$250,000 under the terms of the Seventh Amendment.

The new Contract total not-to-exceed amount is \$1,664,977. Architect-Engineer understands and agrees that if they exceed the \$1,664,977 maximum amount payable under this Contract, they do so at their own risk.

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 Article 7 is amended to include the following language:

Each party has full power to enter into and perform this Seventh Amendment to the Contract and the person signing this Seventh Amendment on behalf of each has

Attachment A

been properly authorized and empowered to enter into it. Each party further acknowledges that it has read this Seventh Amendment to the Contract, understands it, and agrees to be bound by it.

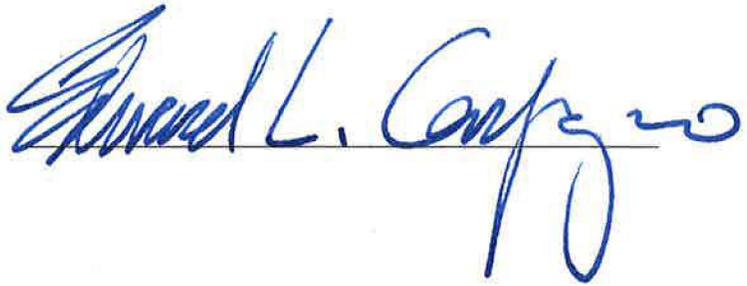
Signed on _____

Santa Cruz METRO –
SANTA CRUZ METROPOLITAN
TRANSIT DISTRICT

Alex Clifford, CEO/General Manager _____

Architect-Engineer –
RNL DESIGN, INC.

Edward L. Carfagno, Associate Principal



Approved as to Form:

Leslyn Syren, District Counsel



Attachment B

Attachment B Metrobase Phase II (Operations Building) Life of Project Budget

8/14/2015

Construction Contract	Original Budget	Budget Amendment(s)	Revised Budget
Lewis C. Nelson and Sons Inc. Prime Construction Contract	\$13,572,000.00		\$13,572,000.00
Construction Contract Contingency	\$1,377,258.20	\$200,586.00	\$1,724,773.20
Security cameras conduit; 04/10/2015 BR	0.00	\$56,000.00	
Security fencing (\$113,033 - \$21,240- \$45,864)	0.00	\$45,929.00	
Security gates (\$45,000-\$15,000)	0.00	\$30,000.00	
Building access control (\$110,000-\$95,000)	0.00	\$15,000.00	

SC Metro Project Management	Original Budget	Budget Amendment(s)	Revised Budget
Project Manager Budget FY13& FY14	\$400,000.00		\$194,234.00
Remaining Budget \$205,766 reallocated to Hill 12-2014		(\$205,766.00)	
Administrative Specialist Budget FY13& FY14	\$215,000.00		\$160,438.00
Remaining Budget \$54,562 reallocated to Hill 12-2014		(\$54,562.00)	
Project Manager and Admin. Specialist FY15	0.00	307,500.00	\$307,500.00

Consultant Costs	Original Budget	Budget Amendment(s)	Revised Budget
#15-04 Hill International, Inc:	\$1,500,000.00	\$1,092,382.00	\$2,592,382.00
#12-34 TRC Construction Management	\$1,495,440.00		\$1,387,446.00
TRC Amendment 1 03-2013		\$19,400.00	
TRC Amendment 2 09-2013		\$4,660.00	
\$132,054 reallocated to Hill 12-2014		(\$132,054.00)	
RNL Design Original contract 03-2012	\$800,000.00		\$1,664,977.00
RNL Amendment 1 05-2012		\$39,118.00	
RNL Amendment 2 03-2013		\$136,255.00	
RNL Amendment 3 12-2014		\$100,243.00	
RNL Amendment 4 02-2015		\$36,595.00	
RNL Amendment 5 04-2015		\$50,000.00	
RNL Amendment 6 05-2015		\$252,766.00	
RNL Amendment 7 08-2015 [Proposed 08-2015]		\$250,000.00	
Consultant Design Support Services FY 15	0.00	\$300,000.00	\$0.00
RNL Amendment 5 03-2015		(\$50,000.00)	
RNL Amendment 6 05-2015 [Proposed 05-2015]		(\$250,000.00)	
Consultant Project Management FY 15	0.00	\$700,000.00	\$0.00
\$700,000 Reallocated to Hill 12-2014		(\$700,000.00)	
Contingency 10% (Design, and PM)	0.00	\$245,109.80	\$61,727.80
[Construction Contingency accounted above: \$1,622,368-\$1,377,258.20]			
RNL Amendment 1 05-2012		(\$39,118.00)	
RNL Amendment 3 12-2014		(\$100,243.00)	
RNL Amendment 4 02-2015		(\$36,595.00)	
TRC Amendment 2 09-2013		(\$4,660.00)	
RNL Amendment 6 05-2015 [Proposed 05-2015]		(\$2,766.00)	
Contracted professional services not included in 09/2014 Board Report	0.00	\$150,000.00	\$150,000.00

Additional Costs and Services	Original Budget	Budget Amendment(s)	Revised Budget
4VSW's hired 3/4/13 –through 2015	0.00	\$1,000,000.00	\$1,000,000.00
Dubois temporary facility and related ongoing costs	0.00	\$1,200,000.00	\$1,200,000.00
Harvey West Security	0.00	\$60,254.00	\$60,254.00
Furniture and cubicles for new facility	0.00	\$300,000.00	\$150,000.00
Reallocation for professional services not included in 09/2014 BR.		(\$150,000.00)	
Inside and outside counsel expenses	0.00	\$150,000.00	\$150,000.00
Land mobile radio tower & equipment relocation	0.00	\$150,000.00	\$150,000.00
Security cameras	0.00	\$172,000.00	\$172,000.00
Security anti-climb panels for back fencing	0.00	\$45,864.00	\$45,864.00
LED light conversion	0.00	\$45,000.00	\$45,000.00
Procore software	0.00	\$15,000.00	\$15,000.00
Other project expenses	0.00	\$50,000.00	\$50,000.00

Life of Project Total **8/14/2015** **\$24,853,596**

05/08/2015 Budget **\$24,603,596**
Difference **\$250,000**

10B.1

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DATE: August 14, 2015
TO: Board of Directors
FROM: Angela Aitken, Finance Manager
SUBJECT: **CONSIDERATION OF A FORMAL ADOPTION OF PAY SCHEDULES FOR MANAGEMENT, UTU-FR, UTU-PC, SEIU-SEA, SEIU-PSA, AND SEIU-VMU**

I. RECOMMENDED ACTION

That the Board of Directors adopt the attached pay schedules for Management, UTU-FR, UTU-PC, SEIU-SEA, SEIU-PSA and SEIU-VMU for FY16

II. SUMMARY

- In accordance with California Code of Regulations (CCR) 570.5 as contained in the California Public Employees' Retirement Law (PERL), Santa Cruz Metropolitan Transit District (METRO) is required to provide a publicly available pay schedule for our employees
- These pay schedules will be used by CalPERS to determine the definition of 'pay rate' as provided in Government Code sections 20636 (b)(1), 20636.1(b)(1) and 7522.34(a)
- These pay schedules will be used by METRO for employee pay rates in FY16 (as of 06/18/15)

III. DISCUSSION/BACKGROUND

The California Code of Regulations (CCR) Title 2 §570.5 as contained in the California Public Employees' Retirement Law (PERL) provides the requirement for a Publicly Available Pay Schedule.

For purposes of determining the amount of "compensation earnable" pursuant to Government Code sections 20630, 20636, and 20631, compensable (PERS allowed earnings) shall be limited to the amount listed on a pay schedule that meets all of the following requirements:

1. Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meeting laws;
2. Identifies the position title for every employee position;
3. Shows the pay rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
4. Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, or annually;

5. Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
6. Indicated an effective date and date of any revisions;
7. Is retained by the employer and available for public inspection for not less than five years;
8. Does not reference another document in lieu of disclosing the pay rate

When an agency does not provide a Publicly Available Pay Schedule as defined in CCR Title 2 §570.5, CalPERS will determine that the pay amount reported fails to meet the definition of 'pay rate' as provided in Government Code sections 20636 (b)(1), 20636.1(b)(1) and 7522.34(a), and will therefore, exclude the pay amount reported when calculating a member's retirement benefit.

These pay schedules will be used by METRO for employee pay rates in FY16 (as of 06/18/15) for purposes of including all permitted earnings as a basis for retirement.

IV. FINANCIAL CONSIDERATIONS/IMPACT

There is no additional financial impact to adopt these pay schedules.

V. ALTERNATIVES CONSIDERED

The Board of Directors could chose to not provide a Publicly Available Pay Schedule as defined in CCR 570.5. CalPERS will determine that the pay amount reported, fails to meet the definition of 'pay rate' as provided in Government Code sections 20636 (b)(1), 20636.1(b)(1) and 7522.34(a), and will therefore exclude the pay amount reported, when calculating a member's retirement benefit.

The Board of Directors must adopt a Publicly Available Pay Schedule for METRO's employees, in accordance with CCR §570.5 as contained in the California Public Employees' Retirement Law (PERL), for the pay amount to be included when calculating a member's retirement benefit.

VI. ATTACHMENTS

- Attachment A:** CalPERS Circular Letter dated 10/27/14
- Attachment B:** Management Hourly Rates Schedule as of 06/18/15
- Attachment C:** UTU-FR Hourly Pay Tables as of 06/18/15
- Attachment D:** UTU-PC Hourly Pay Tables as of 06/18/15
- Attachment E:** SEIU-SEA Hourly Pay Tables as of 06/18/15
- Attachment F:** SEIU-PSA Hourly Pay Tables as of 06/18/15
- Attachment G:** SEIU-VMU Hourly Pay Tables as of 06/18/15

Prepared by: Angela Aitken, Finance Manager

VII. APPROVALS:

Angela Aitken, Finance Manager



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



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A



California Public Employees' Retirement System
P.O. Box 942709
Sacramento, CA 94229-2709
(888) CalPERS (or **888-225-7377**)
TTY: (877) 249-7442
www.calpers.ca.gov

Reference No.:
Circular Letter No.: 200-064-14
Distribution: IV, V, VI, X, XII, XVI
Special:

Circular Letter

October 27, 2014

TO: **ALL CALPERS EMPLOYERS**

SUBJECT: **COMMON MISREPORTED ITEMS OF COMPENSATION**

The purpose of this Circular Letter is to proactively provide information on the most common misreported items of compensation in an effort to mitigate employer errors and provide guidance on how to correctly report special pay items on behalf of a CalPERS member.

Special compensation, a component of compensation earnable, is applicable for classic members and is defined by Government Code (GC) sections 20636 and 20636.1 and California Code of Regulations (CCR) 571. Pensionable compensation is applicable for new members, those typically hired on or after January 1, 2013, and must meet the requirements defined by GC section 7522.34(a). More information regarding these requirements can be found in Circular Letter No.: 200-062-12.

The following are some of the most common special compensation reporting errors found during reviews of classic and new member accounts.

Longevity Pay

The most common misreporting of Longevity Pay is when agencies combine this item with other criteria, such as employee performance. Longevity Pay, as defined in CCR 571(a), should not specify additional requirements other than the length of service with an employer or the length of time worked in a specified job classification that exceeds a minimum period of five years. In cases where additional criteria is required by an agency, the item would not meet the definition of special compensation as outlined in CCR 571(a) and will be excluded when calculating retirement benefits.

Holiday Pay

The most common misreporting of Holiday Pay is when agencies report this special compensation item for employees that are not scheduled to work without regard to holidays. Holiday Pay, as defined by CCR 571(a)(5), is a statutory item and reportable to CalPERS for the purpose of calculating retirement benefits.

Attachment A

Circular Letter No.: 200-064-14

October 27, 2014

Page 2

CCR 571(5) defines Holiday Pay, in relevant part, as the following:

“Additional compensation for employees who are normally required to work on an approved holiday because they work in positions that require staffing without regard to holidays. . . . For those employees with written labor agreements providing holiday credit and allowing employees to cash out accumulated holiday credit, the cash out must be done at least annually and reported in the period earned. . . . If an employee utilizes the cash out option only during his/her final compensation period, it will be considered final settlement pay and excluded from reportable compensation. If the cash out option is also utilized near his/her final compensation period, it may still be excluded. . . .”

Additionally, floating holidays and holiday pay that is paid to an employee that volunteers to work, bids for the option to work, or elects to work on a holiday does not meet the definition of Holiday Pay and therefore is not reportable to CalPERS. This item of compensation will be excluded when calculating retirement benefits.

Uniform Allowance

There are two common situations of misreporting Uniform Allowance. The first common reporting error is when agencies do not report the monetary value of uniforms provided. The monetary value of uniforms meets the definition of Uniform Allowance as outlined in CCR 571(a), and should therefore be reported to CalPERS. Additionally, the agency's written labor policy or agreement must indicate the conditions for payment and the monetary value of the uniform. The second common reporting error regarding Uniform Allowance is when agencies report this special compensation for unqualified items. As stated in CCR 571(a), Uniform Allowance “excludes items that are solely for personal health and safety such as protective vests, pistols, bullets, and safety shoes.” If an item is found to be used solely for personal health or safety, that portion of compensation will be excluded from calculating any retirement benefits.

* This item is not reportable for new members as defined by GC 7522.04(f).

Bonus

The most common misreporting of a Bonus is when agencies provide a bonus that is not available to a member's group or class or is based on criteria other than superior performance. Bonus, as defined by CCR 571(a)(1) is “compensation awarded to employees for ‘superior performance’ or ‘merit pay’”. Additionally, “a program or system must be in place to plan and identify performance goals and objectives”. If there is no clear plan in place, the compensation item would not meet the definition of Bonus and would be excluded in calculating a retirement benefit. If this pay is provided only during a member's final compensation period, it will be considered Final Settlement Pay, and excluded from the member's final compensation calculation.

* This item is not reportable for new members as defined by GC 7522.04(f).

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Temporary Upgrade Pay

The most common misreporting of Temporary Upgrade Pay is when agencies report this item for employees who are only taking on a portion of an upgraded position while continuing to do their current duties. Temporary Upgrade Pay, as defined by CCR 571(a)(3) is “compensation to employees who are required by their employer or governing board or body to work in an upgraded position/classification of limited duration.” When an employee maintains their current duties and takes on additional duties of an upgraded position, the additional duties meet the definition of overtime as outlined in GC 20635, and are not be reportable to CalPERS.

Final Settlement Pay

A common misreporting of compensation is when agencies report amounts in the form of severance packages or ‘golden parachutes’ that are typically paid in the member’s final year of service prior to retirement. This compensation meets the definition of Final Settlement Pay. Final Settlement Pay in any form is not considered reportable to CalPERS in either pay rate or special compensation. Additionally, even if an employer’s MOU specifically states that the compensation is not Final Settlement Pay, the compensation will still be excluded in calculating a retirement benefit.

Compensation Paid for Items not Listed in CCR 571

A common mistake is when agencies report items of compensation that are not included in the exclusive list of special compensation as outlined in CCR 571. Special compensation items listed in CCR 571(a) must meet all requirements listed in subsection (b), in order for the compensation to be reportable. Furthermore, CCR 571(c) states “Only items listed in subsection (a) have been affirmatively determined to be special compensation. All items of special compensation reported to PERS will be subject to review for continued conformity with all of the standards listed in subsection (b).” Any items reported to CalPERS that are not contained in the “exclusive list of specifically defined items of special compensation” do not meet the definition of compensation earnable and should therefore not be reported to CalPERS.

Publicly Available Pay Schedules

The California Code of Regulations (CCR) 570.5 as contained in the California Public Employees’ Retirement Law (PERL) , provides the Requirement for a Publicly Available Pay Schedule. (a) For purposes of determining the amount of “compensation earnable” pursuant to GC sections 20630, 20636, and 20631.1, pay rate shall be limited to the amount listed on a pay schedule that meets all of the following requirements:

- “(1) Has been duly approved and adopted by the employer’s governing body in accordance with requirements of applicable public meeting laws;
- (2) Identifies the position title for every employee position;
- (3) Shows the pay rate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
- (4) Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;

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- (5) Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
- (6) Indicates an effective date and date of any revisions;
- (7) Is retained by the employer and available for public inspection for not less than five years; and
- (8) Does not reference another document in lieu of disclosing the pay rate."

Whenever an agency does not provide a Publicly Available Pay Schedule as defined in CCR 570.5, CalPERS will determine that the pay amount reported fails to meet the definition of pay rate as provided in GC sections 20636 (b)(1), 20636.1(b)(1) and 7522.34(a), and will therefore be excluded when calculating a member's retirement benefit.

Impact on Final Compensation

Any compensation in question will not be used in a member's retirement calculation until all issues regarding that reported item of compensation have been resolved.

GC section 20160 requires CalPERS to correct errors made by an employer or by the system. Once an error is discovered, CalPERS must take action to correct it and pay only those benefits authorized under the PERL.

The Public Agency & Schools Reference Guide, which is located on **CalPERS On-Line**, contains additional information. If you have any questions, please call our CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

RENEE OSTRANDER
Acting Division Chief
Customer Account Services Division

Attachment B

MANAGEMENT
HOURLY RATES SCHEDULE

Effective 06/18/15

Title	Step 1	Step 1 LL	Step 2	Step 2 L	Step 2 LL	Step 3	Step 3 L	Step 3 LL	Step 4	Step 4 L	Step 4 LL	Step 5	Step 5 L	Step 5 LL	Step 6	Step 6 L	Step 6 LL
CEO/General Manager	86.23	90.54	94.85	90.54	95.07	99.6	99.81	104.56	99.82	104.81	109.8	104.81	110.05	115.29	110.06	115.56	121.06
District Counsel	66.38	69.7	73.02	69.7	73.19	76.68	76.85	80.51	76.85	80.69	84.53	80.69	84.71	88.74	84.73	88.97	93.21
Chief Operations Officer	57.46	60.33	63.2	60.33	63.35	66.37	66.52	69.69	66.52	69.85	73.18	69.85	73.34	76.83	73.35	77.02	80.69
Operations Manager	52.23	54.84	57.45	54.85	57.59	60.33	60.48	63.36	60.48	63.5	66.52	63.51	66.69	69.87	66.68	70.01	73.34
Maintenance Manager	52.23	54.84	57.45	54.85	57.59	60.33	60.48	63.36	60.48	63.5	66.52	63.51	66.69	69.87	66.68	70.01	73.34
Finance Manager	52.23	54.84	57.45	54.85	57.59	60.33	60.48	63.36	60.48	63.5	66.52	63.51	66.69	69.87	66.68	70.01	73.34
Planning and Development Manager	52.23	54.84	57.45	54.85	57.59	60.33	60.48	63.36	60.48	63.5	66.52	63.51	66.69	69.87	66.68	70.01	73.34
Human Resources Manager	47.05	49.4	51.75	49.4	51.87	54.34	54.47	57.06	54.48	57.2	59.92	57.19	60.05	62.91	60.05	63.05	66.05
Information Technology Manager	47.05	49.4	51.75	49.4	51.87	54.34	54.47	57.06	54.48	57.2	59.92	57.19	60.05	62.91	60.05	63.05	66.05
Marketing, Communications and Customer	47.05	49.4	51.75	49.4	51.87	54.34	54.47	57.06	54.48	57.2	59.92	57.19	60.05	62.91	60.05	63.05	66.05
Purchasing Manager	47.05	49.4	51.75	49.4	51.87	54.34	54.47	57.06	54.48	57.2	59.92	57.19	60.05	62.91	60.05	63.05	66.05
Senior Database Administrator	42.06	44.16	46.26	44.18	46.39	48.6	48.7	51.02	48.71	51.15	53.59	51.12	53.68	56.24	53.68	56.36	59.04
Asst. Manager of Information Technology *	42.06	44.16	46.26	44.18	46.39	48.6	48.7	51.02	48.71	51.15	53.59	51.12	53.68	56.24	53.68	56.36	59.04
Assistant Finance Manager	39.31	41.28	43.25	41.27	43.33	45.39	45.5	47.67	45.49	47.76	50.03	47.78	50.17	52.56	50.16	52.67	55.18
Assistant HR Manager	39.31	41.28	43.25	41.27	43.33	45.39	45.5	47.67	45.49	47.76	50.03	47.78	50.17	52.56	50.16	52.67	55.18
Fixed Route Superintendent	39.31	41.28	43.25	41.27	43.33	45.39	45.5	47.67	45.49	47.76	50.03	47.78	50.17	52.56	50.16	52.67	55.18
Paratransit Superintendent	39.31	41.28	43.25	41.27	43.33	45.39	45.5	47.67	45.49	47.76	50.03	47.78	50.17	52.56	50.16	52.67	55.18
Project Manager	39.31	41.28	43.25	41.27	43.33	45.39	45.5	47.67	45.49	47.76	50.03	47.78	50.17	52.56	50.16	52.67	55.18
Facilities Maintenance Manager	38.2	40.11	42.02	40.12	42.13	44.14	44.23	46.34	44.22	46.43	48.64	46.44	48.76	51.08	48.76	51.2	53.64
Database Administrator	36.33	38.15	39.97	38.16	40.07	41.98	42.07	44.07	42.06	44.16	46.26	44.18	46.39	48.6	46.38	48.7	51.02
Safety, Security and Risk Manager	36.33	38.15	39.97	38.16	40.07	41.98	42.07	44.07	42.06	44.16	46.26	44.18	46.39	48.6	46.38	48.7	51.02
Assistant Superintendent	32.84	34.48	36.12	34.49	36.21	37.93	38.02	39.83	38.03	39.93	41.83	39.92	41.92	43.92	41.92	44.02	46.12
Executive Assistant	30.77	32.31	33.85	32.31	33.93	35.55	35.63	37.33	35.62	37.4	39.18	37.41	39.28	41.15	39.29	41.25	43.21

L = 10 Years Longevity (5%)+5%
LL = 15 Years Longevity (5%)+5%

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Effective June 18, 2015

UTU Fixed Route	Step 1	Step 1 L	Step 1 LL	Step 2	Step 2 L	Step 2 LL	Step 3	Step 3 L	Step 3 LL	Step 4	Step 4 L	Step 4 LL	Step 5	Step 5 L	Step 5 LL	Step 6	Step 6 L	Step 6 LL	Step 7	Step 7 L	Step 7 LL	Step 8	Step 8 L	Step 8 LL	Step 9	Step 9 L	Step 9 LL
Bus Operator	15.98	16.78	17.58	18.44	19.36	20.28	21.93	23.03	24.13	23.32	24.49	25.66	24.77	26.01	27.25	26.18	27.49	28.8	27.63	29.01	30.39	29.07	30.52	31.97	30.52	32.05	33.58

L = 10 Years Longevity (5%); LL = 15 Years Longevity (5%+5%)

Article 5.04 Longevity Bonus

"Effective June 21, 2012, and thereafter, Metro shall compensate employees with ten (10) years of continuous service with an additional 5% of the base salary.

Effective December 20, 2012, and thereafter, Metro shall compensate employees with fifteen (15) years of continuous service with an additional 5% of the base salary."

Calculation Method:

Step 1: Calculate 5 % of the Base (Base Step x 0.05)
 Step 2: Base Step + 5% of the Base (as calculated in Step 1) to calculate L (10 Years)
 Step 3: Base Step + 2 x 5% of the Base (as calculated in Step 1) to calculate LL (15 Years)

Example:

Step 1: Base Rate = \$30.52; 5% of the Base Rate = \$30.52 x 0.05 = \$1.53
 Step 2: \$30.52 + \$1.53 = \$32.05 (9L)
 Step 3: \$30.52 + 2 x \$1.53 = \$33.58 (9LL)

Tentative Agreement

Article 5.02 Operator Base Wage Rate of Pay
 Agree to pay scales as provided above.


 Robyn Slater, HR Manager, Santa Cruz METRO


 Eduardo Montesino, UTU Fixed Route & Paracruz

Date 7/21/15

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Attachment D

Effective June 18, 2015

Class Title	New Hire		Fully Qualified		After 6 Months		Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		LL								
	Step 1	Step 1 L	Step 1 LL	Step 2	Step 2 LL	Step 3	Step 3 LL	Step 4	Step 4 L	Step 4 LL	Step 5	Step 5 L	Step 5 LL	Step 6	Step 6 L	Step 6 LL	Step 7	Step 7 L		Step 7 LL	Step 8	Step 8 L	Step 8 LL	Step 9	Step 9 L	Step 9 LL	
CLERK I	13.85	14.54	15.23	14.54	15.27	16.00	16.02	16.78	16.83	17.63	16.83	17.67	18.51	17.68	18.56	19.44	18.56	19.49	20.42	19.49	20.46	21.43	20.46	21.43	20.47	21.49	22.51
CLERK II	14.15	14.86	15.57	14.85	15.59	16.33	16.38	17.16	17.19	18.01	17.20	18.05	18.92	18.05	18.95	19.85	18.95	19.91	20.85	19.90	20.91	21.91	20.91	21.91	20.90	21.95	23.00
CLERK III	14.64	15.37	16.10	15.37	16.14	16.91	16.95	17.76	17.80	18.65	17.80	18.69	19.58	18.69	19.62	20.55	19.61	20.60	21.57	20.59	21.63	22.66	21.63	22.66	21.63	22.71	23.79
DISPATCHER/SCHDLR	15.26	16.02	16.78	16.03	16.83	17.63	17.67	18.51	17.68	18.56	19.44	18.56	19.49	20.42	19.49	20.46	21.43	20.47	21.49	22.51	21.50	22.58	23.66	22.57	23.70	24.83	
DISPATCHER	14.64	15.37	16.10	15.37	16.14	16.91	16.95	17.76	17.80	18.65	17.80	18.69	19.58	18.69	19.62	20.55	19.61	20.60	21.57	20.59	21.63	22.66	21.63	22.66	21.63	22.71	23.79
MECHANIC I	14.52	15.25	15.98	15.25	16.01	16.77	16.81	17.61	16.81	17.65	18.49	17.65	18.54	19.42	18.54	19.47	20.40	19.47	20.44	21.41	20.45	21.47	22.49	21.46	22.53	23.60	
MECHANIC II	14.64	15.37	16.10	15.37	16.14	16.91	16.95	17.76	17.80	18.65	17.80	18.69	19.58	18.69	19.62	20.55	19.61	20.60	21.57	20.59	21.63	22.66	21.63	22.66	21.63	22.71	23.79
RESERVATIONIST	13.85	14.54	15.23	14.54	15.27	16.00	16.02	16.78	16.83	17.63	16.83	17.67	18.51	17.68	18.56	19.44	18.56	19.49	20.42	19.49	20.46	21.43	20.46	21.43	20.47	21.49	22.51
RESERVATIONIST / SCHED COOR	17.73	18.62	19.51	18.62	19.55	20.48	20.53	21.51	20.52	21.55	22.58	21.55	22.63	23.71	22.64	23.77	24.90	23.78	24.97	26.16	24.96	26.21	27.46	26.19	27.50	28.81	
SAFETY/RD/RSP COOR	17.73	18.62	19.51	18.62	19.55	20.48	20.53	21.51	20.52	21.55	22.58	21.55	22.63	23.71	22.64	23.77	24.90	23.78	24.97	26.16	24.96	26.21	27.46	26.19	27.50	28.81	
VAN OPERATOR	14.52	15.25	15.98	15.25	16.01	16.77	16.81	17.61	16.81	17.65	18.49	17.65	18.54	19.42	18.54	19.47	20.40	19.47	20.44	21.41	20.45	21.47	22.49	21.46	22.53	23.60	
PARATRANSIT SUPERVISOR	19.55	20.53	21.51	20.52	21.55	22.58	22.63	23.71	22.64	23.77	24.90	23.78	24.97	26.16	24.96	26.21	27.46	26.19	27.50	28.81	27.52	28.90	30.28	28.89	30.33	31.77	

L = 10 Years Longevity (5%); LL = 15 Years Longevity (5%+5%)

Article 5.04 Longevity Bonus

Effective June 21, 2012, and thereafter, Metro shall compensate employees with ten (10) years of continuous service with a 5% of the base salary.

Effective December 20, 2012, and thereafter,

Metro shall compensate employees with fifteen (15) years of continuous service with an additional 5% of the base salary.

Calculation Method:

Step 1: Calculate 5% of the Base (Base Step x 0.05)

Step 2: Base Step + 5% of the Base (as calculated in Step 1) to calculate L (10 Years)

Step 3: Base Step + 2 x 5% of the Base (as calculated in Step 1) to calculate LL (15 Years)

Example:

Step 1: Base Rate = \$21.46; 5% of the Base Rate = \$21.46 x 0.05 = \$1.07

Step 2: \$21.46 + \$1.07 = \$22.53 (9L)

Step 3: \$21.46 + 2 x \$1.07 = \$23.60 (9LL)

Tentative Agreement

Article 5.02 Operator Base Wage Rate of Pay
Agree to pay scales as provided above.



Robyn Slater, HR Manager, Santa Cruz METRO



Eduardo Montesino, UTU Fixed Route & Paracruz

Date 7/21/15

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Effective June 18, 2015

	Step 1	Step 1 L	Step 2	Step 2 L	Step 2 LL	Step 3	Step 3 L	Step 3 LL	Step 4	Step 4 L	Step 4 LL	Step 5	Step 5 L	Step 5 LL	Step 6	Step 6 L	Step 6 LL
SEA SALARY SCHEDULE																	
ACCESS SERVICES COORDINATOR	22.22	23.33	24.44	24.51	25.68	24.50	25.73	26.96	25.68	26.96	28.24	27.03	28.38	29.73	28.36	29.78	31.20
ACCOUNTANT I	26.91	28.26	29.61	29.64	31.05	28.68	31.16	32.64	31.16	32.72	34.28	32.75	34.39	36.03	34.40	36.12	37.84
ACCOUNTANT II	28.23	29.64	31.05	29.68	32.64	31.16	32.72	34.28	32.75	34.39	36.03	34.37	36.09	37.81	36.08	37.88	39.68
ACCOUNTING CLERK	17.61	18.49	19.37	18.53	20.39	19.44	20.41	21.38	20.41	21.43	22.45	21.46	22.53	23.60	22.53	23.66	24.79
ACCOUNTING SPECIALIST	24.30	25.52	26.74	26.80	28.08	26.76	28.10	29.44	28.12	29.53	30.94	29.54	31.02	32.50	31.00	32.55	34.10
ACCOUNTING TECH	20.15	21.16	22.17	22.21	23.27	22.20	23.31	24.42	23.33	24.50	25.67	24.48	25.70	26.92	25.68	26.96	28.24
ADMIN ASSISTANT	23.03	24.18	25.33	24.20	25.41	26.62	27.99	29.32	28.00	29.40	30.80	29.41	30.81	32.25	30.87	32.41	33.95
ADMIN ASSISTANT/SUPERVISOR	24.19	25.40	26.61	26.66	27.93	26.66	27.99	29.32	28.01	29.41	30.81	29.37	30.84	32.31	30.84	32.38	33.92
ADMIN CLERK I	17.85	18.74	19.63	18.75	19.69	20.63	19.68	20.66	20.67	21.70	22.73	21.71	22.80	23.89	22.79	23.93	25.07
ADMIN SERVICES COORDINATOR	30.77	32.31	33.85	33.93	35.55	33.93	35.63	37.33	35.62	37.40	39.18	37.41	39.28	41.15	39.29	41.25	43.21
ADMIN SPECIALIST	24.19	25.40	26.61	26.64	27.91	26.66	27.99	29.32	28.01	29.41	30.81	29.37	30.84	32.31	30.84	32.38	33.92
BENEFITS ADMINISTRATOR	24.46	25.68	26.90	26.95	28.23	26.95	28.30	29.65	28.33	29.75	31.17	29.73	31.22	32.71	31.24	32.80	34.36
CLAIMS INVESTIGATOR I	24.24	25.45	26.66	26.68	27.95	26.71	28.05	29.39	28.03	29.43	30.83	29.49	30.96	32.43	30.96	32.51	34.06
CLAIMS INVESTIGATOR II	26.91	28.26	29.61	29.65	31.06	29.66	31.14	32.62	31.16	32.72	34.28	32.76	34.40	36.04	34.40	36.12	37.84
CUSTODIAL SERVICE WORKER I	16.97	17.82	18.67	17.79	18.68	19.57	18.65	19.58	20.51	19.57	20.55	21.53	20.53	21.56	21.56	22.64	23.72
CUSTODIAL SERVICE WORKER II	18.48	19.40	20.32	20.39	21.36	20.39	21.41	22.43	21.39	22.46	23.53	22.42	23.54	24.66	23.54	24.72	25.90
CUSTOMER SERVICE COORDINATOR	22.51	23.64	24.77	23.65	24.83	26.01	24.83	26.07	27.31	26.00	27.30	28.60	27.35	28.72	28.68	30.11	31.54
CUSTOMER SERVICE REP	18.54	19.47	20.40	19.46	20.43	21.40	20.44	21.46	22.48	21.43	22.50	23.57	22.50	23.63	24.76	23.64	24.82
FAC MAINT SUPERVISOR	31.13	32.69	34.25	32.68	34.31	35.94	34.31	36.03	37.75	36.01	37.81	37.80	39.69	41.58	39.67	41.65	43.63
FAC MAINT WKR I	19.01	19.96	20.91	19.97	20.97	21.97	20.92	21.97	23.02	23.04	24.14	23.02	24.17	25.32	24.16	25.37	26.58
FAC MAINT WKR II	22.22	23.33	24.44	23.33	24.44	25.67	24.48	25.70	26.92	25.67	26.95	28.23	26.94	28.29	26.94	28.27	29.68
FINANCIAL ANALYST	29.70	31.19	32.68	31.21	32.77	34.33	32.77	34.41	36.05	34.40	36.12	37.84	36.11	37.92	37.91	39.81	41.71
GRANTS/LEGISLATIVE ANALYST	32.04	33.64	35.24	33.67	35.35	37.03	35.34	37.11	38.88	37.08	38.93	40.78	38.95	40.90	40.91	42.96	45.01
HR CLERK	21.77	22.86	23.95	22.91	24.06	25.21	24.03	25.23	26.43	25.28	26.54	27.80	26.50	27.83	27.84	29.23	30.62
HR GENERALIST	27.80	29.19	30.58	29.14	30.60	32.06	30.64	32.17	33.70	32.17	33.78	35.39	33.80	35.49	35.50	37.28	39.06
HR SPECIALIST	23.34	24.51	25.68	24.50	25.73	26.96	25.68	26.96	28.24	27.03	28.38	29.73	28.36	29.78	31.20	29.79	31.28
IT TECH	22.97	24.12	25.27	24.10	25.31	26.52	25.32	26.59	27.86	26.58	27.91	29.24	27.95	29.35	29.30	30.77	32.24
JR. TRANS PLANNER	23.87	25.06	26.25	25.05	26.30	27.55	26.34	27.66	28.98	27.63	29.01	30.39	29.03	30.48	30.47	31.99	33.51
LEAD CUSTODIAN	20.88	21.92	22.96	21.94	23.04	24.14	23.02	24.17	25.32	24.19	25.40	26.61	25.37	26.64	26.64	27.97	29.30
LEGAL SECRETARY	21.77	22.86	23.95	22.91	24.06	25.21	24.03	25.23	26.43	25.28	26.54	27.80	26.50	27.83	27.84	29.23	30.62

L = 10 Years Longevity (5%); LL = 15 Years Longevity (5%+5%)

Effective June 18, 2015

	Step 1	Step 1 LL	Step 1 L	Step 2	Step 2 L	Step 2 LL	Step 3	Step 3 L	Step 3 LL	Step 4	Step 4 L	Step 4 LL	Step 5	Step 5 L	Step 5 LL	Step 6	Step 6 L	Step 6 LL
PARALEGAL	26.91	28.26	29.61	28.24	29.65	31.06	29.66	31.14	32.62	31.16	32.72	34.28	32.76	34.40	36.04	34.40	36.12	37.84
PARATRANSIT ELIGIBILITY COORDINATOR	26.91	28.26	29.61	28.24	29.65	31.06	29.66	31.14	32.62	31.16	32.72	34.28	32.76	34.40	36.04	34.40	36.12	37.84
PAYROLL ACCT SP SPEC	24.06	25.26	26.46	25.23	26.49	27.75	26.54	27.87	29.20	27.85	29.24	30.63	29.23	30.68	32.15	30.68	32.21	33.74
PAYROLL SPECIALIST	22.86	24.00	25.14	24.06	25.26	26.46	25.23	26.49	27.75	26.54	27.87	29.20	27.83	29.22	30.61	29.23	30.69	32.15
PERSONNEL TECHNICIAN	25.21	26.47	27.73	26.47	27.79	29.11	27.75	29.14	30.53	29.18	30.64	32.10	30.64	32.17	33.70	32.19	33.80	35.41
PURCHASING AGENT	30.96	32.51	34.06	32.47	34.09	35.71	34.13	35.84	37.55	35.83	37.62	39.41	37.64	39.52	41.40	39.55	41.53	43.51
PURCHASING ASSISTANT	22.91	24.06	25.21	24.03	25.23	26.43	25.28	26.54	27.80	26.52	27.85	29.18	27.84	29.23	30.62	29.22	30.68	32.14
REVENUE SPECIALIST	18.54	19.47	20.40	19.46	20.43	21.40	20.44	21.46	22.48	21.43	22.50	23.57	22.50	23.63	24.76	23.64	24.82	26.00
SAFETY SPECIALIST	33.18	34.84	36.50	34.81	36.55	38.29	36.58	38.41	40.24	38.39	40.31	42.23	40.29	42.30	44.31	42.32	44.44	46.56
SCHEDULE ANALYST	29.71	31.20	32.69	31.19	32.75	34.31	32.78	34.42	36.06	34.40	36.12	37.84	36.11	37.92	39.73	37.90	39.80	41.70
SR ACCOUNTING TECHNICIAN	22.91	24.06	25.21	24.03	25.23	26.43	25.28	26.54	27.80	26.52	27.85	29.18	27.84	29.23	30.62	29.22	30.68	32.14
SR CUSTOMER SERVICE REP	21.43	22.50	23.57	22.51	23.64	24.77	23.63	24.81	25.99	24.81	26.05	27.29	26.02	27.32	28.62	27.36	28.73	30.10
SR FAC MAINT WKR	24.24	25.45	26.66	25.41	26.68	27.95	26.66	27.99	29.32	27.97	29.37	30.71	29.31	30.78	32.25	30.78	32.32	33.86
SR FINANCIAL ANALYST	32.97	34.62	36.27	34.64	36.37	38.10	36.37	38.19	40.01	38.19	40.10	42.00	40.09	42.09	44.09	42.09	44.19	46.29
SR IT TECH	26.58	27.91	29.24	27.95	29.35	30.75	29.29	30.75	32.21	30.76	32.30	33.84	32.33	33.95	35.57	33.94	35.64	37.34
SR SYS ADMIN	38.39	40.31	42.23	40.29	42.30	44.31	42.32	44.44	46.56	44.46	46.68	48.90	46.68	49.01	51.34	49.02	51.47	53.92
SR SAFETY SPECIALIST	38.39	40.31	42.23	40.29	42.30	44.31	42.32	44.44	46.56	44.46	46.68	48.90	46.68	49.01	51.34	49.02	51.47	53.92
SR TRANS PLANNER	31.90	33.50	35.10	33.50	35.18	36.86	35.18	36.94	38.70	36.92	38.77	40.62	38.78	40.72	42.66	40.72	42.76	44.80
SUPERVISOR OF REVENUE COLLECTIONS	28.28	29.69	31.10	29.74	31.23	32.72	31.25	32.81	34.37	32.80	34.44	36.08	34.43	36.15	37.87	36.14	37.95	39.76
SYS ADMIN	33.18	34.84	36.50	34.81	36.55	38.29	36.58	38.41	40.24	38.39	40.31	42.23	40.29	42.30	44.31	42.32	44.44	46.56
TICKET & PASS PROGRAM SPECIALIST	20.03	21.43	22.03	21.05	22.10	23.15	22.09	23.19	24.29	23.23	24.39	25.55	24.37	25.59	26.81	25.58	26.86	28.14
TRANSIT SURVEYOR	17.00	17.85	18.70	17.91	18.81	19.71	18.79	19.73	20.67	19.70	20.69	21.68	20.72	21.76	22.80	21.75	22.84	23.93
TRANSPORT PLAN AID	22.74	23.88	25.02	23.87	25.06	26.25	25.05	26.30	27.55	26.34	27.66	28.98	27.63	29.01	30.39	29.03	30.48	31.93
TRANSPORT PLANNER	30.38	31.90	33.42	31.90	33.50	35.10	33.50	35.18	36.86	35.18	36.94	38.70	36.92	38.77	40.62	38.78	40.72	42.66
VEH SERV DETAILER	19.66	20.54	21.62	20.61	21.64	22.67	21.62	22.70	23.78	22.68	23.78	24.94	23.80	24.99	26.18	24.96	26.21	27.46
VEH SERV TECHNICIAN	21.62	22.70	23.78	22.68	23.81	24.94	23.80	24.99	26.18	24.96	26.21	27.46	26.15	27.46	28.77	27.48	28.85	30.22
VEH SERV WKR I	16.99	17.84	18.69	17.82	18.71	19.60	18.68	19.61	20.54	19.59	20.57	21.55	20.58	21.61	22.64	21.60	22.68	23.76
VEH SERV WKR II	18.71	19.65	20.59	19.66	20.64	21.62	20.61	21.64	22.67	21.62	22.70	23.78	22.68	23.81	24.94	23.80	24.99	26.18

L = 10 Years Longevity (5%); LL = 15 Years Longevity (5%+5%)

Article 10.2 Longevity

"METRO shall compensate an employee with longevity increments as follows:
 5% of the base salary after ten (10) years of continuous service.
 An additional 5% of the base salary after fifteen (15) years of continuous service."

Calculation Method:

Step 1: Calculate 5 % of the Base (Base Step x 0.05)
 Step 2: Base Step + 5% of the Base (as calculated in Step 1) to calculate L (10 Years)
 Step 3: Base Step + 2 x 5% of the Base (as calculated in Step 1) to calculate LL (15 Years)

Example:

Step 1: Base Rate = \$28.36; 5% of the Base Rate = \$28.36 x 0.05 = \$1.42
 Step 2: \$28.36 + \$1.42 = \$29.78 (6L)
 Step 3: \$28.36 + \$1.42 + \$1.42 = \$31.20 (6LL)

Tentative Agreement

Article 10.1 Pay Rates

Agree to pay scales as provided above.


 Robyn Slater, HR Manager, Santa Cruz METRO


 Carolyn Derwing, President, SEA Chapter

Date 7/8/15

Effective June 18, 2015

	Step 1	Step 1 L	Step 1 LL	Step 2	Step 2 L	Step 2 LL	Step 3	Step 3 L	Step 3 LL	Step 4	Step 4 L	Step 4 LL	Step 5	Step 5 L	Step 5 LL	Step 6	Step 6 L	Step 6 LL
PSA SALARY SCHEDULE																		
ASST SAFETY AND TRAINING COORDINATOR	30.29	31.80	33.31	31.79	33.38	34.97	33.38	35.05	36.72	35.04	36.79	38.54	36.80	38.64	40.48	38.64	40.57	42.50
FLT MAINT SUPERVISOR	31.13	32.69	34.25	32.68	34.31	35.94	34.31	36.03	37.75	36.01	37.81	39.61	37.80	39.69	41.58	39.67	41.65	43.63
SAFETY&TRAINING COORDINATOR	31.80	33.39	34.98	33.38	35.05	36.72	35.05	36.80	38.55	36.79	38.63	40.47	38.64	40.57	42.50	40.57	42.60	44.63
SERVICE PLANNING SUPERVISOR	33.50	35.18	36.86	35.20	36.96	38.72	36.99	38.84	40.69	38.85	40.79	42.73	40.78	42.82	44.86	42.83	44.97	47.11
SUPERVISOR OF PARTS & MATERIAL - FM	30.10	31.61	33.12	31.64	33.22	34.80	33.19	34.85	36.51	34.82	36.56	38.30	36.51	38.34	40.17	38.32	40.24	42.16
SUPERVISING ACCOUNTANT	33.37	35.04	36.71	35.03	36.78	38.53	36.77	38.61	40.45	38.62	40.55	42.48	40.53	42.56	44.59	42.56	44.69	46.82
TRANSPORT PLAN SUPV	33.50	35.18	36.86	35.18	36.94	38.70	36.92	38.77	40.62	38.78	40.72	42.66	40.72	42.76	44.80	42.76	44.90	47.04
TRANSIT SUPERVISOR	28.60	30.03	31.46	30.03	31.53	33.03	31.52	33.10	34.68	33.10	34.76	36.42	34.77	36.51	38.25	36.50	38.33	40.16

Article 10.2 Longevity
 "METRO shall compensate an employee with longevity increments as follows:
 5% of the base salary after ten (10) years of continuous service.
 An additional 5% of the base salary after fifteen (15) years of continuous service."
 L = 10 Years Longevity (5%); LL = 15 Years Longevity (5%+5%)

Calculation Method:
 Step 1: Calculate 5% of the Base (Base Step x 0.05)
 Step 2: Base Step + 5% of the Base (as calculated in Step 1) to calculate L (10 Years)
 Step 3: Base Step + 2 x 5% of the Base (as calculated in Step 1) to calculate LL (15 Years)

Example:
 Step 1: Base Rate = \$38.64; 5% of the Base Rate = \$38.64 x 0.05 = \$1.93
 Step 2: \$38.64 + \$1.93 = \$40.57 (6L)
 Step 3: \$38.64+\$1.93+\$1.93 = \$42.50 (6LL)

Tentative Agreement
 Article 10.1 Pay Rates
 Agree to pay scales as provided above.


 Robyn Slater, HR Manager, Santa Cruz METRO


 Manuel Martinez, President, PSA Chapter

Date 7/8/15

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Effective June 18, 2015

	Step 1	Step 1 L	Step 1 LL	Step 2	Step 2 L	Step 2 LL	Step 3	Step 3 L	Step 3 LL	Step 4	Step 4 L	Step 4 LL	Step 5	Step 5 L	Step 5 LL	Step 6	Step 6 L	Step 6 LL
VMU SALARY SCHEDULE																		
BODY REPAIR MECHANIC	25.29	26.55	27.81	26.55	27.88	29.21	27.88	29.27	30.66	29.27	30.73	32.19	30.73	32.27	33.81	32.27	33.88	35.49
ELECTRONIC TECHNICIAN	26.58	27.91	29.24	27.91	29.31	30.71	29.31	30.78	32.25	30.78	32.32	33.86	32.32	33.94	35.56	33.94	35.64	37.34
FM LEAD MECHANIC	27.91	29.31	30.71	29.31	30.78	32.25	30.78	32.32	33.86	32.32	33.94	35.56	33.94	35.64	37.34	35.64	37.42	39.20
FM MECHANIC I	24.10	25.31	26.52	25.31	26.58	27.85	26.58	27.91	29.24	27.91	29.31	30.71	29.31	30.78	32.25	30.78	32.32	33.86
FM MECHANIC II	25.31	26.58	27.85	26.58	27.91	29.24	27.91	29.31	30.71	29.31	30.78	32.25	30.78	32.32	33.86	32.32	33.94	35.56
FM MECHANIC III	26.58	27.91	29.24	27.91	29.31	30.71	29.31	30.78	32.25	30.78	32.32	33.86	32.32	33.94	35.56	33.94	35.64	37.34
LEAD PARTS CLERK-FM	25.04	26.29	27.54	26.29	27.60	28.91	27.60	28.98	30.36	28.98	30.43	31.88	30.43	31.95	33.47	31.95	33.55	35.15
PARTS CLERK	20.15	21.16	22.17	21.16	22.22	23.28	22.22	23.33	24.44	23.33	24.50	25.67	24.50	25.73	26.96	25.73	27.02	28.31
RECEIVING PARTS CLERK	20.15	21.16	22.17	21.16	22.22	23.28	22.22	23.33	24.44	23.33	24.50	25.67	24.50	25.73	26.96	25.73	27.02	28.31
UPHOLSTERER I	21.73	22.82	23.91	22.82	23.96	25.10	23.96	25.16	26.36	25.16	26.42	27.68	26.42	27.74	29.06	27.74	29.13	30.52
UPHOLSTERER II	22.82	23.96	25.10	23.96	25.16	26.36	25.16	26.42	27.68	26.42	27.74	29.06	27.74	29.13	30.52	29.13	30.59	32.05

L = 10 Years Longevity (5%); LL = 15 Years Longevity (5%+5%)

Article 10.2 Longevity

"METRO shall compensate an employee with longevity increments as follows:
 5% of the base salary after ten (10) years of continuous service.
 An additional 5% of the base salary after fifteen (15) years of continuous service."

Calculation Method:

Step 1: Calculate 5% of the Base (Base Step x 0.05)
 Step 2: Base Step + 5% of the Base (as calculated in Step 1) to calculate L (10 Years)
 Step 3: Base Step + 2 x 5% of the Base (as calculated in Step 1) to calculate LL (15 Years)

Example:

Step 1: Base Rate = \$32.27; 5% of the Base Rate = \$32.27 x 0.05 = \$1.61
 Step 2: \$32.27 + \$1.61 = \$33.88 (6L)
 Step 3: \$32.27 + \$1.61 + \$1.61 = \$35.49 (6LL)

Tentative Agreement

Article 10.1 Pay Rates

Agree to pay scales as provided above.



Robyn Slater, HR Manager, Santa Cruz METRO



Michael William Regan, President, VMU(Chapter

Date 7/8/2015

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DATE: August 14, 2015
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
SUBJECT: CONSIDERATION OF A FORMAL RATIFICATION OF A LABOR AGREEMENT BETWEEN THE UNITED TRANSPORTATION UNION LOCAL 23, FIXED ROUTE, FOR THE PERIOD JULY 1, 2015 THROUGH JUNE 30, 2018

I. RECOMMENDED ACTION

That the Board of Directors approve a proposal for a three year agreement between the United Transportation Union Local 23 Fixed Route and the Santa Cruz Metropolitan Transit District

II. SUMMARY

- United Transportation Union Local 23, Fixed Route (UTU-FR) exercised their option within the contractually required timeframe, to open the contract, and asked the Santa Cruz Metropolitan Transit District (METRO) to negotiate the terms of:
 - a. Article 5 - Rates of Pay
 - b. Article 13 – Annual Leave
 - c. Article 25 – Effective Date-Duration-Termination
- UTU-FR and METRO have reached a tentative agreement on a proposal for:
 - a. Article 5 - Rates of Pay
 - i. 0% effective pay period beginning August 27, 2015
 - ii. 0% effective June 16, 2016
 - iii. 2% effective June 15, 2017
 - b. Article 13 – Annual Leave
 - i. One additional annual leave day
 - c. Article 25 – Effective Date-Duration-Termination
 - i. Extend contract with above changes through June 30, 2018

III. DISCUSSION/BACKGROUND

The existing Labor Agreement with UTU-FR will expire on June 30, 2016.

In June, METRO received notice from UTU-FR that they were interested in exercising their option within the contractually required timeframe, to open the contact, and asked METRO to negotiate the terms of:

- a. Article 5 - Rates of Pay
- b. Article 13 – Annual Leave
- c. Article 25 – Effective Date-Duration-Termination

METRO and UTU-FR met on several occasions and reached a tentative Labor Agreement proposing the following:

- a. Article 5 - Rates of Pay
 - i. 0% effective pay period beginning August 27, 2015
 - ii. 0% effective June 16, 2016
 - iii. 2% effective June 15, 2017
- b. Article 13 – Annual Leave
 - i. One additional annual leave day
- c. Article 25 – Effective Date-Duration-Termination
 - i. Extend contract with above changes through June 30, 2018

The tentative Labor Agreement was voted on by members of UTU-FR in July, and passed with an agreement of the above negotiated conditions. The monetary changes requested by UTU-FR will help facilitate progress towards resolving our structural deficit and impending fiscal cliff in FY17.

IV. FINANCIAL CONSIDERATIONS/IMPACT

Savings for the above actions related to the 0% increase in FY16 & FY17 and a 2% increase in FY18 are estimated to be \$570K.

One additional annual leave day for UTU-FR is estimated to add liability of \$118K over FY16, FY17 & FY18.

Net savings from these actions are estimated to be \$452K over FY16, FY17 & FY18.

V. ALTERNATIVES CONSIDERED

The Board may choose to reject the tentative Labor Agreement, and open full negotiations next year. This alternative is not recommended by staff.

VI. ATTACHMENTS

Attachment A: Signed Tentative Agreement – UTU-FR
i. Article 5 - Rates of Pay
ii. Article 13 – Annual Leave
iii. Article 25 – Effective Date-Duration-Termination

Attachment B: Salary Schedule effective August 27, 2015

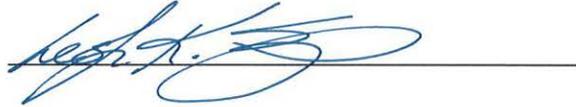
Attachment C: Salary Schedule effective June 16, 2016

Attachment D: Salary Schedule effective June 15, 2017

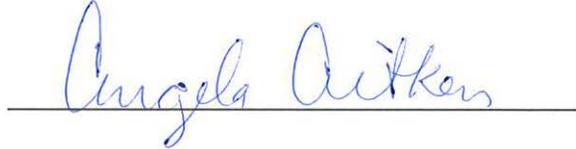
Prepared by: Angela Aitken, Finance Manager

VII. APPROVALS:

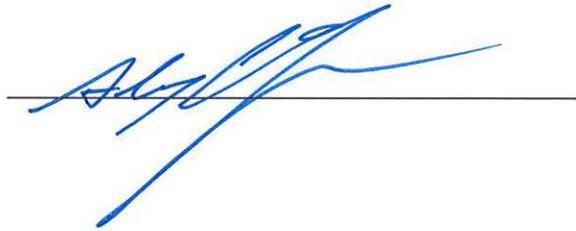
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

ARTICLE 5 RATES OF PAY

5.02 Operator Base Wage Rates of Pay

The following base wage rates shall be in effect and UTU agrees to forgo the agreed upon 2% increase effective the pay period beginning August 27, 2015:

<u>Length of Service</u>	<u>Step</u>	<u>pay period</u>		
		<u>beginning 8/27/15</u>	<u>June 16</u>	<u>June 17</u>
After 6 years	9	\$29.92	\$29.92	\$30.52
After 5 years	8	\$28.50	\$28.50	\$29.07
After 4 years	7	\$27.09	\$27.09	\$27.63
After 3 years	6	\$25.67	\$25.67	\$26.18
After 2 years	5	\$24.28	\$24.28	\$24.77
After 1 year	4	\$22.86	\$22.86	\$23.32
After 6 months	3	\$21.50	\$21.50	\$21.93
Fully qualified	2	\$18.08	\$18.08	\$18.44
Upon date of hire	1	\$15.67	\$15.67	\$15.98

An increase of 0% shall be effective the pay period beginning August 27, 2015

An increase of 0% shall be effective June 16, 2016

An increase of 2% shall be effective June 15, 2017

ARTICLE 13 ANNUAL LEAVE

13.01 Accruals

- C. Such accruals shall be in accordance with the following rate based on Metro seniority (except as otherwise stated in this Labor Agreement):

Metro Seniority	Hourly Accrual Rate	Approximate days per year
Through 4 years	0.0519	13.5
5 through 9	0.0827	21.5
10 through 13	0.1019	26.5
14 through 16	0.1135	29.5
17 and over	0.1212	31.5

13.02 Scheduling of Annual Leave

Changes effective July 15, 2015, for a trial period of 3-months, ending October 15, 2015. After which time a review will be conducted between the Chief Operating Officer (COO) and United Transportation Union, Local 23 (UTU) to agree upon an extension for the remainder of this Agreement or to revert back to previous Labor Agreement language.

- C. The Annual Leave Calendar for the following quarterly work period will remain open to all Operators on a first-come, first-serve basis, regardless of an Operator's classification seniority. All requests must be submitted by the Operator by 10:00am **two (2) days in advance**. Signing on Annual Leave for days that are left open on a first-come, first-served basis shall be handled as follows:

An Operator shall fill out a "Request for Time Off" form indicating the date(s) on the calendar that she wishes. This form shall be turned in at the Base Dispatch desk and a copy returned to the Operator making the request. The Scheduling Department shall respond in writing to the Operator by 12:00 noon **on the first day (holidays excluded)** following the date the request was submitted.

Attachment A

No later than each Tuesday, Metro shall make available at each Base an updated copy of the Annual Leave Calendar. The calendar shall indicate the spaces guaranteed and open spaces remaining from the current date through the end of the period available for sign up at the most recent quarterly bid sign-up.

ARTICLE 25

EFFECTIVE DATE-DURATION-TERMINATION

25.01 Effective Date-Duration-Termination

- A. Except as otherwise provided herein, this Agreement shall be made effective **July 1, 2015**, and shall remain in full force and effect to and including **June 30, 2018** and shall continue in effect for additional periods of one (1) year thereafter, unless notice in writing of termination has been served by either party upon the other no later than ninety (90) calendar days prior to this expiration date or any subsequent yearly period. The duration of and termination date of this Agreement shall remain in full force and effect regardless of the Local Union's affiliation with, or disaffiliation from, any International Union.
- B. Any requests to modify or change this Agreement or any portion thereof shall be made in writing and shall be served on the other party no later than ninety (90) calendar days prior to **June 30, 2018**, and in the event the Agreement is in effect after that date, by reason of the provisions of subsection (A) hereof, not later than ninety (90) calendar days prior to the expiration date of any subsequent yearly period. Should any party desire to open Article five (5) and twenty-five (25) of this Agreement for the purpose of extending the Agreement for additional years, said party shall make such request in writing to the other party not later than ninety (90) calendar days prior to **June 30, 2017**. The Collective Bargaining process required to address an extension of this Agreement shall only be commenced upon the mutual agreement of both parties.

This agreement is entered into by the United Transportation Union, Local 23 and the Santa Cruz Metropolitan Transit District August 1, 2015, and is executed on behalf of the parties by the following signatories:

Santa Cruz Metropolitan
Transit District

Alex Clifford, Chief Executive Officer

United Transportation Union, Local 23



Eduardo Montesino, General Chairperson



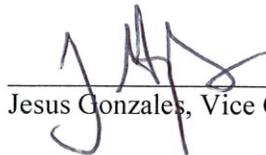
Mario Torres, Vice Chairperson



Francisco Calderon, Vice Chairperson



Sergio Tabag, Vice Chairperson



Jesus Gonzales, Vice Chairperson

Effective August 27, 2015

UTU Fixed Route	Step 1	Step 1 L	Step 1 LL	Step 2	Step 2 L	Step 2 LL	Step 3	Step 3 L	Step 3 LL	Step 4	Step 4 L	Step 4 LL	Step 5	Step 5 L	Step 5 LL	Step 6	Step 6 L	Step 6 LL	Step 7	Step 7 L	Step 7 LL	Step 8	Step 8 L	Step 8 LL	Step 9	Step 9 L	Step 9 LL
Bus Operator	15.67	16.45	17.23	18.08	18.98	19.88	21.50	22.58	23.66	22.86	24.00	25.14	24.28	25.49	26.70	25.67	26.95	28.23	27.09	28.44	29.79	28.50	29.93	31.36	29.92	31.42	32.92

Article 5.04 Longevity Bonus

Effective June 21, 2012, and thereafter, Metro shall compensate employees with ten (10) years of continuous service with an additional 5% of the base salary.

Effective December 20, 2012, and thereafter,

Metro shall compensate employees with fifteen (15) years of continuous service with an additional 5% of the base salary."

Calculation Method:

Step 1: Calculate 5% of the Base (Base Step x 0.05)

Step 2: Base Step + 5% of the Base (as calculated in Step 1) to calculate L (10 Years)

Step 3: Base Step + 2 x 5% of the Base (as calculated in Step 1) to calculate LL (15 Years)

Example:

Step 1: Base Rate = \$29.92; 5% of the Base Rate = \$29.92 x 0.05 = \$1.50

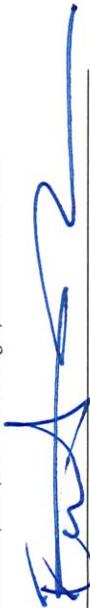
Step 2: \$29.92 + \$1.50 = \$31.42 (9L)

Step 3: \$29.92 + 2 x \$1.50 = \$32.92 (9LL)

Tentative Agreement

Article 5.02 Operator Base Wage Rate of Pay
Agree to pay scales as provided above.

Alex Clifford, CEO/General Manager, Santa Cruz METRO



Eduardo Montesino, UTU Fixed Route & Paracruz

Date 7/21/15

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Effective June 16, 2016

UTU Fixed Route	Step 1	Step 1 L	Step 1 LL	Step 2	Step 2 L	Step 2 LL	Step 3	Step 3 L	Step 3 LL	Step 4	Step 4 L	Step 4 LL	Step 5	Step 5 L	Step 5 LL	Step 6	Step 6 L	Step 6 LL	Step 7	Step 7 L	Step 7 LL	Step 8	Step 8 L	Step 8 LL	Step 9	Step 9 L	Step 9 LL	
Class Title																												
Bus Operator	15.67	16.45	17.23	18.08	18.88	19.88	21.50	22.58	23.66	22.86	24.00	25.14	24.28	25.49	26.70	25.67	26.95	28.23	27.09	28.44	29.79	28.50	29.93	31.36	29.92	31.42	32.92	

L = 10 Years Longevity (5%); LL = 15 Years Longevity (5%+5%)

Article 5.04 Longevity Bonus

Effective June 21, 2012, and thereafter, Metro shall compensate employees with ten (10) years of continuous service with an additional 5% of the base salary.

Effective December 20, 2012, and thereafter,

Metro shall compensate employees with fifteen (15) years of continuous service with an additional 5% of the base salary."

Calculation Method:

Step 1: Calculate 5 % of the Base (Base Step x 0.05)

Step 2: Base Step + 5% of the Base (as calculated in Step 1) to calculate L (10 Years)

Step 3: Base Step + 2 x 5% of the Base (as calculated in Step 1) to calculate LL (15 Years)

Example:

Step 1: Base Rate = \$29.92; 5% of the Base Rate = \$29.92 x 0.05 = \$1.50

Step 2: \$29.92 + \$1.50 = \$31.42 (9L)

Step 3: \$29.92 + 2 x \$1.50 = \$32.92 (9LL)

Tentative Agreement

Article 5.02 Operator Base Wage Rate of Pay
Agree to pay scales as provided above.

Alex Clifford, CEO/General Manager, Santa Cruz METRO

Eduardo Montesino, UTU Fixed Route & Paracruz

Date 7/21/15

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Effective June 15, 2017

UTU Fixed Route	Step 1	Step 1 L	Step 1 LL	Step 2	Step 2 L	Step 2 LL	Step 3	Step 3 L	Step 3 LL	Step 4	Step 4 L	Step 4 LL	Step 5	Step 5 L	Step 5 LL	Step 6	Step 6 L	Step 6 LL	Step 7	Step 7 L	Step 7 LL	Step 8	Step 8 L	Step 8 LL	Step 9	Step 9 L	Step 9 LL	
Class Title																												
Bus Operator	15.98	16.78	17.58	18.44	19.36	20.28	21.93	23.03	24.13	23.32	24.49	25.66	24.77	26.01	27.25	26.18	27.49	28.8	27.63	29.01	30.39	29.07	30.52	31.97	30.52	32.05	33.58	

L = 10 Years Longevity (5%); LL = 15 Years Longevity (5%+5%)

Article 5.04 Longevity Bonus

Effective June 21, 2012, and thereafter, Metro shall compensate employees with ten (10) years of continuous service with an additional 5% of the base salary.

Effective December 20, 2012, and thereafter,

Metro shall compensate employees with fifteen (15) years of continuous service with an additional 5% of the base salary."

Calculation Method:

Step 1: Calculate 5 % of the Base (Base Step x 0.05)

Step 2: Base Step + 5% of the Base (as calculated in Step 1) to calculate L (10 Years)

Step 3: Base Step + 2 x 5% of the Base (as calculated in Step 1) to calculate LL (15 Years)

Example:

Step 1: Base Rate = \$30.52; 5% of the Base Rate = \$30.52 x 0.05 = \$1.53

Step 2: \$30.52 + \$1.53 = \$32.05 (9L)

Step 3: \$30.52 + 2 x \$1.53 = \$33.58 (9LL)

Tentative Agreement

Article 5.02 Operator Base Wage Rate of Pay
Agree to pay scales as provided above.

Alex Clifford, CEO/General Manager, Santa Cruz METRO



Eduardo Montesino, UTU Fixed Route & Paracruz

7/21/15
Date

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DATE: August 14, 2015
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
SUBJECT: **CONSIDERATION OF A FORMAL RATIFICATION OF A LABOR AGREEMENT BETWEEN THE UNITED TRANSPORTATION UNION LOCAL 23, PARACRUZ, FOR THE PERIOD JULY 1, 2015 THROUGH JUNE 30, 2018**

I. RECOMMENDED ACTION

That the Board of Directors approve a proposal for a three year agreement between the United Transportation Union Local 23 ParaCruz and the Santa Cruz Metropolitan Transit District

II. SUMMARY

- United Transportation Union Local 23, ParaCruz (UTU-PC) exercised their option within the contractually required timeframe, to open the contract, and asked the Santa Cruz Metropolitan Transit District (METRO) to negotiate the terms of:
 - a. Article 5 - Rates of Pay
 - b. Article 13 – Annual Leave
 - c. Article 25 – Effective Date-Duration-Termination
- UTU-PC and METRO have reached a tentative agreement on a proposal for:
 - a. Article 5 - Rates of Pay
 - i. 0% effective pay period beginning August 27, 2015
 - ii. 0% effective June 16, 2016
 - iii. 2% effective June 15, 2017
 - b. Article 13 – Annual Leave
 - i. One additional annual leave day
 - c. Article 25 – Effective Date-Duration-Termination
 - i. Extend contract with above changes through June 30, 2018

III. DISCUSSION/BACKGROUND

The existing Labor Agreement with UTU-PC will expire on June 30, 2016.

In June, METRO received notice from UTU-PC that they were interested in exercising their option within the contractually required timeframe, to open the contact, and asked METRO to negotiate the terms of:

- a. Article 5 - Rates of Pay
- b. Article 13 – Annual Leave
- c. Article 25 – Effective Date-Duration-Termination

METRO and UTU-PC met on several occasions and reached a tentative Labor Agreement proposing the following:

- a. Article 5 - Rates of Pay
 - i. 0% effective pay period beginning August 27, 2015
 - ii. 0% effective June 16, 2016
 - iii. 2% effective June 15, 2017
- b. Article 13 – Annual Leave
 - i. One additional annual leave day
- c. Article 25 – Effective Date-Duration-Termination
 - i. Extend contract with above changes through June 30, 2018

The tentative Labor Agreement was voted on by members of UTU-PC in July, and passed with an agreement of the above negotiated conditions. The monetary changes requested by UTU-PC will help facilitate progress towards resolving our structural deficit and impending fiscal cliff in FY17.

IV. FINANCIAL CONSIDERATIONS/IMPACT

Savings for the above actions related to the 0% increase in FY16 & FY17 and a 2% increase in FY18 are estimated to be \$117K.

One additional annual leave day for UTU-PC is estimated to add liability of \$24K over FY16, FY17 & FY18.

Net savings from these actions are estimated to be \$93K over FY16, FY17 & FY18.

V. ALTERNATIVES CONSIDERED

The Board may choose to reject the tentative Labor Agreement, and open full negotiations next year. This alternative is not recommended by staff.

VI. ATTACHMENTS

- Attachment A:** Signed Tentative Agreement – UTU-PC
- i. Article 5 - Rates of Pay
 - ii. Article 13 – Annual Leave
 - iii. Article 25 – Effective Date-Duration-Termination
- Attachment B:** Salary Schedule effective August 27, 2015
- Attachment C:** Salary Schedule effective June 16, 2016
- Attachment D:** Salary Schedule effective June 15, 2017

Prepared by: Angela Aitken, Finance Manager

VII. APPROVALS:

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



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

ARTICLE 5 RATES OF PAY

5.03 Base Wage Rates and Regular Wage Rates

- C. Pay rates for ParaCruz employees have been increased by:
0% effective pay period beginning August 27, 2015
0% effective June 16, 2016
2% effective June 15, 2017

5.05 Salary Schedule Step Advancement

Paratransit Salary Schedule Effective pay period beginning August 27, 2015

Class Title	New Hire	Fully Qualified	After 6 months	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
CLERK I	13.58	14.25	14.96	15.72	16.50	17.33	18.20	19.11	20.07
CLERK II	13.87	14.56	15.29	16.05	16.86	17.70	18.58	19.52	20.49
CLERK III	14.35	15.07	15.82	16.62	17.45	18.32	19.23	20.20	21.21
DISPATCHER/SCHDLR	14.96	15.72	16.50	17.33	18.20	19.11	20.07	21.08	22.13
DISPATCHER	14.35	15.07	15.82	16.62	17.45	18.32	19.23	20.20	21.21
MECHANIC I	14.24	14.95	15.70	16.48	17.31	18.18	19.09	20.05	21.04
MECHANIC II	14.35	15.07	15.82	16.62	17.45	18.32	19.23	20.20	21.21
RESERVATIONIST	13.58	14.25	14.96	15.72	16.50	17.33	18.20	19.11	20.07
RESERVATIONIST/SCHED COOR	17.38	18.25	19.17	20.12	21.13	22.20	23.31	24.47	25.68
SAFETY/RD RSP COOR	17.38	18.25	19.17	20.12	21.13	22.20	23.31	24.47	25.68
VAN OPERATOR	14.24	14.95	15.70	16.48	17.31	18.18	19.09	20.05	21.04
PARATRANSIT SUPERVISOR	19.17	20.12	21.13	22.20	23.31	24.47	25.68	26.98	28.32

Paratransit Salary Schedule Effective June 16, 2016

Class Title	New Hire	Fully Qualified	After 6 months	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
CLERK I	13.58	14.25	14.96	15.72	16.50	17.33	18.20	19.11	20.07
CLERK II	13.87	14.56	15.29	16.05	16.86	17.70	18.58	19.52	20.49
CLERK III	14.35	15.07	15.82	16.62	17.45	18.32	19.23	20.20	21.21
DISPATCHER/SCHDLR	14.96	15.72	16.50	17.33	18.20	19.11	20.07	21.08	22.13
DISPATCHER	14.35	15.07	15.82	16.62	17.45	18.32	19.23	20.20	21.21
MECHANIC I	14.24	14.95	15.70	16.48	17.31	18.18	19.09	20.05	21.04
MECHANIC II	14.35	15.07	15.82	16.62	17.45	18.32	19.23	20.20	21.21
RESERVATIONIST	13.58	14.25	14.96	15.72	16.50	17.33	18.20	19.11	20.07
RESERVATIONIST/SCHED COOR	17.38	18.25	19.17	20.12	21.13	22.20	23.31	24.47	25.68
SAFETY/RD RSP COOR	17.38	18.25	19.17	20.12	21.13	22.20	23.31	24.47	25.68
VAN OPERATOR	14.24	14.95	15.70	16.48	17.31	18.18	19.09	20.05	21.04
PARATRANSIT SUPERVISOR	19.17	20.12	21.13	22.20	23.31	24.47	25.68	26.98	28.32

Attachment A

Paratransit Salary Schedule Effective June 15, 2017

Class Title	New Hire	Fully Qualified	After 6 months	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
CLERK I	13.85	14.54	15.26	16.03	16.83	17.68	18.56	19.49	20.47
CLERK II	14.15	14.85	15.60	16.37	17.20	18.05	18.95	19.91	20.90
CLERK III	14.64	15.37	16.14	16.95	17.80	18.69	19.61	20.60	21.63
DISPATCHER/SCHDLR	15.26	16.03	16.83	17.68	18.56	19.49	20.47	21.50	22.57
DISPATCHER	14.64	15.37	16.14	16.95	17.80	18.69	19.61	20.60	21.63
MECHANIC I	14.52	15.25	16.01	16.81	17.66	18.54	19.47	20.45	21.46
MECHANIC II	14.64	15.37	16.14	16.95	17.80	18.69	19.61	20.60	21.63
RESERVATIONIST	13.85	14.54	15.26	16.03	16.83	17.68	18.56	19.49	20.47
RESERVATIONIST/SCHED COOR	17.73	18.62	19.55	20.52	21.55	22.64	23.78	24.96	26.19
SAFETY/RD RSP COOR	17.73	18.62	19.55	20.52	21.55	22.64	23.78	24.96	26.19
VAN OPERATOR	14.52	15.25	16.01	16.81	17.66	18.54	19.47	20.45	21.46
PARATRANSIT SUPERVISOR	19.55	20.52	21.55	22.64	23.78	24.96	26.19	27.52	28.89

ARTICLE 13 ANNUAL LEAVE

13.01 Accruals

- A. Classifications within the representation unit shall accrue Annual Leave while in paid status and in accordance with the following rate based on METRO seniority (except as otherwise state in this Labor Agreement):

Metro Seniority	Hourly Accrual Rate	Approximate days per year
Through 4 years	0.0519	13.5
5 through 9	0.0827	21.5
10 through 13	0.1019	26.5
14 through 16	0.1135	29.5
17 and over	0.1212	31.5

13.02 Scheduling of Annual Leave

Changes effective July 15, 2015, for a trial period of 3-months, ending October 15, 2015. After which time a review will be conducted between the Chief Operating Officer (COO) and United Transportation Union, Local 23 (UTU) to agree upon an extension for the remainder of this Agreement or to revert back to previous Labor Agreement language.

- C. The Annual Leave Calendar for the following bid period will remain open to all employees on a first-come, first-served basis, regardless of an employee's classification seniority. All requests must be submitted by the employee by 10:00am **two (2) days in advance**. Signing on Annual Leave for days that are left open on a first-come, first-served basis shall be handled as follows:

An employee shall fill out a "Request for Time Off" form indicating the date(s) on the calendar that she wishes. This form shall be turned in to the ParaCruz Manager or designee and a copy returned to the employee making the request. The ParaCruz Manager or designee shall respond in writing to the Operator by 12:00 noon **on the first day (holidays excluded)** following the date the request was submitted.

No later than each Tuesday, METRO shall make available at each ParaCruz Base an updated copy of the Annual Leave Calendar. The calendar shall indicate the spaces guaranteed and open spaces remaining from the current date through the end of the period available for sign up at the most recent semi-annual sign-up.

Attachment A

ARTICLE 25

EFFECTIVE DATE–DURATION-TERMINATION

25.01 Effective Date-Duration-Termination

- A. Except as otherwise provided herein, this Agreement shall be made effective **July 1, 2015**, and shall remain in full force and effect to and including **June 30, 2018** and shall continue in effect for additional periods of one (1) year thereafter, unless notice in writing of termination has been served by either party upon the other no later than ninety (90) calendar days prior to this expiration date or any subsequent yearly period. The duration of and termination date of this Agreement shall remain in full force and effect regardless of the Local Union's affiliation with, or disaffiliation from, any International Union.
- B. Any requests to modify or change this Agreement or any portion thereof shall be made in writing and shall be served on the other party no later than ninety (90) calendar days prior to **June 30, 2017**, and in the event the Agreement is in effect after that date, by reason of the provisions of subsection (A) hereof, not later than ninety (90) calendar days prior to the expiration date of any subsequent yearly period.

Signature Page to Follow

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Effective August 27, 2015

UTU Paracruz Class Title	New Hire		Step 1 LL		Step 1 L		Step 2 LL		Step 2 L		Step 3 LL		Step 3 L		Step 4 LL		Step 4 L		Step 5 LL		Step 5 L		Step 6 LL		Step 6 L		Step 7 LL		Step 7 L		Step 8 LL		Step 8 L		Step 9 LL		Step 9 L		LL																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																	
	Step 1	Step 2	Step 1 LL	Step 1 L	Step 2 LL	Step 2 L	Step 3 LL	Step 3 L	Step 4 LL	Step 4 L	Step 5 LL	Step 5 L	Step 6 LL	Step 6 L	Step 7 LL	Step 7 L	Step 8 LL	Step 8 L	Step 9 LL	Step 9 L	Step 10 LL	Step 10 L	Step 11 LL	Step 11 L	Step 12 LL	Step 12 L	Step 13 LL	Step 13 L	Step 14 LL	Step 14 L	Step 15 LL	Step 15 L	Step 16 LL	Step 16 L	Step 17 LL	Step 17 L	Step 18 LL	Step 18 L	Step 19 LL	Step 19 L	Step 20 LL	Step 20 L																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
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I	13.58	14.26	14.94	14.25	14.96	15.67	15.71	16.46	15.72	16.51	17.30	17.33	18.16	17.33	18.20	19.07	18.20	19.07	19.94	19.11	20.02	19.11	20.02	20.89	20.06	20.93	20.10	21.01	20.10	20.97	21.84	21.01	21.88	21.05	21.92	22.79	21.96	22.83	22.00	22.87	23.74	22.91	23.78	24.65	23.82	24.69	25.56	24.73	25.60	26.47	25.64	26.51	27.38	26.55	27.42	28.29	27.46	28.33	29.20	28.37	29.24	30.11	29.28	30.15	31.02	30.19	31.06	31.93	31.10	31.97	32.84	32.01	32.88	33.75	32.92	33.79	34.66	33.83	34.70	35.57	34.74	35.61	36.48	35.65	36.52	37.39	36.56	37.43	38.30	37.47	38.34	39.21	38.38	39.25	40.12	39.29	40.16	41.03	40.20	41.07	41.94	41.11	41.98	42.85	42.02	42.89	43.76	42.93	43.80	44.67	43.84	44.71	45.58	44.75	45.62	46.49	45.66	46.53	47.40	46.57	47.44	48.31	47.48	48.35	49.22	48.39	49.26	50.13	49.30	50.17	51.04	50.21	51.08	51.95	51.12	51.99	52.86	52.03	52.90	53.77	52.94	53.81	54.68	53.85	54.72	55.59	54.76	55.63	56.50	55.67	56.54	57.41	56.58	57.45	58.32	57.49	58.36	59.23	58.40	59.27	60.14	59.31	60.18	61.05	60.22	61.09	61.96	61.13	62.00	62.87	62.04	62.91	63.78	62.95	63.82	64.69	63.86	64.73	65.60	64.77	65.64	66.51	65.68	66.55	67.42	66.59	67.46	68.33	67.50	68.37	69.24	68.41	69.28	70.15	69.32	70.19	71.06	70.23	71.10	71.97	71.14	72.01	72.88	72.05	72.92	73.79	72.96	73.83	74.70	73.87	74.74	75.61	74.78	75.65	76.52	75.69	76.56	77.43	76.60	77.47	78.34	77.51	78.38	79.25	78.42	79.29	80.16	79.33	80.20	81.07	80.24	81.11	81.98	81.15	82.02	82.89	82.06	82.93	83.80	82.97	83.84	84.71	83.88	84.75	85.62	84.79	85.66	86.53	85.70	86.57	87.44	86.61	87.48	88.35	87.52	88.39	89.26	88.43	89.30	90.17	89.34	90.21	91.08	90.25	91.12	91.99	91.16	92.03	92.90	92.07	92.94	93.81	92.98	93.85	94.72	93.89	94.76	95.63	94.80	95.67	96.54	95.71	96.58	97.45	96.62	97.49	98.36	97.53	98.40	99.27	98.44	99.31	100.18	99.35	100.22	101.09	100.26	101.13	102.00	101.17	102.04	102.91	102.08	102.95	103.82	102.99	103.86	104.73	103.90	104.77	105.64	104.81	105.68	106.55	105.72	106.59	107.46	106.63	107.50	108.37	107.54	108.41	109.28	108.45	109.32	110.19	109.36	110.23	111.10	110.27	111.14	112.01	111.18	112.05	112.92	112.09	112.96	113.83	113.00	113.87	114.74	113.91	114.78	115.65	114.82	115.69	116.56	115.73	116.60	117.47	116.64	117.51	118.38	117.55	118.42	119.29	118.46	119.33	120.20	119.37	120.24	121.11	120.28	121.15	122.02	121.19	122.06	122.93	122.10	122.97	123.84	123.01	123.88	124.75	123.92	124.79	125.66	124.83	125.70	126.57	125.74	126.61	127.48	126.65	127.52	128.39	127.56	128.43	129.30	128.47	129.34	130.21	129.38	130.25	131.12	130.29	131.16	132.03	131.20	132.07	132.94	132.11	132.98	133.85	133.02	133.89	134.76	133.93	134.80	135.67	134.84	135.71	136.58	135.75	136.62	137.49	136.66	137.53	138.40	137.57	138.44	139.31	138.48	139.35	140.22	139.39	140.26	141.13	140.30	141.17	142.04	141.21	142.08	142.95	142.12	143.00	143.87	143.04	143.91	144.78	143.95	144.82	145.69	144.86	145.73	146.60	145.77	146.64	147.51	146.68	147.55	148.42	147.59	148.46	149.33	148.50	149.37	150.24	149.41	150.28	151.15	150.32	151.19	152.06	151.23	152.10	152.97	152.14	153.01	153.88	153.05	153.92	154.79	153.96	154.83	155.70	154.87	155.74	156.61	155.78	156.65	157.52	156.69	157.56	158.43	157.60	158.47	159.34	158.51	159.38	160.25	159.42	160.29	161.16	160.33	161.20	162.07	161.24	162.11	162.98	162.15	163.02	163.89	163.06	163.93	164.80	163.97	164.84	165.71	164.88	165.75	166.62	165.79	166.66	167.53	166.70	167.57	168.44	167.61	168.48	169.35	168.52	169.39	170.26	169.43	170.30	171.17	170.34	171.21	172.08	171.25	172.12	172.99	172.16	173.03	173.90	173.07	173.94	174.81	173.98	174.85	175.72	174.89	175.76	176.63	175.80	176.67	177.54	176.71	177.58	178.45	177.62	178.49	179.36	178.53	179.40	180.27	179.44	180.31	181.18	180.35	181.22	182.09	181.26	182.13	183.00	182.17	183.04	183.91	183.08	183.95	184.82	183.99	184.86	185.73	184.90	185.77	186.64	185.81	186.68	187.55	186.72	187.59	188.46	187.63	188.50	189.37	188.54	189.41	190.28	189.45	190.32	191.19	190.36	191.23	192.10	191.27	192.14	193.01	192.18	193.05	193.92	193.09	193.96	194.83	194.00	194.87	195.74	194.91	195.78	196.65	195.82	196.69	197.56	196.73	197.60	198.47	197.64	198.51	199.38	198.55	199.42	200.29	199.46	200.33	201.20	200.37	201.24	202.11	201.28	202.15	203.02	202.19	203.06	203.93	203.10	203.97	204.84	204.01	204.88	205.75	204.92	205.79	206.66	205.83	206.70	207.57	206.74	207.61	208.48	207.65	208.52	209.39	208.56	209.43	210.30	209.47	210.34	211.21	210.38	211.25	212.12	211.29	212.16	213.03	212.20	213.07	213.94	213.11	213.98	214.85	214.02	214.89	215.76	214.93	215.80	216.67	215.84	216.71	217.58	216.75	217.62	218.49	217.66	218.53	219.40	218.57	219.44	220.31	219.48	220.35	221.22	220.39	221.26	222.13	221.30	222.17	223.04	222.21	223.08	223.95	223.12	224.00	224.87	224.04	224.91	225.78	224.95	225.82	226.69	225.86	226.73	227.60	226.77	227.64	228.51	227.68	228.55	229.42	228.59	229.46	230.33	229.50	230.37	231.24	230.41	231.28	232.15	231.32	232.19	233.06	232.23	233.10	233.97	233.14	234.01	234.88	234.05	234.92	235.79	234.96	235.83	236.70	235.87	236.74	237.61	236.78	237.65	238.52	237.69	238.56	239.43	238.60	239.47	240.34	239.51	240.38	241.25	240.42	241.29	242.16	241.33	242.20	243.07	242.24	243.11	243.98	243.15	244.02	244.89	244.06	244.93	245.80	244.97	245.84	246.71	245.88	246.75	247.62	246.79	247.66	248.53	247.70	248.57	249.44	248.61	249.48	250.35	249.52	250.39	251.26	250.43	251.30	252.17	251.34	252.21	253.08	252.25	253.12	253.99	253.16	254.03	254.90	254.07	254.94	255.81	254.98	255.85	256.72	255.89	256.76	257.63	256.80	257.67	258.54	257.71	258.58	259.45	258.62	259.49	260.36	259.53	260.40	261.27	260.44	261.31	262.18	261.35	262.22	263.09	262.26	263.13	264.00	263.17	264.04	264.91	264.08	264.95	265.82	264.99	265.86	266.73	265.90	266.77	267.64	266.81	267.68	268.55	267.72	268.59	269.46	268.63	269.50	270.37	269.54	270.41	271.28	270.45	271.32	272.19	271.36	272.23	273.10	272.27	273.14	274.01	273.18	274.05	274.92	274.09	274.96	275.83	275.00	275.87	276.74	275.91	276.78	277.65	276.82	277.69	278.56	277.73	278.60	279.47	278.64	279.51	280.38	279.55	280.42	281.29	280.46	281.33	282.20	281.37	282.24	283.11	282.28	283.15	284.02	283.19	284.06	284.93	284.10	284.97	285.84	285.01	285.88	286.75	285.92	286.79	287.66	286.83	287.70	288.57	287.74	288.61	289.48	288.65	289.52	290.39	289.56	290.43	291.30	290.47	291.34	292.21	291.38	292.25	293.12	292.29	293.16	294.03	293.20	294.07	294.94	294.11	294.98	295.85	295.02	295.89	296.76	295.93	296.80	297.67	296.84	297.71	298.58	297.75	298.62	299.49	298.66	299.53	300.40	299.57	300.44	301.31	300.48	301.35	302.22	301.39	302.26	303.13	302.30	303.17	304.04	303.21	304.08	304.95	304.12	305.00	305.87	305.04	305.91	306.78	305.95	306.82	307.69	306.86	307.73	308.60	307.77	308.64	309.51	308.68</

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Effective June 15, 2017

Class Title	New Hire		Fully Qualified		After 6 Months		Year 1		Year 2		Year 3		Year 4		Year 5		Year 6		LL									
	Step 1	Step 1.1	Step 1.1L	Step 2	Step 2.1	Step 2.1L	Step 3	Step 3.1	Step 3.1L	Step 4	Step 4.1	Step 4.1L	Step 5	Step 5.1	Step 5.1L	Step 6	Step 6.1	Step 6.1L		Step 7	Step 7.1	Step 7.1L	Step 8	Step 8.1	Step 8.1L	Step 9	Step 9.1	Step 9.1L
CLERK I	13.85	14.54	15.23	14.54	15.27	16.00	15.26	16.02	16.78	16.83	17.63	17.63	16.83	17.67	18.51	17.68	18.56	19.44	18.56	19.49	20.42	20.42	19.49	20.46	21.43	20.47	21.49	22.51
CLERK II	14.15	14.86	15.57	14.85	15.59	16.33	15.60	16.38	17.16	17.20	18.01	18.01	17.20	18.06	18.92	18.05	18.95	19.85	18.95	19.90	20.85	20.85	19.91	20.91	21.91	20.90	21.95	23.00
CLERK III	14.64	15.37	16.10	15.37	16.14	16.91	16.14	16.95	17.76	17.80	18.65	18.65	17.80	18.69	19.58	18.69	19.61	20.55	19.61	20.59	21.57	21.57	20.60	21.63	22.66	21.63	22.71	23.79
DISPATCHER/SCHDLR	15.26	16.02	16.78	16.03	16.83	17.63	16.83	17.67	18.51	18.56	19.44	19.44	18.56	19.49	20.42	19.49	20.46	21.43	20.46	21.49	22.51	22.51	21.50	22.58	23.66	22.57	23.70	24.83
DISPATCHER	14.64	15.37	16.10	15.37	16.14	16.91	16.14	16.95	17.76	17.80	18.65	18.65	17.80	18.69	19.58	18.69	19.61	20.55	19.61	20.59	21.57	21.57	20.60	21.63	22.66	21.63	22.71	23.79
MECHANIC I	14.52	15.25	15.98	15.25	16.01	16.77	16.01	16.81	17.65	17.65	18.49	18.49	17.66	18.54	19.42	18.54	19.47	20.40	19.47	20.44	21.41	21.41	20.45	21.47	22.49	21.46	22.53	23.60
MECHANIC II	14.64	15.37	16.10	15.37	16.14	16.91	16.14	16.95	17.76	17.80	18.65	18.65	17.80	18.69	19.58	18.69	19.61	20.55	19.61	20.59	21.57	21.57	20.60	21.63	22.66	21.63	22.71	23.79
RESERVATIONIST	13.85	14.54	15.23	14.54	15.27	16.00	15.26	16.02	16.78	16.83	17.63	17.63	16.83	17.67	18.51	17.68	18.56	19.44	18.56	19.49	20.42	20.42	19.49	20.46	21.43	20.47	21.49	22.51
RESERVATIONIST/ SCHED COOR	17.73	18.62	19.51	18.62	19.55	20.48	19.55	20.53	21.51	20.52	21.55	22.58	21.55	22.63	23.71	22.64	23.77	24.90	23.77	24.90	26.16	26.16	24.96	26.21	27.46	26.19	27.50	28.81
SAFETY/RD RSP COOR	17.73	18.62	19.51	18.62	19.55	20.48	19.55	20.53	21.51	20.52	21.55	22.58	21.55	22.63	23.71	22.64	23.77	24.90	23.77	24.90	26.16	26.16	24.96	26.21	27.46	26.19	27.50	28.81
VAN OPERATOR	14.52	15.25	15.98	15.25	16.01	16.77	16.01	16.81	17.65	17.65	18.49	18.49	17.66	18.54	19.42	18.54	19.47	20.40	19.47	20.44	21.41	21.41	20.45	21.47	22.49	21.46	22.53	23.60
PARATRANSIT SUPERVISOR	19.55	20.53	21.51	20.52	21.55	22.58	21.55	22.63	23.71	22.64	23.77	24.90	23.78	24.97	26.16	24.96	26.21	27.46	26.21	27.50	28.81	28.81	27.52	28.90	30.28	28.89	30.33	31.77

L = 10 Years Longevity (5%); LL = 15 Years Longevity (5%+5%)

Article 5.04 Longevity Bonus

Effective June 21, 2012, and thereafter, Metro shall compensate employees with ten (10) years of continuous service with a 5% of the base salary.

Effective December 20, 2012, and thereafter,

Metro shall compensate employees with fifteen (15) years of continuous service with an additional 5% of the base salary.*

Calculation Method:

Step 1: Calculate 5% of the Base (Base Step x 0.05)

Step 2: Base Step + 5% of the Base (as calculated in Step 1) to calculate L (10 Years)

Step 3: Base Step + 2 x 5% of the Base (as calculated in Step 1) to calculate LL (15 Years)

Example:

Step 1: Base Rate = \$21.46; 5% of the Base Rate = \$21.46 x 0.05 = \$1.07

Step 2: \$21.46 + \$1.07 = \$22.53 (9L)

Step 3: \$21.46 + 2 x \$1.07 = \$23.60 (9LL)

Tentative Agreement

Article 5.02 Operator Base Wage Rate of Pay

Agree to pay scales as provided above.

Alex Clifford, CEO/General Manager, Santa Cruz METRO



Eduardo Montesino, UTU Fixed Route & Paracruz

Date 7/21/15

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DATE: August 14, 2015
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
**SUBJECT: CONSIDERATION OF AN ADDENDUM TO THE MANAGEMENT
COMPENSATION PLAN**

I. RECOMMENDED ACTION

**That the Board of Directors approve a proposal for the Management
Compensation Plan**

II. SUMMARY

- Santa Cruz Metropolitan Transit District (METRO) is in the midst of a Structural Deficit as has been discussed over the past year.
- We will encounter an impending fiscal cliff in FY17 if costs are not reduced now.
- In the FY16 budget, various cost containment and efficiency measures were identified and implemented.
- The CEO is recommending an amendment to the Management Compensation Plan as follows:
 - a. A rollback of the 2% COLA received at the beginning of FY16, effective the pay period beginning August 27, 2015
 - b. 0% COLA effective June 16, 2016
 - c. 2% COLA effective June 15, 2017
 - d. One additional annual leave day to be accrued commencing August 27, 2015

III. DISCUSSION/BACKGROUND

Over the past year, METRO staff has made presentations to the Board and the public related to the Structural Deficit challenging METRO and the impending fiscal cliff that is projected for FY17 if costs are not reduced.

The FY16 budget, adopted in June, was aligned to the FY14 Actuals, plus changes in wages and benefits that occurred over that period of time. Various cost containment and efficiency measures were identified and implemented, including holding off on filling several vacant positions.

The CEO is recommending the following amendments to the Management Compensation Plan:

- a. A rollback of the 2% COLA received at the beginning of FY16, effective the pay period beginning August 27, 2015
- b. 0% COLA effective June 16, 2016
- c. 2% COLA effective June 15, 2017
- d. One additional annual leave day to be accrued commencing August 27, 2015

These proposed changes have been reviewed with Management staff who are supportive.

IV. FINANCIAL CONSIDERATIONS/IMPACT

Savings for the above actions related to the 0% increase in FY16 & FY17 and a 2% increase in FY18 are estimated to be \$120K.

One additional annual leave day for Management is estimated to add liability of \$27K over FY16, FY17 & FY18.

Net savings from these actions are estimated to be \$93K over FY16, FY17 & FY18.

V. ALTERNATIVES CONSIDERED

The Board may choose to reject the CEO's proposal. A review of the Management Compensation Plan will be required at the end of FY16. This alternative is not recommended by staff.

VI. ATTACHMENTS

Attachment A: Management Compensation Plan Amendment – 08/27/15

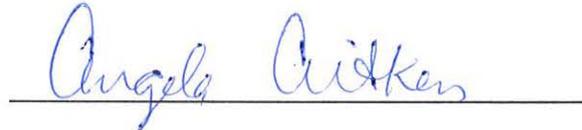
Prepared by: Angela Aitken, Finance Manager

VII. APPROVALS:

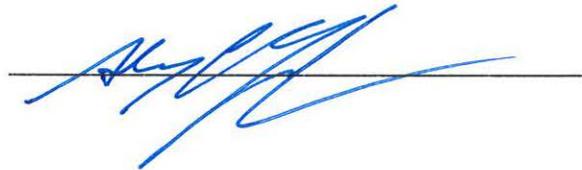
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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Attachment A

Management Compensation Plan Amendment

Effective – 08/27/15

III. SALARY PLAN

A. Management salary schedules are listed in **Exhibit A**.

VI. PAID LEAVES

A. Annual Leave

An employee shall accrue annual leave at the following rates:

- a. for the first five years of employment.....**eleven (11)** days/year
- b. between five and nine years of employment.....**nineteen (19)** days/year
- c. after nine years of employment.....**twenty-four(24)** days/year

Upon approval of the CEO/General Manager an employee shall be permitted to take a minimum of two weeks annual leave each calendar year.

An employee shall accrue the pro-rata portion of annual leave for which he/she is entitled for each pay period or major fraction thereof, for which he/she is in paid status.

An employee may not carry over into the next fiscal year more than (3) three times the annual allotted time. Annual leave accumulated beyond two hundred (200) hours shall upon two (2) weeks advance written request of the employee, be paid to the employee based on the employee's current base hourly rate. Payment shall be made in the subsequent pay period.

Upon departure from Santa Cruz METRO for any reason, an employee shall be compensated for any unused annual leave at the employee's regular rate.

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MANAGEMENT
HOURLY RATES SCHEDULE

Effective 08/27/2015

Title	Step 1 LL	Step 1 L	Step 2 LL	Step 2 L	Step 3 LL	Step 3 L	Step 4 LL	Step 4 L	Step 5 LL	Step 5 L	Step 6 LL	Step 6 L		
CEO/General Manager	84.54	88.77	93.00	88.76	93.20	97.64	93.20	97.86	102.75	107.89	113.03	107.90	113.30	118.70
District Counsel	65.08	68.33	71.58	68.33	71.75	75.17	71.75	75.34	79.11	83.06	87.02	83.07	87.22	91.37
Chief Operations Officer	56.33	59.15	61.97	59.15	62.11	65.07	62.11	65.22	68.48	71.90	75.32	71.91	75.51	79.11
Operations Manager	51.21	53.77	56.33	53.77	56.47	59.15	56.47	59.29	62.11	65.37	68.48	65.37	68.64	71.91
Maintenance Manager	51.21	53.77	56.33	53.77	56.47	59.15	56.47	59.29	62.11	65.37	68.48	65.37	68.64	71.91
Finance Manager	51.21	53.77	56.33	53.77	56.47	59.15	56.47	59.29	62.11	65.37	68.48	65.37	68.64	71.91
Planning and Development Manager	51.21	53.77	56.33	53.77	56.47	59.15	56.47	59.29	62.11	65.37	68.48	65.37	68.64	71.91
Human Resources Manager	46.13	48.44	50.75	48.43	50.85	53.27	50.86	53.41	56.08	58.87	61.67	58.87	61.81	64.75
Information Technology Manager	46.13	48.44	50.75	48.43	50.85	53.27	50.86	53.41	56.08	58.87	61.67	58.87	61.81	64.75
Marketing, Communications and Customer Service Manager	46.13	48.44	50.75	48.43	50.85	53.27	50.86	53.41	56.08	58.87	61.67	58.87	61.81	64.75
Purchasing Manager	46.13	48.44	50.75	48.43	50.85	53.27	50.86	53.41	56.08	58.87	61.67	58.87	61.81	64.75
Senior Database Administrator	41.24	43.30	45.36	43.31	45.48	47.65	45.47	47.74	50.14	52.53	55.14	52.63	55.26	57.89
Asst. Manager of Information Technology	41.24	43.30	45.36	43.31	45.48	47.65	45.47	47.74	50.14	52.53	55.14	52.63	55.26	57.89
Assistant Finance Manager	38.54	40.47	42.40	40.46	42.48	44.50	42.48	44.60	46.83	49.18	51.52	49.18	51.64	54.10
Assistant HR Manager	38.54	40.47	42.40	40.46	42.48	44.50	42.48	44.60	46.83	49.18	51.52	49.18	51.64	54.10
Fixed Route Superintendent	38.54	40.47	42.40	40.46	42.48	44.50	42.48	44.60	46.83	49.18	51.52	49.18	51.64	54.10
Paratransit Superintendent	38.54	40.47	42.40	40.46	42.48	44.50	42.48	44.60	46.83	49.18	51.52	49.18	51.64	54.10
Project Manager	38.54	40.47	42.40	40.46	42.48	44.50	42.48	44.60	46.83	49.18	51.52	49.18	51.64	54.10
Facilities Maintenance Manager	37.45	39.32	41.19	39.33	41.30	43.27	41.29	43.35	45.41	47.69	50.09	47.80	50.19	52.58
Database Administrator	35.62	37.40	39.18	37.41	39.28	41.15	39.28	41.24	43.30	45.48	47.65	45.47	47.74	50.01
Safety, Security and Risk Manager	35.62	37.40	39.18	37.41	39.28	41.15	39.28	41.24	43.30	45.48	47.65	45.47	47.74	50.01
Assistant Superintendent	32.20	33.81	35.42	33.81	35.50	37.19	35.50	37.28	39.14	41.10	43.06	41.10	43.16	45.22
Executive Assistant	30.17	31.68	33.19	31.68	33.26	34.84	33.26	34.92	36.67	38.42	40.34	38.52	40.45	42.38

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L = 10 Years Longevity (5%); LL = 15 Years Longevity (6%+5%)

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MANAGEMENT
HOURLY RATES SCHEDULE

Effective 06/16/2016

Title	Step 1 LL	Step 1 L	Step 2 LL	Step 2 L	Step 3 LL	Step 3 L	Step 4 LL	Step 4 L	Step 5 LL	Step 5 L	Step 6 LL	Step 6 L		
CEO/General Manager	84.54	88.77	93.00	88.76	93.20	97.64	93.20	97.86	102.75	107.89	113.03	107.90	113.30	118.70
District Counsel	65.08	68.33	71.58	68.33	71.75	75.17	71.75	75.34	79.11	83.06	87.02	83.07	87.22	91.37
Chief Operations Officer	56.33	59.15	61.97	59.15	62.11	65.07	62.11	65.22	68.48	71.90	75.32	71.91	75.51	79.11
Operations Manager	51.21	53.77	56.33	53.77	56.47	59.15	56.47	59.29	62.25	65.37	68.48	65.37	68.64	71.91
Maintenance Manager	51.21	53.77	56.33	53.77	56.47	59.15	56.47	59.29	62.25	65.37	68.48	65.37	68.64	71.91
Finance Manager	51.21	53.77	56.33	53.77	56.47	59.15	56.47	59.29	62.25	65.37	68.48	65.37	68.64	71.91
Planning and Development Manager	51.21	53.77	56.33	53.77	56.47	59.15	56.47	59.29	62.25	65.37	68.48	65.37	68.64	71.91
Human Resources Manager	46.13	48.44	50.75	48.43	50.85	53.27	50.86	53.41	56.08	58.87	61.67	58.87	61.81	64.75
Information Technology Manager	46.13	48.44	50.75	48.43	50.85	53.27	50.86	53.41	56.08	58.87	61.67	58.87	61.81	64.75
Marketing, Communications and Customer Service Manager	46.13	48.44	50.75	48.43	50.85	53.27	50.86	53.41	56.08	58.87	61.67	58.87	61.81	64.75
Purchasing Manager	46.13	48.44	50.75	48.43	50.85	53.27	50.86	53.41	56.08	58.87	61.67	58.87	61.81	64.75
Senior Database Administrator	41.24	43.30	45.36	43.31	45.48	47.65	45.47	47.74	50.14	52.53	55.14	52.63	55.26	57.89
Asst. Manager of Information Technology	41.24	43.30	45.36	43.31	45.48	47.65	45.47	47.74	50.14	52.53	55.14	52.63	55.26	57.89
Assistant Finance Manager	38.54	40.47	42.40	40.46	42.48	44.50	42.48	44.60	46.83	49.18	51.52	49.18	51.64	54.10
Assistant HR Manager	38.54	40.47	42.40	40.46	42.48	44.50	42.48	44.60	46.83	49.18	51.52	49.18	51.64	54.10
Fixed Route Superintendent	38.54	40.47	42.40	40.46	42.48	44.50	42.48	44.60	46.83	49.18	51.52	49.18	51.64	54.10
Paratransit Superintendent	38.54	40.47	42.40	40.46	42.48	44.50	42.48	44.60	46.83	49.18	51.52	49.18	51.64	54.10
Project Manager	38.54	40.47	42.40	40.46	42.48	44.50	42.48	44.60	46.83	49.18	51.52	49.18	51.64	54.10
Facilities Maintenance Manager	37.45	39.32	41.19	39.33	41.30	43.27	41.29	43.35	45.52	47.69	50.09	47.80	50.19	52.58
Database Administrator	35.62	37.40	39.18	37.41	39.28	41.15	39.28	41.24	43.30	45.48	47.65	45.47	47.74	50.01
Safety, Security and Risk Manager	35.62	37.40	39.18	37.41	39.28	41.15	39.28	41.24	43.30	45.48	47.65	45.47	47.74	50.01
Assistant Superintendent	32.20	33.81	35.42	33.81	35.50	37.19	35.50	37.28	39.14	41.10	43.06	41.10	43.16	45.22
Executive Assistant	30.17	31.68	33.19	31.68	33.26	34.84	33.26	34.92	36.67	38.42	40.34	38.52	40.45	42.38

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L = 10 Years Longevity (5%); LL = 15 Years Longevity (6%+5%)

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MANAGEMENT
HOURLY RATES SCHEDULE

Effective 06/15/2017

Title	Step 1	Step 1 LL	Step 2	Step 2 LL	Step 3	Step 3 L	Step 3 LL	Step 4	Step 4 L	Step 4 LL	Step 5	Step 5 L	Step 5 LL	Step 6	Step 6 L	Step 6 LL
CEO/General Manager	86.23	90.54	94.85	98.60	99.81	104.56	99.82	104.81	109.80	104.81	110.05	115.29	110.06	115.56	121.06	
District Counsel	66.38	69.70	73.02	76.68	73.19	76.85	80.51	76.85	80.69	84.53	80.68	84.71	88.74	84.73	88.97	93.21
Chief Operations Officer	57.46	60.33	63.20	66.37	63.35	66.52	69.69	66.52	69.85	73.18	69.85	73.34	76.83	73.35	77.02	80.69
Operations Manager	52.23	54.84	57.45	60.33	57.60	60.48	63.36	60.48	63.50	66.52	63.51	66.69	69.87	66.68	70.01	73.34
Maintenance Manager	52.23	54.84	57.45	60.33	57.60	60.48	63.36	60.48	63.50	66.52	63.51	66.69	69.87	66.68	70.01	73.34
Finance Manager	52.23	54.84	57.45	60.33	57.60	60.48	63.36	60.48	63.50	66.52	63.51	66.69	69.87	66.68	70.01	73.34
Planning and Development Manager	52.23	54.84	57.45	60.33	57.60	60.48	63.36	60.48	63.50	66.52	63.51	66.69	69.87	66.68	70.01	73.34
Human Resources Manager	47.05	49.40	51.75	54.34	51.87	54.47	57.06	54.48	57.20	59.92	57.19	60.05	62.91	60.05	63.05	66.05
Information Technology Manager	47.05	49.40	51.75	54.34	51.87	54.47	57.06	54.48	57.20	59.92	57.19	60.05	62.91	60.05	63.05	66.05
Marketing, Communications and Customer Service Manager	47.05	49.40	51.75	54.34	51.87	54.47	57.06	54.48	57.20	59.92	57.19	60.05	62.91	60.05	63.05	66.05
Purchasing Manager	47.05	49.40	51.75	54.34	51.87	54.47	57.06	54.48	57.20	59.92	57.19	60.05	62.91	60.05	63.05	66.05
Senior Database Administrator	42.06	44.16	46.26	48.60	46.38	48.70	51.02	48.71	51.15	53.59	51.12	53.68	56.24	53.68	56.36	59.04
Asst. Manager of Information Technology	42.06	44.16	46.26	48.60	46.38	48.70	51.02	48.71	51.15	53.59	51.12	53.68	56.24	53.68	56.36	59.04
Assistant Finance Manager	39.31	41.28	43.25	45.39	43.33	45.50	47.67	45.49	47.76	50.03	47.78	50.17	52.56	50.16	52.67	55.18
Assistant HR Manager	39.31	41.28	43.25	45.39	43.33	45.50	47.67	45.49	47.76	50.03	47.78	50.17	52.56	50.16	52.67	55.18
Fixed Route Superintendent	39.31	41.28	43.25	45.39	43.33	45.50	47.67	45.49	47.76	50.03	47.78	50.17	52.56	50.16	52.67	55.18
Paratransit Superintendent	39.31	41.28	43.25	45.39	43.33	45.50	47.67	45.49	47.76	50.03	47.78	50.17	52.56	50.16	52.67	55.18
Project Manager	39.31	41.28	43.25	45.39	43.33	45.50	47.67	45.49	47.76	50.03	47.78	50.17	52.56	50.16	52.67	55.18
Facilities Maintenance Manager	38.20	40.11	42.02	44.14	42.12	44.23	46.34	44.22	46.43	48.64	46.44	48.76	51.08	48.76	51.20	53.64
Database Administrator	36.33	38.15	39.97	41.98	40.07	42.07	44.07	42.06	44.16	46.26	44.18	46.39	48.60	46.38	48.70	51.02
Safety, Security and Risk Manager	36.33	38.15	39.97	41.98	40.07	42.07	44.07	42.06	44.16	46.26	44.18	46.39	48.60	46.38	48.70	51.02
Assistant Superintendent	32.84	34.48	36.12	37.93	36.21	38.02	39.83	38.03	39.93	41.83	39.92	41.92	43.92	41.92	44.02	46.12
Executive Assistant	30.77	32.31	33.85	35.55	33.93	35.63	37.33	35.62	37.40	39.18	37.41	39.28	41.15	39.29	41.25	43.21

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L = 10 Years Longevity (5%); LL = 15 Years Longevity (5%+5%)

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DATE: August 14, 2015
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
**SUBJECT: CONSIDERATION OF A \$5,000 EARLY RETIREMENT INCENTIVE UPON
RETIREMENT PRIOR TO DECEMBER 31, 2015**

I. RECOMMENDED ACTION

That the Board of Directors approve a proposal for a \$5,000 early retirement incentive upon retirement prior to December 31, 2015

II. SUMMARY

- Santa Cruz Metropolitan Transit District (METRO) is facing a structural deficit with an impending fiscal cliff by the middle of FY17
- To help alleviate this financial situation, the CEO would like to offer a \$5,000 early retirement incentive for those employees qualified to retire prior to December 31, 2015

III. DISCUSSION/BACKGROUND

Over the past year, METRO staff has held numerous public meetings and Board meeting discussions related to the Structural Deficit facing METRO, and the serious financial shortfall that will occur in FY17 if costs are not reduced.

The FY16 budget, adopted in June, was aligned to the FY14 Actuals, plus changes in wages and benefits that occurred over that period of time. Various cost containment and efficiency measures were identified and implemented, including holding off on filling several vacant positions.

The CEO would like to offer a \$5,000 early retirement incentive, to be paid upon retirement prior to December 31, 2015. This incentive payment would not be counted towards the retiree's pension benefits. The savings from this retirement incentive will provide some help with the Structural Deficit over the next six years.

IV. FINANCIAL CONSIDERATIONS/IMPACT

METRO has approximately 25 employees who have more than 25 years of service today. If 10 of those employees take advantage of this incentive and retire prior to December 31, 2015, METRO would save approximately \$1.3M over the next six years; or an average of \$220,000 per year. This is based on a typical 25-30 year employee who is at the top step of their pay scale with double longevity, and the graduated savings over six years if that employee retired and was replaced by a new employee starting at Step 1, and working their way to Step 6 over six years.

This incentive would be effective upon METRO Board approval August 14, 2015 through December 31, 2015 only.

V. ALTERNATIVES CONSIDERED

The Board may choose to reject the proposal, and let attrition happen among the ranks of the employees. This alternative is not recommended by staff.

VI. ATTACHMENTS

None

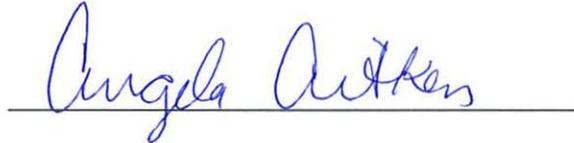
Prepared by: Angela Aitken, Finance Manager

VII. APPROVALS:

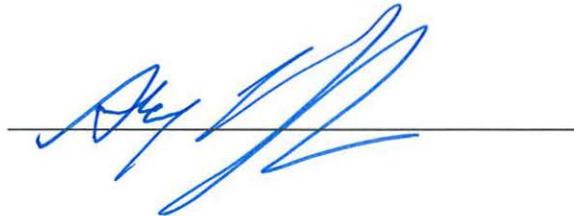
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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DATE: August 14, 2015
TO: Board of Directors
FROM: Erich Friedrich, Senior Transportation Planner
**SUBJECT: CONSIDERATION OF AWARD OF CONTRACT TO TRANSPORTATION
MANAGEMENT & DESIGN, INC. FOR COMPREHENSIVE
OPERATIONAL ANALYSIS NOT TO EXCEED \$99,987**

I. RECOMMENDED ACTION

That the Board of Directors authorize the CEO to execute a contract with Transportation Management & Design, Inc. for Comprehensive Operational Analysis in an amount not to exceed \$99,987 for a one-year period and appoint a Board Ad-HOC Committee to oversee the progress of the project.

II. SUMMARY

- The Santa Cruz Metropolitan Transit District (METRO) has a need for a Comprehensive Operational Analysis (COA) to help address the ongoing structural deficit, issues with service effectiveness and overall efficiency.
- A COA will provide a detailed evaluation of the METRO fixed route network and recommend modifications in order to align service with available operating revenue.
- Contracting with a consulting team brings a wide range of advantages regarding technical expertise and experience, robust public engagement and augments METRO's undersized Planning Department.
- A formal request for proposals was conducted to solicit proposals from qualified firms. Two (2) firms submitted proposals for METRO's review.
- METRO Staff recommends that the Board of Directors authorize a contract with Transportation Management & Design, Inc. not to exceed \$99,987.
- METRO Staff recommends that the Board of Directors appoint a project Ad-HOC Committee to oversee the COA.

III. DISCUSSION/BACKGROUND

Background:

Through much of the past year Santa Cruz METRO has worked hard to identify and begin to solve a structural deficit in which recurring operating revenues are being outpaced by recurring operating expenses. This in turn has forced METRO to use reserves and capital eligible funds to balance the FY16 and FY17

operating budget. At current pace, METRO staff predicts that operating reserves will be depleted at the end of FY17.

To solve the structural deficit problem the METRO Staff and Board of Directors have begun to take measures to increase revenues and/or decrease expenses. These measures include service and fare realignments of METRO ParaCruz as well as restructuring fares of the Highway 17 Express. On May 8th, the Board authorized the CEO to initiate procurement of a professional consulting team to assist METRO with a Comprehensive Operational Analysis (sometimes also referred to as a System Wide Restructuring). As a way to align fixed route service levels with available operating revenues, the Comprehensive Operational Analysis will be the next measure towards solving the structural deficit.

Comprehensive Operational Analysis Process:

The Comprehensive Operational Analysis (COA) will identify systemic and chronic problems, as well as new service opportunities through an in-depth qualitative and quantitative analysis that can be used to recommend immediate, short- and, long-term service changes to the existing fixed route service. Below is a list of planning related tasks that METRO will perform during the COA:

Task	Description
Data Review	Review and analysis of data existing from METRO
Market Analysis	In-depth analysis of transit and non-transit market in context of current fixed route service levels
Fixed Route Network Eval.	Evaluation of existing route network including: ridership, connectivity, service performance, scheduling, etc.
Public Engagement	Inclusive public process including pop-up sessions, charretts, planning open houses, project website, surveys, etc.
Service Standards Dev.	Development of a set of performance and service design criteria
Service Alternatives Dev.	Using the analysis from previous tasks; develop, test, and recommend service alternatives to be implemented on various timelines.
Final Report	Final document summarizing the COA process and final recommended service alternative actions.

Advantages of Hiring Professional Service:

Transportation Management & Design, Inc. (TMD) brings highly regarded technical expertise and planning experience vital to a successful COA. A professional consulting firm brings outside perspectives as well as resources crucial to this highly specialized planning effort. METRO does not have adequate staffing to perform a COA within the exceptionally tight project schedule. By awarding a contract with TMD, METRO gains over 875 hours of highly qualified planning professionals dedicated to this project.

With these hours, the COA project will have the support needed not only for technical transit planning analysis, but also for robust public engagement beyond the availability and ability of current METRO staff. TMD is proposing over 200 hours (23% of the overall project) of public engagement in various venues with innovative strategies to gain a cross section of perspectives on transit in the community. This in and of itself is extremely valuable because public support for the anticipated fixed route service changes is vital to successful implementation of the COA. The consultant led public participation process allows the COA to consider the community values as they relate to public transit service.

Optional Task:

As requested, TMD supplied a project approach and cost for an optional task that requires gathering a comprehensive “line-by-line” data collection and analysis. This optional task effectively doubles the project budget but provides a massive data set consisting of all routes in METRO’s fixed route network giving more accurate performance and planning analysis. The data collected is extremely valuable for detailed understanding of the current route network and analysis of such data would lead to a better foundation for adjusting fixed route service.

METRO Staff is not recommending to exercise this optional task at this time. However, METRO will want to revisit this optional task should METRO be successful in repurposing current grant funding to augment the COA project budget. METRO Staff and the consulting team are confident that even without this task, there is sufficient data from previous studies and planning efforts to support the COA project.

It should be noted that if METRO had Intelligent Transportation Systems (ITS) infrastructure such as Automatic Vehicle Location and Automatic Passenger Counters (AVL/APC’s), the need for this optional task would be moot. If such ITS infrastructure existed onboard METRO’s fleet, the task of analyzing automated data generated from AVL/APC would have simply been apart of the “Data Review” task.

Procurement:

On June 22, 2015, METRO legally advertised and distributed Request for Proposals (RFP) No. 15-19 to twenty-seven (27) firms, posted notice on its

website, and sent email notices to all GovDelivery subscribers. On July 17, 2015, proposals were received and opened from two (2) firms: Diversified Transportation Solutions of Eastvale, California; and Transportation Management & Design, Inc. of Carlsbad, California. A four-member evaluation team comprised of METRO staff has reviewed and evaluated the proposals.

The evaluation team used the following criteria as contained in the Request for Proposals:

Evaluation Criteria	Points
Qualifications and recent experience	25
Understanding of and technical approach to Project Requirements	45
Quality of relevant experience of offeror's key staff	30
References	15
Cost proposal	35
Total Points Possible	150

Staff is recommending that the Board of Directors authorize the CEO to execute a one-year contract on behalf of METRO with Transportation Management & Design, Inc. for Comprehensive Operational Analysis in an amount not to exceed \$99,987. Contractor will provide all services meeting all METRO's specifications and requirements of the contract. Erich Friedrich, Senior Transportation Planner, will serve as the Project Manager and will ensure contract compliance. Additionally Staff is recommending that the Board of Directors appoint a project Ad-HOC committee to oversee progress of the project. Staff, in coordination with the Board Chair, recommends Directors Chase, Dutra, Bottorff, and Rotkin for the Ad-HOC committee.

IV. FINANCIAL CONSIDERATIONS/IMPACT

The recommended contract award amount is not to exceed \$99,987. Funds to support this contract are included in the Planning Department FY16 & FY17 Professional/Technical Services (Account: 503031-1600) Operating Budget.

V. ALTERNATIVES CONSIDERED

- Do not award the contract. This is not recommended because current staffing levels could not ensure project completion by the 2016 Summer Bid. Additionally, not having a consultant on board for the COA could hinder the

quality of public engagement and METRO would lose the broader technical experience that the consulting team brings to the project.

- Award contract and exercise the optional “Line-by-Line” task. While the need for the data that would be collected in this optional task is great, METRO currently does not have the funds for this option.

VI. ATTACHMENTS

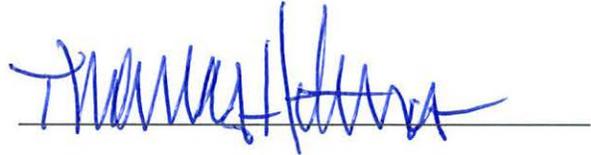
Attachment A: Contract with Transportation Management & Design, Inc.

Note: A full copy of the Contract is available on request.

Prepared By: Erich Friedrich, Senior Transportation Planner
Joan Jeffries, Administrative Assistant

VII. APPROVALS:

Thomas Hiltner,
Acting Planning and Development Mgr.



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



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



Attachment A

PROFESSIONAL SERVICES CONTRACT FOR COMPREHENSIVE OPERATIONAL ANALYSIS (15-19)

THIS CONTRACT is made effective on August 17, 2015 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT ("Santa Cruz METRO"), a political subdivision of the State of California, and TRANSPORTATION MANAGEMENT & DESIGN, INC. ("Contractor").

1. RECITALS

1.01 Santa Cruz METRO's Primary Objective

Santa Cruz METRO is a public entity whose primary objective is providing public transportation and which has its principal office at 110 Vernon Street, Santa Cruz, California 95060.

1.02 Santa Cruz METRO's Need for Comprehensive Operational Analysis

Santa Cruz METRO has the need for Comprehensive Operational Analysis. In order to obtain these services, Santa Cruz METRO issued a Request for Proposals, dated June 22, 2015, 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 Comprehensive Operational Analysis and whose principal place of business is 1902 Wright Place, Suite 180, Carlsbad, California 92008. Pursuant to the Request for Proposals issued by Santa Cruz METRO, Contractor submitted a proposal for Comprehensive Operational Analysis, which is attached hereto and incorporated herein by reference as Exhibit B

1.04 Selection of Contractor and Intent of Contract

On August 3, 2015, Santa Cruz METRO selected Contractor as the offeror whose proposal was most advantageous to Santa Cruz METRO to provide the Comprehensive Operational Analysis described herein. This Contract is intended to fix the provisions of these services.

Santa Cruz METRO and Contractor agree as follows:

2. INCORPORATED DOCUMENTS AND APPLICABLE LAW

2.01 Documents Incorporated in this Contract

The documents listed 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 11.14 of the General Conditions to the Contract.

A. Exhibit A

Santa Cruz METRO's "Request for Proposals" dated June 22, 2015, including Addendum No. 1 dated July 9, 2015.

Attachment A

B. Exhibit B (Contractor's Proposal)

Contractor's Proposal to Santa Cruz METRO for Comprehensive Operational Analysis, signed by Contractor and dated July 17, 2015.

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 supersede 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 Part IV, Section 11.14 of, the General Conditions to the Contract.

3.01.02 CONTRACTOR - The Contractor selected by Santa Cruz METRO for this project in accordance with the Request for Proposals issued June 22, 2015.

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 June 22, 2015.

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 two (2) years and shall commence upon the execution of the Contract by Santa Cruz METRO.

Upon satisfactory performance of services, Santa Cruz METRO may extend this agreement beyond the initial term when mutually agreed to in writing by the parties.

Attachment A

5. COMPENSATION

5.01 Terms of Payment

Santa Cruz METRO shall compensate Contractor in an amount not to exceed the amounts/rates agreed upon by Santa Cruz METRO. Santa Cruz METRO shall reasonably determine whether work has been successfully performed for purposes of payment. Compensation shall be made within thirty (30) days of Santa Cruz METRO's written approval of Contractor's written invoice for said work. Contractor understands and agrees that if they exceed the \$99,987.00 maximum amount payable under this Contract, they do so at their own risk.

5.02 Invoices

Contractor shall submit invoices with a purchase order number provided by Santa Cruz METRO 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.

Said invoice records shall be kept up-to-date at all times and shall be available for inspection by Santa Cruz METRO (or any grantor of Santa Cruz METRO, 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 Santa Cruz METRO 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.

Santa Cruz METRO

Santa Cruz Metropolitan Transit District
110 Vernon Street
Santa Cruz, CA 95060

Attention: Alex Clifford, CEO

CONTRACTOR

Transportation Management & Design, Inc.
1902 Wright Place, Suite 180
Carlsbad, CA 92008

Attention: Russell Chisholm
rchisholm@tmdinc.net
(760) 476-9600

Attachment A

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 _____

Santa Cruz METRO –
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Alex Clifford, CEO/General Manager

Contractor –
TRANSPORTATION MANAGEMENT & DESIGN, INC.

Russell Chisholm, President



Approved as to Form:

Leslyn Syren, District Counsel





DATE: August 14, 2015
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
SUBJECT: **CONSIDERATION OF ONCE A MONTH BOARD MEETINGS AND REVISIONS TO THE METRO ADVISORY COMMITTEE (MAC) BYLAWS**

I. RECOMMENDED ACTION

- 1) That the Board of Directors Convene Regular Board meetings once a month on the fourth Friday of each month starting September 25, 2015 (the second Friday for November and December)**
- 2) That the Board of Directors Reevaluate the effectiveness of the once a month meetings at the December 11, 2015 Board meeting**
- 3) That the Board of Directors Establish an Ad Hoc Committee to work with the CEO and District Counsel to evaluate the MAC Bylaws and to develop revisions for Board consideration**

II. SUMMARY

- At the March 27, 2015 Santa Cruz Metropolitan Transit District (METRO) Board meeting, Director McPherson asked the CEO to study the concept of convening Board meetings once a month and return to the Board with a recommendation.
- At the June 26, 2015 Board meeting, Director McPherson asked the CEO to include in his upcoming Board meeting frequency report a recommendation relative to the frequency of METRO Advisory Committee (MAC) meetings.
- The CEO believes that useful efficiencies can be gained by holding Board meetings once a month.
- The CEO recommends that the METRO Board start meeting once a month, beginning in September, wherein the single meeting would be held on September 25, 2015.
- The CEO and District Counsel recommend that, relative to the frequency of MAC meetings, the Board take a comprehensive review of the MAC Bylaws by establishing an Ad Hoc Committee to work with the CEO and District Counsel to evaluate the current MAC Bylaws and to return to the full Board with Bylaws revision recommendations, including frequency of meetings.

III. DISCUSSION/BACKGROUND

Once a Month Board Meetings

The Board has requested the CEO to study the concept of once a month Board meetings and to consider the frequency of MAC meetings. The CEO convened a meeting of key team members to discuss the concept of once a month Board meetings. The team believes that given the size of the administrative staff, once a month Board meetings will free-up significant staff work hours that can be reinvested in other mission critical projects and tasks.

Less frequent meetings will not change the number of Board reports that will be written over the course of a year. The freed-up work hours will come from better time management in planning for such Board reports only once a month; once a month preparation time required for each Board meeting; staff time required to properly staff each Board meeting; travel to and from each Board meeting when the meetings are away from the Administrative offices; one pre-Board staff meeting; and, one post Board staff meeting savings per month.

The possible challenge of once a month Board meetings is that staff will have to plan and track their Board items carefully. Missing a Board meeting will result in their Board report having to wait an additional month. While we do expect Board meetings will be longer when held only once a month, with proper planning and well written Board reports we hope to provide the Board more Consent Agenda items, leaving the Regular Agenda for Board items that require policy direction and more detailed public review.

Subject to Board concurrence, the CEO proposes the following additional logistical clarifications:

- Once a month Board meetings will be held on the fourth Friday of each month, with the exception of November and December, in which months Board meetings will be convened on the second Friday of the month.
- The Board will continue to go dark in July.
- Board meetings will alternate between the Vernon Administrative offices and various city locations.
- All meetings will start at 9:00am.
- Board meetings that occur away from the Vernon Administrative offices will continue to be broadcast on television.
- Single and complex items will continue to be handled on a case-by-case basis through Board Chairman appointed Ad Hoc Committees and continue to report their findings and recommendations to the full Board.
- The Board may be asked from time to time to convene a second full Board meeting in a month. With the concurrence of the Board Chairman, such

would be triggered by an urgent or emergency item or a unique issue which cannot be delayed to the next regularly scheduled Board meeting.

- The once a month meetings will be reevaluated by the Board at their December 11, 2015 Board meeting and the Board will choose to either continue once a month Board meetings or revert back to twice a month meetings starting January 2016. Two calendar year 2016 Board meeting schedules will be presented to the Board at this meeting for consideration and action.
- Proposed Four-Month Meeting Schedule:

Board Meeting Date	Location	Start Time
September 25, 2015	Watsonville City Council Chambers	9:00am
October 23, 2015	Santa Cruz METRO Admin. Offices	9:00am
November 13, 2015	Santa Cruz City Council City Council Chambers	9:00am
December 11, 2015	Santa Cruz METRO Admin. Offices	9:00am

METRO Advisory Committee (MAC)

The CEO and the District Counsel discussed the Board's recommendation to review the frequency of MAC meetings. They are in agreement that singling out this one item would not be the optimal approach. Instead, they recommend that the Board ask the Board Chairman to appoint a MAC Bylaws Ad Hoc Committee to review the frequency of MAC meetings and the MAC Bylaws, and return to the Board with recommendations. Further, that the MAC Chair be requested to attend one of the Ad Hoc Committee meetings to provide the Committee with MAC's requested Bylaws changes, if any.

The MAC Bylaws were created by the METRO Board and are subject to the approval of the METRO Board. The Bylaws were last amended on December 16, 2011.

IV. FINANCIAL CONSIDERATIONS/IMPACT

While nominal administrative budget savings are likely a result of this proposal, the real value of once a month meetings is in the staff time savings that can be reinvested in other mission critical projects and tasks. METRO is a small agency and operates very lean when it comes to administrative staff.

V. ALTERNATIVES CONSIDERED

- The Board could choose to take no action on the once a month meetings proposal and continue to meet at the current regularity.

- The Board could choose to take no action on the recommendation to establish an Ad Hoc Committee to review the MAC Bylaws.

VI. ATTACHMENTS

None

Prepared by: Alex Clifford, CEO/General Manager

VII. APPROVALS:

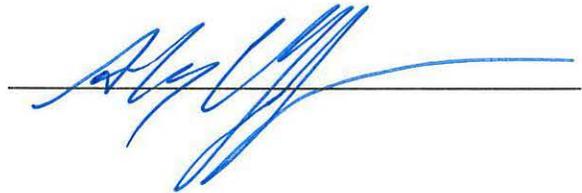
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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DATE: August 14, 2015
TO: Board of Directors
FROM: Alex Clifford, CEO/General Manager
SUBJECT: PROPOSED BOARD WORKING SESSION

I. RECOMMENDED ACTION

That the Santa Cruz Metropolitan Transit District (METRO) Board of Directors accept the Board CEO Goals and Objectives Ad Hoc Committee recommendation to convene a Board working session in September 2015.

II. SUMMARY

- The Board Chairman established an Ad Hoc Committee that was tasked with the development goals and objectives to use in the CEO's annual review process.
- The CEO proposed a four-hour Board Working Session at the Ad Hoc Committee meeting.
- The Ad Hoc Committee is recommending that the full Board commit to a Board Working Session in September 2015.

III. DISCUSSION/BACKGROUND

The Employment Agreement with the CEO provides for an annual review. The Board has asked for a collaborative process between the CEO and members of the Board to develop goals and objectives to use in future annual reviews. To that end, the Board Chairman created the CEO Goals and Objectives Ad Hoc Committee composed of Directors Bustichi, Bottorff and Rotkin.

The Ad Hoc Committee has convened two meetings with the CEO and has developed a comprehensive list of qualitative goals and objectives for the next few years. In the most recent meeting, the CEO observed that six new Board members have come aboard since his hiring a little over a year ago and recommended that the goals and objectives process might further benefit by a full-Board Working Session. The Ad Hoc Committee concurred.

The Board Working Session is envisioned to be facilitated off-site and structured for a half-day (four hours). The focus of the fast moving and high-impact Board Working Session will be:

- Review and discuss significant developments in the rapidly changing field of public transportation governance.

- Participate in breakout groups that will examine various facets of METRO governance, including the Board's role and structure and the Board-CEO/General Manager working relationship
- Identify opportunities to provide Board members with a more productive and satisfying governing experience.

The Board CEO Goals and Objectives Ad Hoc Committee recommends that the full Board convene a Board Working Session in September 2015.

IV. FINANCIAL CONSIDERATIONS/IMPACT

The cost of the off-site facilitated Working Session will be \$9,000 plus reimbursement of the facilitator's travel expenses. It will be paid from the FY16 Admin Department Professional/Technical budget.

V. ALTERNATIVES CONSIDERED

- The Board could choose to decline the recommendation to convene a Board Working Session.
- The Board could make an alternate recommendation for structure and/or dates.

VI. ATTACHMENTS

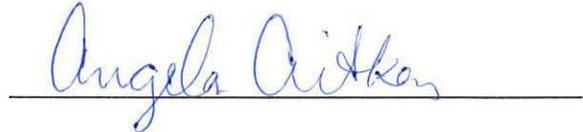
None

VII. APPROVALS:

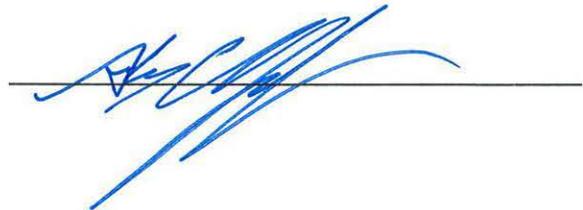
Approved as to form:
Leslyn K. Syren, District Counsel



Approved as to fiscal impact:
Angela Aitken, Finance Manager



Alex Clifford, CEO/General Manager



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