

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

BOARD OF DIRECTORS REGULAR MEETING AGENDA
APRIL 11, 2008 (Second Friday of Each Month)
SCMTD ENCINAL CONFERENCE ROOM
370 ENCINAL STREET, SUITE 100
SANTA CRUZ, CALIFORNIA
9:00 a.m. – 11:00 a.m.

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

NOTE: THE BOARD CHAIR MAY TAKE ITEMS OUT OF ORDER

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

1. ROLL CALL
2. ORAL AND WRITTEN COMMUNICATION TO THE BOARD OF DIRECTORS
 - a. None
3. LABOR ORGANIZATION COMMUNICATIONS
4. ADDITIONAL DOCUMENTATION TO SUPPORT EXISTING AGENDA ITEMS

CONSENT AGENDA

- 5-1. ACCEPT AND FILE PRELIMINARILY APPROVED CLAIMS FOR THE MONTH OF MARCH 2008
- 5-2. ACCEPT AND FILE MONTHLY BUDGET STATUS REPORT FOR FEBRUARY 2008
- 5-3. CONSIDERATION OF TORT CLAIMS:
DENY THE CLAIM OF VERNA CARTER, CLAIM #08-0010;
DENY THE CLAIM OF RHONDA CARTER, CLAIM #08-0011;
- 5-4. ACCEPT AND FILE THE METRO ADVISORY COMMITTEE (MAC) AGENDA FOR APRIL 16, 2008 AND MINUTES OF FEBRUARY 20, 2008
- 5-5. ACCEPT AND FILE PARACRUZ OPERATIONS STATUS REPORT FOR THE MONTH OF JANUARY 2008
- 5-6. ACCEPT AND FILE HIGHWAY 17 STATUS REPORT FOR DECEMBER 2007
- 5-7. ACCEPT AND FILE FEBRUARY 2008 RIDERSHIP REPORT
- 5-8. ACCEPT AND FILE METROBASE PROJECT STATUS REPORT

- 5-9. CONSIDERATION OF RECOMMENDATION TO APPROVE ASSESSMENTS FOR COOPERATIVE RETAIL MANAGEMENT DISTRICT
- 5-10. REVIEW AND CONSIDER DIFFERENT DISTRIBUTION METHODS FOR CALL STOP AUDITS AND SELECT METHOD THAT IS THE MOST EQUITABLE
- 5-11. ACCEPT AND FILE METRO'S NOMINATION OF PARACRUZ OPERATOR AURORA TRINIDAD FOR RED CROSS WORKPLACE HERO AWARD

REGULAR AGENDA

- 6. PRESENTATION OF EMPLOYEE LONGEVITY AWARDS
Presented by: Chair Beautz
THIS PRESENTATION WILL TAKE PLACE AT THE APRIL 25, 2008 BOARD MEETING
- 7. CONSIDERATION OF INFORMATION REGARDING SHAW VS. CHIANG/GENEST LAWSUIT
Presented By: Leslie R. White, General Manager
- 8. CONSIDERATION OF AUTHORIZATION TO OPERATE A SHUTTLE FOR THE UNITED TRANSPORTATION UNION (UTU) SENIOR DINNER
Presented By: Leslie R. White, General Manager
- 9. CONSIDERATION OF REVIEWING, REVISING, AND PRIORITIZING THE LIST OF UNMET TRANSIT AND PARATRANSIT NEEDS TO BE CIRCULATED TO THE METRO ADVISORY COMMITTEE AND SUBMITTED TO THE SCCRTC
Presented By: Leslie R. White, General Manager
ACTION REQUESTED AT THE APRIL 11, 2008 BOARD MEETING
PUBLIC HEARING WILL TAKE PLACE AT THE APRIL 25, 2008 BOARD MEETING
- 10. CONSIDERATION OF AUTHORIZING THE GENERAL MANAGER TO EXECUTE A CONTRACT RENEWAL WITH VEHICLE MAINTENANCE PROGRAM FOR BUS AIR, FUEL AND OIL FILTERS
Presented By: Tom Stickel, Maintenance Manager
ACTION REQUESTED AT THE APRIL 11, 2008 BOARD MEETING
- 11. CONSIDERATION OF ADOPTING RESOLUTIONS AUTHORIZING THE GENERAL MANAGER TO SUBMIT GRANT APPLICATIONS AND SIGN NECESSARY AGREEMENTS FOR FEDERAL FUNDING IN THE JOB ACCESS REVERSE COMMUTE AND NEW FREEDOM PROGRAMS
Presented By: Mark Dorfman, Assistant General Manager
ACTION REQUESTED AT THE APRIL 11, 2008 BOARD MEETING
- 12. CONSIDERATION OF ADOPTION OF REVISED RESOLUTION AUTHORIZING APPLICATION FOR PROPOSITION 1B TRANSIT SECURITY FUNDS

The Santa Cruz Metropolitan Transit District does not discriminate on the basis of disability. The Encinal Conference Room is located in an accessible facility. Any person who requires an accommodation or an auxiliary aid or service to participate in the meeting, please contact Cindi Thomas at 831-426-6080 as soon as possible in advance of the Board of Directors meeting. Hearing impaired individuals should call 711 for assistance in contacting METRO regarding special requirements to participate in the Board meeting.

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

DATE: 03/01/08 THRU 03/31/08

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
25057	03/07/08	38.50	002069	A TOOL SHED, INC.		17772	EQUIP RENTAL	38.50	
25058	03/07/08	604.71	001015	A-Z BUS SALES, INC.		17920	REV VEH PARTS	313.32	
						17931	CREDIT MEMO	-580.13	
						17932	REV VEH PARTS	595.10	
						17995	REV VEH PARTS	552.84	
						17996	CREDIT MEMO	-276.42	
25059	03/07/08	285.00	020	ADT SECURITY SERVICES INC.		17910	3/1-5/31 1200 RIVER	285.00	
25060	03/07/08	1,986.53	382	AIRTEC SERVICE		17913	OUT RPR BLDG & IMP	852.14	
						17934	A/C SERVICE-ENCINAL	1,134.39	
25061	03/07/08	189.33	002861	AMERICAN MESSAGING SVCS, LLC		17960	MARCH PAGERS	189.33	
25062	03/07/08	7.10	294	ANDY'S AUTO SUPPLY	0	17795	PARTS & SUPPLIES	7.10	
25063	03/07/08	1,160.92	856	ANGI INTERNATIONAL LLC		17914	REPAIRS/MAINTENANCE	1,160.92	
25064	03/07/08	17,341.74	941	ASSURANT EMPLOYEE BENEFITS		17930	MAR LTD INS	17,341.74	
25065	03/07/08	375.00	478	BEE CLENE	0	17800	CARPET/PACIFIC	375.00	
25066	03/07/08	103.50	001047	BOBBY'S PIT STOP		17669	SMOG CHECK # 105	51.75	
						17781	SMOG CHECK # 108	51.75	
25067	03/07/08	222.30	002189	BUS & EQUIPMENT		17862	REV VEH PARTS	222.30	
25068	03/07/08	551.15	002627	CDW GOVERNMENT, INC.		18011	OFFICE SUPPLIES/IT	551.15	
25069	03/07/08	208.01	002898	CEB		17896	CA EMP 08 UPDATE	208.01	
25070	03/07/08	900.00	983	CENTRAL MAINTENANCE COMPANY		17912	JANITORIAL/RESEARCH	900.00	
25071	03/07/08	256.11	E312	CHENG, FRANK		17928	2/19-2/22 EMP TRAVEL	256.11	
25072	03/07/08	477.50	001113	CLARKE, SUSAN	7	17968	EXT BUS ANNOUNC/AUD	477.50	
25073	03/07/08	300.00	002448	CLEAR VIEW, LLC	0	17884	WINDOWS/RODRIGUEZ	300.00	
25074	03/07/08	17.98	418	COUNTY OF SANTA CRUZ		17671	CNG-FLEET	17.98	
25075	03/07/08	2,454.34	001000	DAIMLER BUSES N. AMERICA INC.		17907	REV VEH PARTS	2,454.34	
25076	03/07/08	82,550.56	001316	DEVCO OIL		17911	2/15-2/25 FUEL FLT	53,315.46	
						18004	2/26-2/29 FUEL FLT	29,235.10	
25077	03/07/08	2,093.51	480	DIESEL MARINE ELECTRIC, INC.		17806	REV VEH PARTS	2,093.51	
25078	03/07/08	7,707.74	085	DIXON & SON TIRE, INC.		17860	TIRES & TUBES	194.68	
						17875	TIRES & TUBES	18.00	
						17876	TIRES & TUBES	207.43	
						17877	TIRES & TUBES	508.00	
						17878	TIRES & TUBES	793.85	
						17879	TIRES & TUBES	817.23	
						17880	TIRES & TUBES	2,508.75	
						17881	TIRES & TUBES	800.10	
						17882	TIRES & TUBES	157.79	
						17997	TIRES & TUBES	501.75	
						17998	TIRES & TUBES	1,200.16	
25079	03/07/08	144.71	E323	GALE, TERRY		17929	2/19-2/22 EMP TRAVEL	144.71	
25080	03/07/08	409.04	282	GRAINGER		17915	REPAIRS/MAINTENANCE	9.66	
						17916	REPAIRS/MAINTENANCE	394.02	
						17917	REPAIRS/MAINTENANCE	5.36	
25081	03/07/08	75,808.44	001035	HARRIS & ASSOCIATES		18014	MB JAN 08 PROF SVCS	75,808.44	
25082	03/07/08	150.00	T155	HILLMAN, PAM		18006	50 PREPAID COUPONS	150.00	
25083	03/07/08	402.95	166	HOSE SHOP, THE		17867	REV VEH PARTS	17.02	
						17868	PARTS & SUPPLIES	6.94	
						17938	REPAIRS/MAINTENANCE	355.94	
						17939	REPAIRS/MAINTENANCE	23.05	
25084	03/07/08	1,056.00	852	LAW OFFICES OF MARIE F. SANG	7	17827	WORKERS COMP CLAIM	64.00	

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						17841			
						17848	WORKERS COMP CLAIM	80.00	
						17849	WORKERS COMP CLAIM	384.00	
						17850	WORKERS COMP CLAIM	64.00	
						17851	WORKERS COMP CLAIM	256.00	
						18008	WORKERS COMP CLAIM	48.00	
						18009	WORKERS COMP CLAIM	160.00	
25085	03/07/08	239.12	107A	LUMBERMENS		17646	REPAIRS/MAINTENANCE	26.19	
						17796	REPAIRS/MAINTENANCE	158.61	
						17797	REPAIRS/MAINTENANCE	54.32	
25086	03/07/08	676.86	041	MISSION UNIFORM		17611	UNIF/LAUNDRY/FLT	281.69	
						17612	UNIF/LAUNDRY/FLT	55.59	
						17613	UNIF/LAUNDRY/FLT	128.32	
						17614	UNIF/LAUNDRY/FLT	54.05	
						17629	UNIF/LAUNDRY/FAC	51.01	
						17798	UNIF/LAUNDRY/FAC	106.20	
25087	03/07/08	158.97	001454	MONTEREY BAY OFFICE PRODUCTS		17855	3/1-5/31 COPIER/ADM	158.97	
25088	03/07/08	2,107.40	001063	NEW FLYER INDUSTRIES LIMITED		17925	REV VEH PARTS	1,933.44	
						17943	REV VEH PARTS	31.78	
						17955	REV VEH PARTS	142.18	
25089	03/07/08	761.72	004	NORTH BAY FORD LINC-MERCURY		17647	REV VEH PARTS	17.18	
						17673	REV VEH PARTS	394.29	
						17674	REV VEH PARTS	20.41	
						17779	REV VEH PARTS	329.84	
25090	03/07/08	7,926.45	009	PACIFIC GAS & ELECTRIC		17961	1/29-2/27 115 DUBOIS	14.24	
						17962	1/27-2/27 115 DUBOIS	237.30	
						17963	1/29-2/27 115 DUBOIS	142.52	
						17964	1/26-2/26 1200 RIVER	2,061.72	
						17965	1/27-2/27 ENCINAL	3,330.26	
						18016	1/26-2/26 1122 RIVER	504.09	
						18019	1/26-2/26 VERNON	1,636.32	
25091	03/07/08	344.41	043	PALACE ART & OFFICE SUPPLY		17859	OFFICE SUPPLIES/PT	344.41	
25092	03/07/08	360.00	950	PARADISE LANDSCAPE INC	0	17883	MAINTENANCE/WTC	360.00	
25093	03/07/08	1,744.54	002823	PAT PIRAS CONSULTING	7	17853	CONTRACT FOR ADA/504	1,744.54	
25094	03/07/08	494.00	481	PIED PIPER EXTERMINATORS, INC.		17658	FEB PEST CONTROL	183.00	
						17819	FEB PEST CONTROL	241.00	
						17820	FEB PEST CONTROL	70.00	
25095	03/07/08	1,500.00	050	PITNEY BOWES INC.		18005	POSTAGE/MTC	1,500.00	
25096	03/07/08	1,187.53	882	PRINT SHOP SANTA CRUZ	7	17847	OFFICE SUPPLY/ FIN	1,187.53	
25097	03/07/08	225.00	592	R & S ERECTION OF		17918	OUT RPR BLDG & IMP	225.00	
25098	03/07/08	95.66	061A	REGISTER PAJARONIAN		17821	CLASS ADV-PURCH	95.66	
25099	03/07/08	128.00	067	ROTO-ROOTER		17885	OUT RPR BLDG & IMP	128.00	
25100	03/07/08	1,593.21	135	SANTA CRUZ AUTO PARTS, INC.		17642	REV VEH PARTS	143.22	
						17643	REV VEH PARTS	92.23	
						17644	PARTS & SUPPLIES	29.30	
						17645	PARTS & SUPPLIES	79.87	
						17653	REV VEH PARTS	142.68	
						17654	REV VEH PARTS	181.38	
						17655	PARTS & SUPPLIES	38.99	
						17656	PARTS & SUPPLIES	31.95	
						17657	PARTS & SUPPLIES	49.45	

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						17765	REV VEH PARTS	893.17	
						17857	REV VEH PARTS	68.64	
						18015	CREDIT MEMO	-157.67	
25101	03/07/08	792.00	001523	SANTA CRUZ MEDICAL CLINIC	7	17680	MEDICAL EXAM	66.00	
						17681	MEDICAL EXAM	66.00	
						17682	MEDICAL EXAM	66.00	
						17683	MEDICAL EXAM	66.00	
						17684	MEDICAL EXAM	66.00	
						17685	MEDICAL EXAM	66.00	
						17686	MEDICAL EXAM	66.00	
						17687	MEDICAL EXAM	66.00	
						17688	MEDICAL EXAM	66.00	
						17689	MEDICAL EXAM	66.00	
						17690	MEDICAL EXAM	66.00	
						17691	MEDICAL EXAM	66.00	
25102	03/07/08	5,337.50	079	SANTA CRUZ MUNICIPAL UTILITIES		17946	1/23-2/21 ENCINAL ST	137.65	
						17966	1/23-2/21 1200 RIVER	2,289.92	
						17999	1/23-2/21 DUBOIS	366.83	
						18000	1/23-2/21 1122 RIVER	158.25	
						18001	1/23-2/21 DUBOIS	111.29	
						18021	1/23-2/21 VERNON	392.37	
						18022	1/23-2/21 VERNON	104.27	
						18023	1/23-2/21 GOLF CLUB	959.28	
						18033	1/23-2/21 ENCINAL	817.64	
25103	03/07/08	374.69	788	SCMTD PETTY CASH - FINANCE		17947	PETTY CASH / FINANCE	374.69	
25104	03/07/08	143.11	002459	SCOTTS VALLEY WATER DISTRICT		18017	12/6-2/7 KINGS VILL	143.11	
25105	03/07/08	72.24	115	SNAP-ON INDUSTRIAL		17957	EMPLOYEE TOOL	72.24	
25106	03/07/08	3,779.15	001036	STANDARD INSURANCE COMPANY		18007	MAR LIFE/AD&D INS	3,779.15	
25107	03/07/08	16,424.93	970	THE MECHANICS BANK		18013	JAN RETAINAGE/MB	16,424.93	
25108	03/07/08	705.89	002504	TIFCO INDUSTRIES		17959	PARTS & SUPPLIES	705.89	
25109	03/07/08	175.35	001038	TWINVISION NA INC.		17908	REV VEH PARTS	175.35	
25110	03/07/08	59,239.46	002829	VALLEY POWER SYSTEMS, INC.		17802	REV VEH PARTS	444.15	
						17803	REV VEH PARTS	4,927.35	
						17804	REV VEH PARTS	342.84	
						17805	REV VEH PARTS	2,765.14	
						17872	REV VEH PARTS	677.28	
						17873	REV VEH PARTS	78.41	
						17874	REBUILD TRANSMISSION	9,594.89	
						17921	SMALL TOOLS	20.28	
						17923	REV VEH PARTS	2,172.16	
						17992	CNG ENGINE	38,216.96	
25111	03/07/08	70.00	682	WEISS, AMY L.	7	17902	FEB INTERPRETER	70.00	
25112	03/07/08	96,830.32	002887	WEST BAY BUILDERS, INC.		18012	CONST SVC MB TO 1/31	96,830.32	
25113	03/07/08	1,510.45	148	ZEP MANUFACTURING COMPANY		17824	CLEANING SUPPLIES	1,510.45	
25116	03/14/08	261.60	002881	ADVANCED ELECTRONICS SOLUTIONS		17945	REV VEH PARTS	261.60	
25117	03/14/08	475.00	001016	ALLARD'S SEPTIC SERVICE	7	17935	HAZ WASTE DISP	475.00	
25118	03/14/08	37.89	002828	ALLIED ELECTRONICS		18077	PARTS & SUPPLIES	37.89	
25119	03/14/08	91.29	001A	AT&T/MCI		18170	JAN/FEB PHONES/RIVER	91.29	
25120	03/14/08	360.59	739	CENTURY CHEVROLET		17990	REV VEH PARTS	360.59	
25121	03/14/08	5,250.00	833	CITRIX SYSTEMS INC.		18010	CITRIX PRES. SERVER	5,250.00	

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25122	03/14/08	30.92	001346	CITY OF SANTA CRUZ		18169	FEB LANDFILL	30.92	
25123	03/14/08	4,407.73	909	CLASSIC GRAPHICS		18031	OUT RPR REV VEH	4,407.73	
25124	03/14/08	39,118.97	001124	CLEAN ENERGY		18126	LNG/FEB-FLT	39,118.97	
25125	03/14/08	38,048.62	002569	COMERICA BANK		18035	WORK COMP FUND	38,048.62	
25126	03/14/08	12.36	002063	COSTCO		17811	PHOTO PROCESS/OPS	2.24	
						17812	PHOTO PROCESS/OPS	4.73	
						17813	PHOTO PROCESS/OPS	2.86	
						17814	PHOTO PROCESS/OPS	2.53	
25127	03/14/08	4,639.95	504	CUMMINS WEST, INC.		17953	REV VEH PARTS	1,281.66	
						17954	CREDIT MEMO	-1,281.66	
						18124	REV VEH PARTS	4,234.95	
25128	03/14/08	1,856.71	001000	DAIMLER BUSES N. AMERICA INC.		18125	INSITE RENEWAL	405.00	
						17924	REV VEH PARTS	1,571.46	
						18026	REV VEH PARTS	278.84	
						18027	REV VEH PARTS	6.41	
25129	03/14/08	53,027.01	001316	DEVCO OIL		18168	FUEL/FLT	53,027.01	
25130	03/14/08	196.85	085	DIXON & SON TIRE, INC.		17909	TIRES & TUBES	196.85	
25131	03/14/08	153.00	002388	DOGHERRA'S	7	17984	TOW #113	35.00	
						17985	TOW # 321	64.00	
						17986	TOW # 314	54.00	
25132	03/14/08	3,015.53	432	EXPRESS PERSONNEL SERVICES		18151	TEMP/ADM W/E 2/17	1,525.20	
						18152	TEMP/ADM W/E 2/24	1,490.33	
25133	03/14/08	767.06	647	GFI GENFARE		18025	REV VEH PARTS	767.06	
25134	03/14/08	1,112.91	117	GILLIG CORPORATION		17919	REV VEH PARTS	508.50	
						17944	REV VEH PARTS	340.26	
						18003	REV VEH PARTS	264.15	
25135	03/14/08	50.00	E378	GRANADOS-BOYCE, MARIA		18143	COPYRIGHT RELEASE	50.00	
25136	03/14/08	432.42	001097	GREENWASTE RECOVERY, INC.		18098	FEB RESEARCH PARK	204.11	
						18099	FEB KINGS VILLAGE	170.71	
						18100	FEB MT HERMON	57.60	
25137	03/14/08	2,108.72	166	HOSE SHOP, THE		17940	PARTS & SUPPLIES	54.04	
						18075	PARTS & SUPPLIES	1,986.86	
						18076	PARTS & SUPPLIES	67.82	
25138	03/14/08	427.22	036	KELLY-MOORE PAINT CO., INC.		17825	REPAIRS/MAINTENANCE	427.22	
25139	03/14/08	1,123.61	039	KINKO'S INC.		17888	FEB PRINTING/OPS	74.48	
						17889	FEB PRINTING/OPS	227.07	
						17890	FEB PRINTING/OPS	75.44	
						17891	FEB PRINTING/OPS	263.18	
						17892	FEB PRINTING/OPS	483.44	
25140	03/14/08	946.31	766	KRAFT'S BODY SHOP		18106	OUT RPR REV VEH	946.31	
25141	03/14/08	343.42	579	LAB SAFETY SUPPLY, INC.		17994	PARTS & SUPPLIES	343.42	
25142	03/14/08	59.09	107A	LUMBERMENS		17905	REPAIRS/MAINTENANCE	21.11	
						17906	REPAIRS/MAINTENANCE	23.74	
						17948	PARTS & SUPPLIES	14.24	
25143	03/14/08	1,003.10	001358	MARINA MOTOR COMPANY		17983	OUT RPR REV VEH	1,003.10	
25144	03/14/08	650.00	764	MERCURY METALS		17971	RAMP REPAIR # 309	650.00	
25145	03/14/08	726.22	041	MISSION UNIFORM		17815	UNIF & LAUNDRY/FLT	277.06	
						17816	UNIF/LAUNDRY/FLT	139.90	
						17817	UNIF/LAUNDRY/FLT	49.42	
						17818	UNIF/LAUNDRY/FLT	57.11	

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						17933	UNIF & LAUNDRY	97.45	
						18130	UNIF/LAUNDRY/FAC	22.32	
						18131	UNIF/LAUNDRY/FAC	22.32	
						18132	UNIF/LAUNDRY/FAC	22.32	
						18138	UNIF/LAUNDRY/FAC	22.32	
						18173	UNIF/LAUNDRY/FLT	16.00	
25146	03/14/08	3,819.12	001063	NEW FLYER INDUSTRIES LIMITED		18062	REV VEH PARTS	375.50	
						18063	REV VEH PARTS	243.48	
						18064	REV VEH PARTS	874.68	
						18065	REV VEH PARTS	994.56	
						18066	REV VEH PARTS	924.88	
						18067	REV VEH PARTS	364.99	
						18068	REV VEH PARTS	41.03	
25147	03/14/08	15,414.13	009	PACIFIC GAS & ELECTRIC		18156	1/31-3/3 920 PACIFIC	1,922.51	
						18157	1/26-2/27 DUBOIS	7,522.48	
						18158	1/31-2/29 CNG/FLT	5,969.14	
25148	03/14/08	1,274.49	043	PALACE ART & OFFICE SUPPLY		17854	OFFICE SUPPLY/ADM	977.59	
						18038	OFFICE SUPPLIES/OPS	289.75	
						18039	OFFICE SUPPLY/OPS	2.80	
						18040	OFFICE SUPPLY/OPS	18.20	
						18041	OFFICE SUPPLY/OPS	-62.91	
						18145	OFFICE SUPPLIES/ADM	251.63	
						18146	CREDIT MEMO	-202.57	
25149	03/14/08	5,959.50	001136	PARVUS CORPORATION		18053	RIDERNET BASE SYSTEM	5,164.50	
						18159	WIRELESS INSTALL	530.00	
						18160	WIRELESS INSTALL	265.00	
25150	03/14/08	150.00	481	PIED PIPER EXTERMINATORS, INC.		18050	FEB PEST CONTROL	48.50	
						18051	FEB PEST CONTROL	53.00	
						18052	FEB PEST CONTROL	48.50	
25151	03/14/08	58.95	002094	RICON CORPORATION		18002	REV VEH PARTS	58.95	
25152	03/14/08	941.15	018	SALINAS VALLEY FORD SALES		17823	REV VEH PARTS	941.15	
25154	03/14/08	3,807.08	002713	SANTA CRUZ AUTO TECH, INC.		17926	OUT RPR OTH VEH	273.51	
						17942	OUT RPR OTH VEH	1,025.93	
						17958	OUT RPR OTH VEH	733.68	
						17972	OUT RPR REV VEH	50.15	
						17973	OUT RPR REV VEH	50.15	
						17974	OUT RPR REV VEH	50.15	
						17975	OUT RPR REV VEH	50.15	
						17976	OUT RPR REV VEH	56.60	
						17977	OUT RPR REV VEH	56.60	
						17978	OUT RPR REV VEH	50.15	
						17979	OUT RPR REV VEH	50.15	
						17980	OUT RPR REV VEH	50.15	
						17981	OUT RPR REV VEH	50.15	
						17982	OUT RPR REV VEH	1,259.56	
25155	03/14/08	539.18	135	SANTA CRUZ AUTO PARTS, INC.		17794	PARTS & SUPPLIES	25.67	
						17903	PARTS & SUPPLIES	56.96	
						17904	REV VEH PARTS	107.43	
						17941	PARTS & SUPPLIES	24.80	
						18056	CREDIT MEMO	-38.65	

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					18057	CREDIT MEMO	-132.91	
					18058	SAFETY SUPPLIES	265.83	
					18059	CREDIT MEMO	-19.27	
					18105	REV VEH PARTS	249.32	
25156	03/14/08	605.00	002700 SANTA CRUZ COUNTY		18116	HEALTH PERMIT/DUBOIS	605.00	
25157	03/14/08	3,770.32	079 SANTA CRUZ MUNICIPAL UTILITIES		18095	2/21-2/29 DUBOIS	1,081.54	
					18096	1/24-2/22 PACIFIC	94.28	
					18097	1/24-2/22 PACIFIC	2,594.50	
25158	03/14/08	188.11	122 SCMTD PETTY CASH - OPS		18144	PETTY CASH/OPS	188.11	
25159	03/14/08	2,465.12	864 TAMC		18043	VIDEO CONFERENCING	1,248.47	
					18044	VIDEO CONFERENCING	1,216.65	
25160	03/14/08	2,707.41	002805 TELEPATH CORPORATION		17927	MAR OUT REP EQUIP	2,707.41	
25161	03/14/08	181.30	170 TOWNSEND'S AUTO PARTS		18060	REV VEH PARTS	25.84	
					18061	REV VEH PARTS	155.46	
25162	03/14/08	600.00	728 TRITON CONSTRUCTION		18114	TESTING/GOLF CLUB	600.00	
25163	03/14/08	9,983.70	057 U.S. BANK		18175	4246044555645971	229.44	
					18176	4246044555645971	679.35	
					18177	4246044555645971	1,249.81	
					18178	4246044555645971	5,803.57	
					18179	4246044555645971	2,021.53	
25164	03/14/08	67.84	007 UNITED PARCEL SERVICE		18166	FRT OUT/FLT	41.84	
					18167	FRT OUT/FLT	26.00	
25165	03/14/08	171.53	002829 VALLEY POWER SYSTEMS, INC.		17922	REV VEH PARTS	171.53	
25166	03/14/08	323.88	221 VEHICLE MAINTENANCE PROGRAM		17956	REV VEH PARTS	323.88	
25167	03/14/08	1,893.37	001506 WESTERN STATES OIL CO., INC.		18028	FUEL & LUBE	1,893.37	
25168	03/14/08	278.10	042 WFCB-OSH COMMERCIAL SERVICES		18082	REPAIRS/MAINTENANCE	141.75	
					18083	REPAIRS/MAINTENANCE	24.20	
					18084	REPAIRS/MAINTENANCE	56.25	
					18085	REPAIRS/MAINTENANCE	55.90	
25169	03/14/08	13.29	186 WILSON, GEORGE H., INC.		17936	REPAIRS/MAINTENANCE	13.29	
25170	03/14/08	67.32	147 ZEE MEDICAL SERVICE CO.		18087	SAFETY SUPPLIES	46.60	
					18088	SAFETY SUPPLIES	20.72	
25171	03/21/08	123.89	001015 A-Z BUS SALES, INC.		18127	REV VEH PARTS	123.89	
25172	03/21/08	38.00	886 ALL PURE WATER	0	18029	OFFICE SUPPLIES/FLT	38.00	
25173	03/21/08	6.38	294 ANDY'S AUTO SUPPLY	0	18196	CREDIT MEMO	-162.19	
					18199	PARTS & SUPPLIES	168.57	
25174	03/21/08	6,255.00	948 ARNTZ BUILDERS, INC.		18226	CONST SVC MB TO 2/29	6,255.00	
25175	03/21/08	1,337.74	001A AT&T/MCI		18225	JAN PHONES/IT	1,337.74	
25176	03/21/08	4,435.66	876 ATCHISON, BARISONE, CONDOTTI &	7	18246	LEGAL SVCS/425 FRONT	3,770.66	
					18247	LEGAL SVCS/RIVER ST	665.00	
25177	03/21/08	771.42	R451 BRENNAN, ELIZABETH/		9152	SETTLEMENT/RISK	771.42	
25178	03/21/08	189.49	002189 BUS & EQUIPMENT		18242	REV VEH PARTS	189.49	
25179	03/21/08	150.63	739 CENTURY CHEVROLET		17989	REV VEH PARTS	60.95	
					18109	REV VEH PARTS	89.68	
25180	03/21/08	5,000.00	002346 CHANEY, CAROLYN & ASSOC., INC.		18233	MAR LEGISLATIVE SVCS	5,000.00	
25181	03/21/08	1,078.91	001346 CITY OF SANTA CRUZ		18241	STORM WATER/FLOOD	1,078.91	
25182	03/21/08	10.34	130 CITY OF WATSONVILLE UTILITIES		18235	2/1-3/1 RODRIGUEZ	10.34	
25183	03/21/08	336.73	001164 CLASSIC GLASS	7	18218	REPAIR/MTC	336.73	
25184	03/21/08	2,500.01	909 CLASSIC GRAPHICS		18032	OUT RPR REV VEH	2,500.01	
25185	03/21/08	368.00	367 COMMUNITY TELEVISION OF		18148	TV COVERAGE 1/25	184.00	

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						18149	TV COVERAGE 2/22	184.00	
25186	03/21/08	23.05	001000	DAIMLER BUSES N. AMERICA INC.		18162	REV VEH PARTS	23.05	
25187	03/21/08	172.73	001206	DELTA GLASS	7	18185	REV VEH PARTS	172.73	
25188	03/21/08	102.76	085	DIXON & SON TIRE, INC.		17991	TIRES & TUBES	102.76	
25190	03/21/08	640.00	916	DOCTORS ON DUTY		18204	1/25 DRUG TEST	25.00	
						18205	1/30 DRUG TEST	100.00	
						18206	2/7 DRUG TEST	30.00	
						18207	2/12 DRUG TEST	30.00	
						18208	2/12 DRUG TEST	5.00	
						18209	1/29	100.00	
						18210	2/18 DRUG TEST	120.00	
						18211	2/18 DRUG TEST	120.00	
						18212	2/18 DRUG TEST	5.00	
						18213	2/19 DRUG TEST	30.00	
						18214	2/19 DRUG TEST	35.00	
						18215	2/19 DRUG TEST	5.00	
						18216	2/19 DRUG TEST	30.00	
						18217	2/19 DRUG TEST	5.00	
25191	03/21/08	33,118.00	954	DOWNTOWN FORD SALES		18183	2 FORD PICKUPS	33,118.00	
25192	03/21/08	500.00	002862	ECOLOGICAL CONCERNS INC.		18231	WATER DRAINAGE/MB	500.00	
25193	03/21/08	87.50	001492	EVERGREEN OIL INC.		18163	HAZ WASTE DISP	87.50	
25194	03/21/08	1,443.83	432	EXPRESS PERSONNEL SERVICES		18228	TEMP/ADM W/E 3/2	1,443.83	
25195	03/21/08	1,452.82	117	GILLIG CORPORATION		18055	REV VEH PARTS	1,309.60	
						18128	REV VEH PARTS	143.22	
25196	03/21/08	755.94	282	GRAINGER		18018	REPAIRS/MAINTENANCE	755.94	
25197	03/21/08	64.17	546	GRANITEROCK COMPANY		18219	REPAIR/MAINTENANCE	64.17	
25198	03/21/08	89.87	510A	HASLER, INC.		18232	4/1-4/30 RENTAL/ADM	48.83	
						18243	4/1-4/30 RENTAL/PT	41.04	
25199	03/21/08	294.00	001093	KROLL LABORATORY SPECIALISTS		18203	JAN/FEB DRUG TESTS	294.00	
25200	03/21/08	1,721.80	852	LAW OFFICES OF MARIE F. SANG	7	18036	WORKERS COMP CLAIM	976.00	
						18037	WORKERS COMP CLAIM	745.80	
25201	03/21/08	141.23	107A	LUMBERMENS		17937	REPAIRS/MAINTENANCE	23.80	
						17993	REPAIRS/MAINTENANCE	8.78	
						18045	REPAIRS/MAINTENANCE	17.56	
						18046	REPAIRS/MAINTENANCE	13.22	
						18048	ENCINAL FAC DOORBELL	3.41	
						18049	REPAIRS/MAINTENANCE	74.46	
25202	03/21/08	2,181.40	001358	MARINA MOTOR COMPANY		18107	OUT RPR REV VEH	891.56	
						18108	OUT RPR REV VEH	1,289.84	
25203	03/21/08	280.00	E303	MCGLAZE, GILLIAN		18249	3/31-4/4 EMP TRAVEL	280.00	
25204	03/21/08	1,138.92	001052	MID VALLEY SUPPLY		18112	CLEANING SUPPLIES	1,138.92	
25205	03/21/08	597.60	041	MISSION UNIFORM		17949	UNIF/LAUNDRY/FLT	290.50	
						17950	UNIF/LAUNDRY/FLT	58.68	
						17951	UNIF/LAUNDRY/FLT	128.32	
						17952	UNIF/LAUNDRY/FLT	44.78	
						17987	UNIF/LAUNDRY/PT	53.00	
						18133	UNIF/LAUNDRY/FAC	22.32	
25206	03/21/08	561.90	001173	MURPHCO OF FLORIDA, INC		18248	EMP TRAVEL/MCGLAZE	561.90	
25207	03/21/08	3,739.32	001063	NEW FLYER INDUSTRIES LIMITED		18117	REV VEH PARTS	1,279.50	
						18118	REV VEH PARTS	69.98	

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						18119	REV VEH PARTS	15.28	
						18120	REV VEH PARTS	61.10	
						18121	REV VEH PARTS	1,540.04	
						18239	REV VEH PARTS	773.42	
25208	03/21/08	1,683.23	002721	NEXTEL COMMUNICATIONS		18244	2/4-3/3 PHONES/PT	1,683.23	
25209	03/21/08	3,047.87	009	PACIFIC GAS & ELECTRIC		18224	2/9-3/11 RESEARCH	1,019.49	
						18240	1/25-3/7 KINGS VLG	2,028.38	
25210	03/21/08	1,178.42	043	PALACE ART & OFFICE SUPPLY		18078	OFFICE SUPPLIES/FAC	21.42	
						18142	OFFICE SUPPLIES/PT	635.68	
						18147	OFFICE SUPPLIES/ADM	521.32	
25211	03/21/08	952.00	950	PARADISE LANDSCAPE INC	0	18020	MAR MAINTENANCE	887.00	
						18164	LANDSCAPE/SVTC	65.00	
25212	03/21/08	146.48	050	PITNEY BOWES INC.		17757	4/1-6/30 RENTAL/MTC	146.48	
25213	03/21/08	3,415.00	001071	QQUEST SOFTWARE SYSTEMS, INC.		18245	NETWORKED TIMECLOCK	3,415.00	
25214	03/21/08	123.60	087	RECOGNITION SERVICES		18220	EMP INCENTIVE	123.60	
25215	03/21/08	4,539.15	001169	RITE COUNT	7	18182	BILL CHANGERS	4,539.15	
25216	03/21/08	17,824.59	904	RNL DESIGN		18229	PROF SVCS THRU 1/31	17,291.52	
						18230	PROF SVS THRU 1/31	533.07	
25217	03/21/08	371.44	699	SALINAS CASH REGISTER CO INC		17969	OUT REPAIR EQUIP	185.72	
						17970	OUT REPAIR EQUIP	185.72	
25218	03/21/08	271.25	002713	SANTA CRUZ AUTO TECH, INC.		18030	OUT RPR OTH VEH	271.25	
25219	03/21/08	81.12	135	SANTA CRUZ AUTO PARTS, INC.		18024	PARTS & SUPPLIES	6.18	
						18101	REV VEH PARTS	74.94	
25220	03/21/08	6,289.51	977	SANTA CRUZ TRANSPORTATION, LLC	7	18140	FEB PT SVCS	6,289.51	
25221	03/21/08	30.00	880	SEISINT, INC.		18042	PROF/TECH SVC/RISK	30.00	
25222	03/21/08	2,500.00	002267	SHAW & YODER, INC.		18221	FEB LEGISLATIVE SVCS	2,500.00	
25223	03/21/08	100.00	B016	SKILLICORN, DALE	7	18223	MAR BOARD MTGS	100.00	
25224	03/21/08	120.00	299	STANEK, RICHARD	7	17967	OUT REPAIR EQUIP	120.00	
25225	03/21/08	1,485.00	080	STATE BOARD OF EQUALIZATION		18222	FEB USE TAX PREPAY	1,485.00	
25226	03/21/08	12,060.37	001648	STEVE'S UNION SERVICE		18034	FEB FUEL/PT	12,060.37	
25227	03/21/08	3,802.94	002805	TELEPATH CORPORATION		18238	HANDHELD RADIOS	3,802.94	
25228	03/21/08	23,769.36	970	THE MECHANICS BANK		18198	FEB RETAINAGE/MB	23,769.36	
25229	03/21/08	119.65	007	UNITED PARCEL SERVICE		18200	FRT OUT/FLT	48.19	
						18201	FRT OUT/FLT	28.34	
						18202	FRT OUT/FLT	43.12	
25230	03/21/08	307,472.52	002829	VALLEY POWER SYSTEMS, INC.		18054	REV VEH PARTS	141.56	
						18236	ENG REPOWER #2220	153,665.48	
						18237	ENG REPOWER # 2311	153,665.48	
25231	03/21/08	5,067.80	001083	WATSONVILLE TRANSPORTATION, INC		18139	2/2-2/29 PT SVCS	5,067.80	
25232	03/21/08	264,918.19	002887	WEST BAY BUILDERS, INC.		18197	CONST SVC MB TO 2/29	264,918.19	
25233	03/21/08	567.09	436	WEST PAYMENT CENTER		18181	FEB ACCESS CHARGES	567.09	
25234	03/21/08	695.00	948A	WESTAMERICA BANK TRUST DEPT		18227	FEB RETAINAGE/MB	695.00	
25235	03/21/08	592.36	553	YELLOW FREIGHT SYSTEM, INC.		18234	FRT OUT/FLT	592.36	
25236	03/28/08	335.20	020	ADT SECURITY SERVICES INC.		18319	APR ALARMS/PACIFIC	61.10	
						18320	APR ALARMS/DUBOIS	46.66	
						18321	APR ALARMS/KINGS VLG	42.71	
						18322	APR ALARMS/RIVER ST	58.67	
						18323	APR ALARMS/WTC	46.66	
						18324	APR ALARMS/GOLF CLB	79.40	
25237	03/28/08	209.77	002828	ALLIED ELECTRONICS		18293	REV VEH PARTS	209.77	

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25238	03/28/08	375.00	001062	ALLTERRA ENVIRONMENTAL INC.		18165	JAN/MAR 08 INSPEC	375.00	
25239	03/28/08	5,438.60	001141	AMERICAN BUSINESS SYSTEMS, INC		18479	SOFTWARE SUPP/UPGRD	5,438.60	
25240	03/28/08	1.30	294	ANDY'S AUTO SUPPLY	0	18155	REV VEH PARTS	1.30	
25241	03/28/08	53.29	M033	BAILEY, NEIL	0	18383	MED PYMT SUPP	53.29	
25242	03/28/08	36.42	M068	BASS, BETTY	0	18405	MED PYMT SUPP	36.42	
25243	03/28/08	9.96	M077	BRADFORD, THOMAS	0	18384	MED PYMT SUPP	9.96	
25244	03/28/08	60.30	M072	BRIDINGER, CHRIS	0	18414	MED PYMT SUPP	60.30	
25245	03/28/08	38.37	M078	BRIDINGER, DENISE	0	18385	MED PYMT SUPP	38.37	
25246	03/28/08	38.37	M079	BROGDON, ROY		18386	MED PYMT SUPP	38.37	
25247	03/28/08	425,102.88	502	CA PUBLIC EMPLOYEES'		18483	APRIL MED INS	425,102.88	
25248	03/28/08	1,316.34	002287	CALIFORNIA SERVICE EMPLOYEES		18484	APRIL MEDICAL	1,316.34	
25249	03/28/08	85.00	E090	CALLEJAS, LETICIA		18487	3/10 MEDICAL EXAM	85.00	
25250	03/28/08	135.50	M022	CAPELLA, KATHLEEN	0	18406	MED PYMT SUPP	135.50	
25251	03/28/08	19.19	M080	CARR, DALE	0	18387	MED PYMT SUPP	19.19	
25252	03/28/08	67.76	M073	CENTER, DOUG	0	18415	MED PYMT SUPP	67.76	
25253	03/28/08	66.93	172	CENTRAL WELDER'S SUPPLY, INC.		18122	SAFETY SUPPLIES	60.30	
						18123	PARTS & SUPPLIES	6.63	
25254	03/28/08	26.65	M036	CERVANTES, GLORIA	0	18388	MED PYMT SUPP	26.65	
25255	03/28/08	407.50	001346	CITY OF SANTA CRUZ		18250	INSPECTION SVCS/MB	407.50	
25256	03/28/08	1,900.63	130	CITY OF WATSONVILLE UTILITIES		18441	1/4-3/5 RODRIGUEZ	65.64	
						18442	CONTAINER/RODRIGUEZ	1,403.08	
						18443	1/4-3/5 RODIRGUEZ	396.02	
						18444	1/4-3/5 RODRIGUEZ	35.89	
25257	03/28/08	4.64	M090	CLARKE, PATRICIA	0	18416	MED PYMT SUPP	4.64	
25258	03/28/08	26,887.61	001124	CLEAN ENERGY		18373	CNG/FLEET	13,242.15	
						18448	CNG/FLT	13,645.46	
25259	03/28/08	17.00	002063	COSTCO		18089	PHOTO PROCESS/OPS	2.20	
						18090	PHOTO PROCESS/OPS	2.64	
						18091	PHOTO PROCESS/OPS	3.18	
						18092	PHOTO PROCESS/OPS	3.92	
						18093	PHOTO PROCESS/OPS	2.53	
						18094	PHOTO PROCESS/OPS	2.53	
25260	03/28/08	60.30	M116	CRAMBLETT, LAWRENCE		18417	MED PYMT SUPP	60.30	
25261	03/28/08	67.76	M092	CRAWFORD, TERRI	0	18418	MED PYMT SUPP	67.76	
25262	03/28/08	224.54	002814	CREATIVE BUS SALES, INC.		17988	REV VEH PARTS	224.54	
25263	03/28/08	1,216.65	R518	CSAA-IIB		18381	SETTLEMENT/RISK	1,216.65	
25264	03/28/08	64.00	E633	DACOSTA, BOSCO		18437	DMV FEES	64.00	
25265	03/28/08	1,691.72	001000	DAIMLER BUSES N. AMERICA INC.		18190	REV VEH PARTS	13.44	
						18191	REV VEH PARTS	1,242.85	
						18273	REV VEH PARTS	272.70	
						18299	REV VEH PARTS	162.73	
25266	03/28/08	26.65	M039	DAVILA, ANA MARIA	0	18389	MED PYMT SUPP	26.65	
25267	03/28/08	128.00	002567	DEPARTMENT OF JUSTICE		18326	FEB FINGERPRINTS	128.00	
25268	03/28/08	38,300.19	001316	DEVCO OIL		18450	3/11-3/23 FUEL/FLT	38,300.19	
25269	03/28/08	3,040.77	085	DIXON & SON TIRE, INC.		18069	TIRES & TUBES	416.47	
						18070	TIRES & TUBES	817.23	
						18071	TIRES & TUBES	793.85	
						18072	TIRES & TUBES	800.10	
						18259	TIRES & TUBES	213.12	
25270	03/28/08	67.76	M096	DRAKE, JUDITH	0	18419	MED PYMT SUPP	67.76	

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DATE: 03/01/08 THRU 03/31/08

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
25271	03/28/08	33.40	298	ERGOMETRICS		18327	SCORING SERVICES	33.40	
25272	03/28/08	1,488.00	432	EXPRESS PERSONNEL SERVICES		18480	TEMP/ADM W/E 3/9	1,488.00	
25273	03/28/08	498.75	372	FEDERAL EXPRESS		18488	FEB-MAR MAIL	498.75	
25274	03/28/08	67.76	M099	FIKE, LOUIS	0	18420	MED PYMT SUPP	67.76	
25275	03/28/08	64.00	E634	FORTHUN, PATRICK		18438	DMV FEES	64.00	
25276	03/28/08	6,765.25	001158	FRICKE PARKS PRESS INC		18153	PRINTING/MTC	6,765.25	
25277	03/28/08	134.83	M074	GABRIELE, BERNARD	0	18421	MED PYMT SUPP	134.83	
25278	03/28/08	26.65	M040	GARBEZ, LINDA	0	18390	MED PYMT SUPP	26.65	
25279	03/28/08	53.29	M100	GARCIA, SANTIAGO	0	18391	MED PYMT SUPP	53.29	
25280	03/28/08	455.29	647	GFI GENFARE		18192	REV VEH PARTS	365.72	
						18274	REV VEH PARTS	89.57	
25281	03/28/08	67.76	M101	GOES, ALAN	0	18422	MED PYMT SUPP	67.76	
25282	03/28/08	53.29	M041	GOUVEIA, ROBERT	0	18392	MED PYMT SUPP	53.29	
25283	03/28/08	123.00	632	GOVERNMENT FINANCE OFFICERS		18252	OFFICE SUPPLIES/FIN	123.00	
25284	03/28/08	1,822.71	282	GRAINGER		18347	REPAIRS/MAINTENANCE	20.91	
						18357	MISC SUPPLIES/MB	10.41	
						18358	MISC SUPPLIES/MB	47.36	
						18379	PLATFORM TRUCK/MB	1,744.03	
25285	03/28/08	53.29	M081	HALL, JAMES	0	18393	MED PYMT SUPP	53.29	
25286	03/28/08	65,557.75	001035	HARRIS & ASSOCIATES		18482	2/1-2/29 PROF SVCS	65,557.75	
25287	03/28/08	26.65	M082	HINDIN, LENORE	0	18394	MED PYMT SUPP	26.65	
25288	03/28/08	29,000.00	002116	HINSHAW, EDWARD & BARBARA	7	18338	370 ENCINAL RENT	29,000.00	
25289	03/28/08	49.88	M043	HOLODNICK, JAMES	0	18395	MED PYMT SUPP	49.88	
25290	03/28/08	625.25	166	HOSE SHOP, THE		18317	PARTS & SUPPLIES	317.51	
						18462	PARTS & SUPPLIES	307.74	
25291	03/28/08	60.30	M075	HOWARD, CAROL	0	18423	MED PYMT SUPP	60.30	
25292	03/28/08	64.00	E632	ITALIA, MAURIZIO		18436	DMV FEES	64.00	
25293	03/28/08	15,308.20	002117	IULIANO	7	18336	115 DUBOIS RENT	3,271.61	
						18337	111 DUBOIS RENT	12,036.59	
25294	03/28/08	67.76	M069	JACOBS, KENNETH	0	18407	MED PYMT SUPP	67.76	
25295	03/28/08	4.64	M103	JEMISON, MAURICE	0	18425	MED PYMT SUPP	4.64	
25296	03/28/08	2,706.85	110	JESSICA GROCERY STORE, INC.		18341	CUSTODIAL SERVICES	2,706.85	
25297	03/28/08	73.75	405	JOHN'S ELECTRIC MOTOR SVC	7	18115	OUT RPR EQUIP	73.75	
25298	03/28/08	2,320.00	220	JONES COMPANY, THE ED		18150	EMP INCENTIVE PROGRM	2,320.00	
25299	03/28/08	34.00	E407	JONES, CHRISTINE M.		18360	DMV FEES	34.00	
25300	03/28/08	67.76	M104	JUSSEL, PETE	0	18426	MED PYMT SUPP	67.76	
25301	03/28/08	314.36	M061	KAMEDA, TERRY	0	18408	MED PYMT SUPP	314.36	
25302	03/28/08	36.48	878	KELLY SERVICES, INC.		18382	TEMP/OPS W/E 3/9	36.48	
25303	03/28/08	681.87	039	KINKO'S INC.		18174	GREEN ON 17 BROCHURE	681.87	
25304	03/28/08	4.64	M105	KOHAMA, MARY	0	18427	MED PYMT SUPP	4.64	
25305	03/28/08	188.00	852	LAW OFFICES OF MARIE F. SANG	7	18180	WORKERS COMP CLAIM	188.00	
25306	03/28/08	320.28	107A	LUMBERMENS		18047	REPAIRS/MAINTENANCE	287.02	
						18079	REPAIRS/MAINTENANCE	12.68	
						18080	REPAIRS/MAINTENANCE	9.86	
						18110	REPAIRS/MAINTENANCE	10.72	
25307	03/28/08	4.64	M106	LYALL, JOHN DAVID	0	18428	MED PYMT SUPP	4.64	
25308	03/28/08	1,407.05	001119	MACERICH PARTNERSHIP LP	7	18339	CAPITOLA MALL RENT	1,407.05	
25309	03/28/08	2,179.48	001358	MARINA MOTOR COMPANY		18256	OUT REPAIR #315	2,179.48	
25310	03/28/08	10.00	E303	MCGLAZE, GILLIAN		18478	DMV FEES	10.00	
25311	03/28/08	42.31	013	MCI SERVICE PARTS, INC.		18263	REV VEH PARTS	42.31	

5-1.10

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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 ALL CHECKS FOR COAST COMMERCIAL BANK

DATE: 03/01/08 THRU 03/31/08

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
25312	03/28/08	808.14	764	MERCURY METALS		18086	RPR/WTC YARD	808.14	
25313	03/28/08	101.90	001052	MID VALLEY SUPPLY		18111	CLEANING SUPPLIES	14.58	
						18113	CLEANING SUPPLIES	99.60	
						18251	CLEANING SUPPLIES	154.81	
						18445	CREDIT MEMO	-167.09	
25314	03/28/08	67.76	M108	MILLER, FOREST	0	18429	MED PYMT SUPP	67.76	
25315	03/28/08	640.15	041	MISSION UNIFORM		18081	UNIF/LAUNDRY/FAC	95.43	
						18134	UNIF/LAUNDRY/FLT	58.68	
						18135	UNIF/LAUNDRY/FLT	299.04	
						18136	UNIF/LAUNDRY/FLT	44.78	
						18137	UNIF/LAUNDRY/FLT	142.22	
25316	03/28/08	212.61	001454	MONTEREY BAY OFFICE PRODUCTS		18328	12/1-2/29 COPIER/ADM	212.61	
25317	03/28/08	64.00	E606	MULLIS, MICHAEL		18361	DMV FEES	64.00	
25318	03/28/08	64.00	E631	NEVIN, JOHN		18435	DMV FEES	64.00	
25319	03/28/08	14,790.22	001063	NEW FLYER INDUSTRIES LIMITED		18193	REV VEH PARTS	291.58	
						18275	REV VEH PARTS	581.14	
						18276	REV VEH PARTS	161.00	
						18277	REV VEH PARTS	548.50	
						18278	REV VEH PARTS	12,316.96	
						18316	REV VEH PARTS	173.01	
						18352	REV VEH PARTS	218.00	
						18353	REV VEH PARTS	218.00	
						18371	REV VEH PARTS	137.69	
						18372	REV VEH PARTS	144.34	
25320	03/28/08	207.80	004	NORTH BAY FORD LINC-MERCURY		18187	REV VEH PARTS	103.90	
						18188	REV VEH PARTS	103.90	
25321	03/28/08	26.65	M050	O'MARA, KATHLEEN	0	18396	MED PYMT SUPP	26.65	
25322	03/28/08	97.39	043	PALACE ART & OFFICE SUPPLY		18141	CREDIT MEMO	-95.99	
						18310	OFFICE SUPPLIES/LGL	179.42	
						18311	OFFICE SUPPLIES/LGL	13.96	
25323	03/28/08	284.66	M057	PARHAM, WALLACE	0	18409	MED PYMT SUPP	284.66	
25324	03/28/08	38.37	M051	PENDRAGON, LINDA	0	18397	MED PYMT SUPP	38.37	
25325	03/28/08	53.29	M109	PEREZ, CHERYL		18398	MED PYMT SUPP	53.29	
25326	03/28/08	1,569.35	R519	PERRIGO'S AUTO BODY		18486	SETTLEMENT/RISK	1,569.35	
25327	03/28/08	247.54	M064	PETERS, TERRIE	0	18410	MED PYMT SUPP	247.54	
25328	03/28/08	450.00	001142	PHYSICIANS MEDICAL GROUP		18284	MEDICAL EXAM/FLT	75.00	
						18285	MEDICAL EXAMS/FLT	75.00	
						18286	MEDICAL EXAM/FLT	75.00	
						18287	MEDICAL EXAM/FLT	75.00	
						18288	MEDICAL EXAM/FLT	75.00	
						18289	MEDICAL EXAM/FLT	75.00	
25329	03/28/08	67.76	M070	PICARELLA, FRANCIS	0	18411	MED PYMT SUPP	67.76	
25330	03/28/08	67.76	M117	POLANCO, ANDRES		18430	MED PYMT SUPP	67.76	
25331	03/28/08	284.66	M058	POTEETE, BEVERLY	0	18412	MED PYMT SUPP	284.66	
25332	03/28/08	791.83	156	PRINT GALLERY, THE		18154	PRINT ROUTE STICKERS	791.83	
25333	03/28/08	3,975.00	001071	QQUEST SOFTWARE SYSTEMS, INC.		18380	TIMECLOCK CARDS	3,975.00	
25334	03/28/08	472.23	883	RCR FABRICATION AND DESIGN		18073	REV VEH PARTS	387.23	
						18074	OUT RPR REV VEH	85.00	
25335	03/28/08	246.60	M005	ROSS, EMERY	0	18404	MED PYMT SUPP	246.60	
25336	03/28/08	53.29	M085	ROSSI, DENISE	0	18399	MED PYMT SUPP	53.29	

5-1-11

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
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DATE: 03/01/08 THRU 03/31/08

CHECK NUMBER	CHECK DATE	CHECK AMOUNT	VENDOR NAME	VENDOR TYPE	TRANS. NUMBER	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	COMMENT
25337	03/28/08	26.65	M030 ROWE, RUBY		18400	MED PYMT SUPP	26.65	
25338	03/28/08	978.49	001379 SAFETY-KLEEN SYSTEMS, INC.		18281	HAZ WASTE DISP	978.49	
25339	03/28/08	1,798.07	018 SALINAS VALLEY FORD SALES		18129	REV VEH PARTS	1,653.33	
					18290	REV VEH PARTS	144.74	
25340	03/28/08	4.64	M111 SANCHEZ, FELIX	0	18431	MED PYMT SUPP	4.64	
25341	03/28/08	2,052.55	002713 SANTA CRUZ AUTO TECH, INC.		18258	OUT REPAIR # 109	2,052.55	
25342	03/28/08	833.91	135 SANTA CRUZ AUTO PARTS, INC.		18102	REV VEH PARTS	646.18	
					18103	REV VEH PARTS	47.15	
					18104	PARTS & SUPPLIES	51.13	
					18171	PARTS & SUPPLIES	8.94	
					18172	SMALL TOOLS	11.87	
					18269	REV VEH PARTS	68.64	
25343	03/28/08	484.10	001 SBC		18476	MAR REPEATERS/OPS	398.96	
					18477	MAR REPEATERS/OPS	85.14	
25344	03/28/08	1,210.78	681 SCOTTS BODY SHOP	7	18318	OUT RPR OTH VEH	1,210.78	
25345	03/28/08	290.89	M010 SHORT, SLOAN	0	18413	MED PYMT SUPP	290.89	
25346	03/28/08	67.76	M112 SILVA, EDUARDO	0	18432	MED PYMT SUPP	67.76	
25347	03/28/08	53.29	M054 SLOAN, FRANCIS	0	18401	MED PYMT SUPP	53.29	
25348	03/28/08	11,651.11	001075 SOQUEL III ASSOCIATES	7	18340	RESEARCH PARK RENT	11,651.11	
25349	03/28/08	115.00	B017 STONE, MARK	7	18489	3/9-3/12 APTA CONF	115.00	
25350	03/28/08	531.99	002504 TIFCO INDUSTRIES		18294	PARTS & SUPPLIES	17.28	
					18295	PARTS & SUPPLIES	120.50	
					18296	PARTS & SUPPLIES	69.96	
					18297	PARTS & SUPPLIES	353.98	
					18472	CREDIT MEMO	-8.63	
					18473	CREDIT MEMO	-21.10	
25351	03/28/08	26.65	M086 TOLINE, DONALD	0	18402	MED PYMT SUPP	26.65	
25352	03/28/08	11,687.55	982 TRANSPORTATION MANAGEMENT		18377	HASTUS OPTIMIZATION	11,687.55	
25353	03/28/08	139.16	001038 TWINVISION NA INC.		18351	REV VEH PARTS	139.16	
25354	03/28/08	1,548.29	002829 VALLEY POWER SYSTEMS, INC.		18161	REV VEH PARTS	41.72	
					18300	REV VEH PARTS	1,506.57	
25355	03/28/08	100.92	434 VERIZON WIRELESS	0	18481	2 WIRELESS PC CARDS	100.92	
25356	03/28/08	10,871.22	001043 VISION SERVICE PLAN		18485	APR VISION INS	10,871.22	
25357	03/28/08	134.83	M076 VONWAL, YVETTE	0	18433	MED PYMT SUPP	134.83	
25358	03/28/08	3,844.26	676 WEBER, HAYES & ASSOCIATES		18331	PROF SVCS/DUBOIS	3,844.26	
25359	03/28/08	100.63	E495 WHITE, LES		18359	3/7-3/13 EMP TRAVEL	100.63	
25360	03/28/08	60.30	M115 WILLIAMS, CHRIS	0	18434	MED PYMT SUPP	60.30	
25361	03/28/08	258.38	186 WILSON, GEORGE H., INC.		18367	REPAIRS/MAINTENANCE	258.38	
25362	03/28/08	26.65	M088 YAGI, RANDY	0	18403	MED PYMT SUPP	26.65	
25363	03/28/08	271.55	553 YELLOW FREIGHT SYSTEM, INC.		18463	FRT OUT/FLT	271.55	
TOTAL		2,068,985.90	COAST COMMERCIAL BANK		TOTAL CHECKS	303	2,068,985.90	

5-1.12

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: April 25, 2008

TO: Board of Directors

FROM: Angela Aitken, Finance Manager

SUBJECT: MONTHLY BUDGET STATUS REPORTS FOR FEBRUARY 2008.

I. RECOMMENDED ACTION

Staff recommends that the Board of Directors accept and file the budget status reports for February 2008.

II. SUMMARY OF ISSUES

- **Operating Revenues** for the month of February 2008 were \$184K or 8% over the amount of revenues expected.
- **Consolidated Operating Expenses** for the month of February 2008 were \$314K or 10% under budget.
- **Capital Budget** spending for the month of February 2008 was \$12,151K or 34% of the Capital budget.

III. DISCUSSION

An analysis of the District's budget status is prepared monthly in order to apprise the Board of Directors of the District's actual revenues, expenses and capital in relation to the adopted operating and capital budgets for the fiscal year. The attached monthly revenue, expense and capital reports represent the status of the District's FY08 operating and capital budgets versus actual expenditures for the month.

The fiscal year has elapsed **67%**.

5-2.1

A. Operating Revenue

For the month of February were \$184K or 8% over the amount of revenues expected. Revenue variances are explained in the notes at the end of the revenue report.

B. Operating Expense by Department

Total Operating Expenses by Department for the month of February 2008 were \$314K or 10% under budget; 5% above where we were YTD in FY07. Majority of the variance is due to lower than anticipated Personnel, Prof & Tech Fees and Fuel Costs.

C. Consolidated Operating Expenses

Consolidated Operating Expenses for the month of February 2008 were \$314K or 10% under budget. Majority of the variance is due to Personnel Expenses, Admin & Bank Fees, Prof & Tech Fees, Repair – Equipment, Fuels & Lube Rev Veh, and Employee Training. Further explanation of these accounts is contained in the notes following the report.

D. Capital Budget

A total of \$12,151K or 34% has been expended in the Capital Budget YTD. Of this, \$3,718K or 36% has been spent of the MetroBase line item, \$3,998K or 57% has been spent of the 110 Vernon Purchase & Renovation line item, and \$2,006K or 30% has been spent on the CNG Bus Conversions.

IV. FINANCIAL CONSIDERATIONS

None

5-2.2

IV. ATTACHMENTS

- Attachment A:** FY08 Operating Revenue for the month ending – 02/29/08
 FY08 Operating Expenses by Department for the month ending – 02/29/08
 FY08 Consolidated Operating Expenses for the month ending – 02/29/08
 FY08 Capital Budget Reports for the month ending – 02/29/08

FY2008
Operating Revenue
For the month ending - February 29, 2008

Percent of Year Elapsed - 67%

Revenue Source	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual	FY07	\$ Var	% Var	
Passenger Fares	\$ 282,557	\$ 287,507	\$ (4,950)	-2%	\$ 2,318,603	\$ 2,300,056	\$ 18,547	1%	\$ 2,318,603	\$ 2,205,412	\$ 113,191	5%	
Paratransit Fares	\$ 16,520	\$ 20,800	\$ (4,280)	-21%	\$ 150,479	\$ 166,400	\$ (15,921)	-10%	\$ 150,479	\$ 147,546	\$ 2,933	2%	
Special Transit Fares	\$ 342,260	\$ 235,271	\$ 106,989	45%	\$ 1,886,750	\$ 1,882,168	\$ 4,582	0%	\$ 1,886,750	\$ 1,667,454	\$ 219,296	13%	
Highway 17 Fares	\$ 77,161	\$ 70,310	\$ 6,851	10%	\$ 550,432	\$ 562,480	\$ (12,048)	-2%	\$ 550,432	\$ 534,181	\$ 16,251	3%	
Highway 17 Payments	\$ 43,313	\$ 38,544	\$ 4,769	12%	\$ 330,606	\$ 308,352	\$ 22,254	7%	\$ 330,606	\$ 300,513	\$ 30,093	10%	
Subtotal Passenger Revenue	\$ 761,811	\$ 652,432	\$ 109,379	17%	\$ 5,236,870	\$ 5,219,456	\$ 17,414	0%	\$ 5,236,870	\$ 4,855,106	\$ 381,764	8%	1
Commissions	\$ 20	\$ 500	\$ (480)	-96%	\$ 3,262	\$ 4,000	\$ (738)	-18%	\$ 3,262	\$ 3,976	\$ (714)	-18%	
Advertising Income	\$ 9,430	\$ 12,083	\$ (2,653)	-22%	\$ 181,675	\$ 96,664	\$ 85,011	88%	\$ 181,675	\$ 143,007	\$ 38,668	27%	2
Rent Income - SC Pacific Station	\$ 7,378	\$ 7,087	\$ 291	4%	\$ 52,290	\$ 56,696	\$ (4,406)	-8%	\$ 52,290	\$ 55,131	\$ (2,841)	-5%	
Rent Income - Watsonville TC	\$ 4,167	\$ 4,124	\$ 43	1%	\$ 29,092	\$ 32,992	\$ (3,900)	-12%	\$ 29,092	\$ 31,605	\$ (2,513)	-8%	
Rent Income - General	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ 4,800	\$ (4,800)	-100%	
Interest Income	\$ 80,505	\$ 89,667	\$ (9,162)	-10%	\$ 727,075	\$ 717,336	\$ 9,739	1%	\$ 727,075	\$ 901,734	\$ (174,659)	-19%	3
Other Non-Transp Revenue	\$ 5,612	\$ 23,583	\$ (17,971)	-76%	\$ 127,756	\$ 188,664	\$ (60,908)	-32%	\$ 127,756	\$ 248,153	\$ (120,397)	-49%	4
Sales Tax Revenue	\$ 1,711,600	\$ 1,626,265	\$ 85,335	5%	\$ 11,889,557	\$ 12,005,881	\$ (116,324)	-1%	\$ 11,889,557	\$ 11,840,771	\$ 48,786	0%	5
Transp Dev Act (TDA) - Op Asst	\$ -	\$ -	\$ -	0%	\$ 3,181,018	\$ 3,181,019	\$ (1)	0%	\$ 3,181,018	\$ 3,082,917	\$ 98,101	3%	
FTA Sec 5307 - Op Asst	\$ -	\$ -	\$ -	0%	\$ 3,153,552	\$ 3,153,552	\$ -	0%	\$ 3,153,552	\$ 3,004,546	\$ 149,006	5%	
Repay FTA Advance	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
FTA Sec 5311 - Rural Op Asst	\$ -	\$ -	\$ -	0%	\$ 149,335	\$ 149,335	\$ -	0%	\$ 149,335	\$ 168,582	\$ (19,247)	-11%	
Transfer from Capital/Proj Mgr	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
Subtotal Revenue	\$ 2,580,523	\$ 2,415,741	\$ 164,782	7%	\$ 24,731,482	\$ 24,805,595	\$ (74,113)	0%	\$ 24,731,482	\$ 24,340,328	\$ 391,154	2%	
One-Time Revenue													
Carryover from Previous Year	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
Transfer from Insurance Reserves	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
FTA Sec 5317 - Op Assistance	\$ -	\$ -	\$ -	0%	\$ 17,785	\$ -	\$ 17,785	0%	\$ 17,785	\$ -	\$ 17,785	0%	
AMBAG Funding	\$ 19,166	\$ -	\$ 19,166	0%	\$ 15,997	\$ -	\$ 15,997	0%	\$ 15,997	\$ -	\$ 15,997	0%	6
Subtotal One-Time Revenue	\$ 19,166	\$ -	\$ 19,166	0%	\$ 33,782	\$ -	\$ 33,782	0%	\$ 33,782	\$ -	\$ 33,782	0%	
Total Operating Revenue	\$ 2,599,689	\$ 2,415,741	\$ 183,948	8%	\$ 24,765,264	\$ 24,805,595	\$ (40,331)	0%	\$ 24,765,264	\$ 24,340,328	\$ 424,936	2%	
Total Operating Expenses	\$ 2,919,339				\$ 22,790,878				\$ 22,790,873	\$ 21,620,267			
Variance	\$ (319,650)				\$ 1,974,386				\$ 1,974,391	\$ 2,720,061			

Current Period Notes:

- 1) Passenger Revenue is over budget due to straight lining of the budget, use of accrual basis, and increase in rider ship (students being back to school).
- 2) Advertising Income is under budget due to less than budgeted ad revenue for the month.
- 3) Interest Income is under budget due to Metro Base spending of district funds.
- 4) Other Non-Transp Revenue is behind for the month and YTD due to UTU PERS reimbursement from the County which is collected on a qtrly basis and the budget being straight lined.
- 5) Sales Tax Revenue is above budget for the month due to higher than anticipated receipts for the month. YTD we are 1% behind budget.
- 6) AMBAG funding is received through the Rotational Interns and the SRTP Reimbursements grants.

5-2.01

Attachment A

FY2008
Operating Expenses by Department
For the month ending - February 29, 2008

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual FY08	FY07	\$ Var	% Var	
Departmental Personnel Expenses													
700 - SCCIC	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
1100 - Administration	\$ 77,364	\$ 86,009	\$ (8,645)	-10%	\$ 603,145	\$ 688,072	\$ (84,927)	-12%	\$ 603,145	\$ 585,782	\$ 17,363	3%	
1200 - Finance	\$ 42,845	\$ 51,760	\$ (8,915)	-17%	\$ 356,928	\$ 414,080	\$ (57,152)	-14%	\$ 356,928	\$ 316,330	\$ 40,598	13%	
1300 - Customer Service	\$ 34,514	\$ 43,127	\$ (8,613)	-20%	\$ 265,490	\$ 345,016	\$ (79,526)	-23%	\$ 265,490	\$ 257,086	\$ 8,404	3%	
1400 - Human Resources	\$ 45,859	\$ 49,317	\$ (3,458)	-7%	\$ 339,969	\$ 394,536	\$ (54,567)	-14%	\$ 339,969	\$ 244,865	\$ 95,104	39%	
1500 - Information Technology	\$ 37,654	\$ 41,121	\$ (3,467)	-8%	\$ 319,686	\$ 328,968	\$ (9,282)	-3%	\$ 319,686	\$ 296,485	\$ 23,201	8%	
1700 - District Counsel	\$ 33,681	\$ 38,234	\$ (4,553)	-12%	\$ 263,877	\$ 305,872	\$ (41,995)	-14%	\$ 263,877	\$ 248,429	\$ 15,448	6%	
1800 - Risk Management	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
2200 - Facilities Maintenance	\$ 71,660	\$ 85,692	\$ (14,032)	-16%	\$ 577,651	\$ 685,536	\$ (107,885)	-16%	\$ 577,651	\$ 598,344	\$ (20,693)	-3%	
3100 - Paratransit Program	\$ 225,416	\$ 251,796	\$ (26,380)	-10%	\$ 1,854,297	\$ 2,014,368	\$ (160,071)	-8%	\$ 1,854,297	\$ 1,744,775	\$ 109,522	6%	
3200 - Operations	\$ 157,567	\$ 178,655	\$ (21,088)	-12%	\$ 1,279,630	\$ 1,429,240	\$ (149,610)	-10%	\$ 1,279,630	\$ 1,309,050	\$ (29,420)	-2%	
3300 - Bus Operators	\$ 1,073,758	\$ 1,153,142	\$ (79,384)	-7%	\$ 8,375,493	\$ 9,225,136	\$ (849,643)	-9%	\$ 8,375,493	\$ 8,238,668	\$ 136,825	2%	
4100 - Fleet Maintenance	\$ 314,828	\$ 347,444	\$ (32,616)	-9%	\$ 2,577,065	\$ 2,779,552	\$ (202,487)	-7%	\$ 2,577,065	\$ 2,331,283	\$ 245,782	11%	
9001 - Cobra Benefits	\$ (281)	\$ -	\$ (281)	0%	\$ (3,210)	\$ -	\$ (3,210)	0%	\$ (3,210)	\$ 567	\$ (3,777)	-666%	
9005 - Retired Employee Benefits	\$ 132,294	\$ 144,500	\$ (12,206)	-8%	\$ 982,365	\$ 1,156,000	\$ (173,635)	-15%	\$ 982,365	\$ 987,078	\$ (4,713)	0%	
Additional Operating Programs	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
Subtotal Personnel Expenses	\$ 2,247,159	\$ 2,470,797	\$ (223,638)	-9%	\$ 17,792,386	\$ 19,766,376	\$ (1,973,990)	-10%	\$ 17,792,386	\$ 17,158,742	\$ 633,644	4%	
Departmental Non-Personnel Expenses													
700 - SCCIC	\$ -	\$ 21	\$ (21)	-100%	\$ 260	\$ 294	\$ (34)	-12%	\$ 260	\$ 280	\$ (20)	-7%	
1100 - Administration	\$ 58,078	\$ 74,754	\$ (16,676)	-22%	\$ 437,116	\$ 593,222	\$ (156,106)	-26%	\$ 437,116	\$ 442,484	\$ (5,368)	-1%	
1200 - Finance	\$ 42,257	\$ 68,287	\$ (26,030)	-38%	\$ 473,849	\$ 546,296	\$ (72,447)	-13%	\$ 473,849	\$ 379,331	\$ 94,518	25%	
1300 - Customer Service	\$ 4,993	\$ 9,726	\$ (4,733)	-49%	\$ 50,430	\$ 77,808	\$ (27,378)	-35%	\$ 50,430	\$ 43,067	\$ 7,363	17%	
1400 - Human Resources	\$ 2,246	\$ 8,131	\$ (5,885)	-72%	\$ 23,773	\$ 65,048	\$ (41,275)	-63%	\$ 23,773	\$ 68,572	\$ (44,799)	-65%	
1500 - Information Technology	\$ 43,636	\$ 13,268	\$ 30,368	229%	\$ 170,684	\$ 176,164	\$ (5,480)	-3%	\$ 170,684	\$ 101,214	\$ 69,470	69%	
1700 - District Counsel	\$ 1,937	\$ 1,512	\$ 425	28%	\$ 14,909	\$ 12,096	\$ 2,813	23%	\$ 14,909	\$ 10,292	\$ 4,617	45%	
1800 - Risk Management	\$ 23,432	\$ 20,656	\$ 2,776	13%	\$ 41,590	\$ 165,248	\$ (123,658)	-75%	\$ 41,590	\$ 90,781	\$ (49,191)	-54%	
2200 - Facilities Maintenance	\$ 35,130	\$ 44,532	\$ (9,402)	-21%	\$ 332,603	\$ 356,256	\$ (23,653)	-7%	\$ 332,603	\$ 250,921	\$ 81,682	33%	
3100 - Paratransit Program	\$ 50,621	\$ 64,048	\$ (13,427)	-21%	\$ 513,927	\$ 512,384	\$ 1,543	0%	\$ 513,927	\$ 394,663	\$ 119,264	30%	
3200 - Operations	\$ 39,705	\$ 53,692	\$ (13,987)	-26%	\$ 353,926	\$ 429,536	\$ (75,610)	-18%	\$ 353,926	\$ 351,991	\$ 1,935	1%	
3300 - Bus Operators	\$ -	\$ 500	\$ (500)	-100%	\$ 4,793	\$ 7,000	\$ (2,207)	-32%	\$ 4,793	\$ 2,614	\$ 2,179	83%	
4100 - Fleet Maintenance	\$ 370,145	\$ 403,205	\$ (33,060)	-8%	\$ 2,580,108	\$ 3,207,641	\$ (627,533)	-20%	\$ 2,580,108	\$ 2,325,317	\$ 254,791	11%	
9001 - Cobra Benefits	\$ -	\$ -	\$ -	0%	\$ 1,094	\$ -	\$ 1,094	0%	\$ 1,094	\$ -	\$ 1,094	0%	
9005 - Retired Employee Benefits	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
Additional Operating Programs	\$ -	\$ -	\$ -	0%	\$ (575)	\$ -	\$ (575)	0%	\$ (575)	\$ -	\$ (575)	0%	
Subtotal Non-Personnel Expenses	\$ 672,180	\$ 762,332	\$ (90,152)	-12%	\$ 4,998,487	\$ 6,148,993	\$ (1,150,506)	-19%	\$ 4,998,487	\$ 4,461,527	\$ 536,960	12%	

5-2.02

FY2008
Operating Expenses by Department
For the month ending - February 29, 2008

	Current Period				Year to Date				YTD Year Over Year Comparison				
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual		\$ Var	% Var	Notes
									FY08	FY07			
Total Departmental Expenses													
700 - SCCIC	\$ -	\$ 21	\$ (21)	-100%	\$ 260	\$ 294	\$ (34)	-12%	\$ 260	\$ 280	\$ (20)	-7%	
1100 - Administration	\$ 135,442	\$ 160,763	\$ (25,321)	-16%	\$ 1,040,261	\$ 1,281,294	\$ (241,033)	-19%	\$ 1,040,261	\$ 1,028,266	\$ 11,995	1%	1
1200 - Finance	\$ 85,102	\$ 120,047	\$ (34,945)	-29%	\$ 830,777	\$ 960,376	\$ (129,599)	-13%	\$ 830,777	\$ 695,661	\$ 135,116	19%	2
1300 - Customer Service	\$ 39,507	\$ 52,853	\$ (13,346)	-25%	\$ 315,920	\$ 422,824	\$ (106,904)	-25%	\$ 315,920	\$ 300,153	\$ 15,767	5%	3
1400 - Human Resources	\$ 48,105	\$ 57,448	\$ (9,343)	-16%	\$ 363,742	\$ 459,584	\$ (95,842)	-21%	\$ 363,742	\$ 313,437	\$ 50,305	16%	
1500 - Information Technology	\$ 81,290	\$ 54,389	\$ 26,901	49%	\$ 490,370	\$ 505,132	\$ (14,762)	-3%	\$ 490,370	\$ 397,699	\$ 92,671	23%	4
1700 - District Counsel	\$ 35,618	\$ 39,746	\$ (4,128)	-10%	\$ 278,786	\$ 317,968	\$ (39,182)	-12%	\$ 278,786	\$ 258,721	\$ 20,065	8%	
1800 - Risk Management	\$ 23,432	\$ 20,656	\$ 2,776	13%	\$ 41,590	\$ 165,248	\$ (123,658)	-75%	\$ 41,590	\$ 90,781	\$ (49,191)	-54%	5
2200 - Facilities Maintenance	\$ 106,790	\$ 130,224	\$ (23,434)	-18%	\$ 910,254	\$ 1,041,792	\$ (131,538)	-13%	\$ 910,254	\$ 849,265	\$ 60,989	7%	6
3100 - Paratransit Program	\$ 276,037	\$ 315,844	\$ (39,807)	-13%	\$ 2,368,224	\$ 2,526,752	\$ (158,528)	-6%	\$ 2,368,224	\$ 2,139,438	\$ 228,786	11%	7
3200 - Operations	\$ 197,272	\$ 232,347	\$ (35,075)	-15%	\$ 1,633,556	\$ 1,858,776	\$ (225,220)	-12%	\$ 1,633,556	\$ 1,661,041	\$ (27,485)	-2%	8
3300 - Bus Operators	\$ 1,073,758	\$ 1,153,642	\$ (79,884)	-7%	\$ 8,380,286	\$ 9,232,136	\$ (851,850)	-9%	\$ 8,380,286	\$ 8,241,282	\$ 139,004	2%	9
4100 - Fleet Maintenance	\$ 684,973	\$ 750,649	\$ (65,676)	-9%	\$ 5,157,173	\$ 5,987,193	\$ (830,020)	-14%	\$ 5,157,173	\$ 4,656,600	\$ 500,573	11%	10
9001 - Cobra Benefits	\$ (281)	\$ -	\$ (281)	0%	\$ (2,116)	\$ -	\$ (2,116)	0%	\$ (2,116)	\$ 567	\$ (2,683)	-473%	
9005 - Retired Employee Benefits	\$ 132,294	\$ 144,500	\$ (12,206)	-8%	\$ 982,365	\$ 1,156,000	\$ (173,635)	-15%	\$ 982,365	\$ 987,078	\$ (4,713)	0%	11
Additional Operating Programs			\$ -	0%	\$ (575)	\$ -	\$ (575)	0%	\$ (575)	\$ -	\$ (575)	0%	
Total Operating Expenses	\$ 2,919,339	\$ 3,233,129	\$ (313,790)	-10%	\$ 22,790,873	\$ 25,915,481	\$ (3,124,608)	-12%	\$ 22,790,873	\$ 21,620,269	\$ 1,170,604	5%	

Current Period Notes:

- 1) **Administration** is under budget due to an annual contract paid for in FY07 and Labor negotiations not starting until the April 2008.
- 2) **Finance** is under budget due to Sales Tax Admin Fees paid qtrly and the budget being straight lined.
- 3) **Customer Service** is under budget due to less personnel expenses, graphic services and printing costs incurred in February and YTD.
- 4) **Information Technology** is over budget due to Hastus training being paid in February and budget later in the year.
- 5) **Risk Management** is over budget due to settlement costs paid in February and the budget being straight lined.
- 6) **Facilities Maintenance** is under budget due to equipment repair costs typically paid qtrly or annually on contracts. The budget was straight lined since we can not anticipate when these repair costs will be incurred.
- 7) **Paratransit Program** is under budget due to not being at full complement.
- 8) **Operations** is under budget due to not being at full complement and security expenses lower than anticipated.
- 9) **Bus Operators** is under budget due to not being at full complement.
- 10) **Fleet Maintenance** is under budget due to fuel expenses lower than anticipated.
- 11) **Retired Employee Benefits** is under budget due to the budget being straight lined. Increase will happen towards the end of FY 08 .

5-2.03

FY2008
Consolidated Operating Expenses
For the month ending - February 29, 2008

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	FY08 Actual	FY07	\$ Var	% Var	
LABOR													
501011 Bus Operator Pay	\$ 616,666	\$ 687,597	\$ (70,931)	-10%	\$ 4,895,845	\$ 5,500,776	\$ (604,931)	-11%	\$ 4,895,845	\$ 4,779,806	\$ 116,039	2%	
501013 Bus Operator Overtime	\$ 148,754	\$ 102,083	\$ 46,671	46%	\$ 901,989	\$ 816,664	\$ 85,325	10%	\$ 901,989	\$ 870,897	\$ 31,092	4%	
501021 Other Salaries	\$ 500,754	\$ 541,357	\$ (40,603)	-8%	\$ 3,944,371	\$ 4,330,856	\$ (386,485)	-9%	\$ 3,944,371	\$ 3,644,521	\$ 299,850	8%	
501023 Other Overtime	\$ 21,564	\$ 19,684	\$ 1,880	10%	\$ 195,492	\$ 157,472	\$ 38,020	24%	\$ 195,492	\$ 184,973	\$ 10,519	6%	
Total Labor -	\$ 1,287,738	\$ 1,350,721	\$ (62,983)	-5%	\$ 9,937,697	\$ 10,805,768	\$ (868,071)	-8%	\$ 9,937,697	\$ 9,480,197	\$ 457,500	5%	
FRINGE BENEFITS													
502011 Medicare/Soc. Sec.	\$ 16,896	\$ 20,139	\$ (3,243)	-16%	\$ 136,793	\$ 161,112	\$ (24,319)	-15%	\$ 136,793	\$ 125,885	\$ 10,908	9%	
502021 Retirement	\$ 161,259	\$ 185,973	\$ (24,714)	-13%	\$ 1,336,083	\$ 1,487,784	\$ (151,701)	-10%	\$ 1,336,083	\$ 1,187,554	\$ 148,529	13%	
502031 Medical Insurance	\$ 415,103	\$ 438,530	\$ (23,427)	-5%	\$ 3,071,496	\$ 3,508,240	\$ (436,744)	-12%	\$ 3,071,496	\$ 3,028,471	\$ 43,025	1%	
502041 Dental Insurance	\$ 41,740	\$ 40,928	\$ 812	2%	\$ 311,528	\$ 327,423	\$ (15,895)	-5%	\$ 311,528	\$ 296,753	\$ 14,775	5%	
502045 Vision Insurance	\$ 11,082	\$ 11,336	\$ (254)	-2%	\$ 87,008	\$ 90,687	\$ (3,679)	-4%	\$ 87,008	\$ 85,659	\$ 1,349	2%	
502051 Life Insurance	\$ 3,733	\$ 4,414	\$ (681)	-15%	\$ 26,960	\$ 35,312	\$ (8,352)	-24%	\$ 26,960	\$ 34,624	\$ (7,664)	-22%	
502060 State Disability	\$ 11,622	\$ 30,599	\$ (18,977)	-62%	\$ 81,109	\$ 244,792	\$ (163,683)	-67%	\$ 81,109	\$ 107,469	\$ (26,360)	-25%	
502061 Disability Insurance	\$ 17,255	\$ 15,926	\$ 1,329	8%	\$ 136,386	\$ 127,408	\$ 8,978	7%	\$ 136,386	\$ 123,328	\$ 13,058	11%	
502071 State Unemp. Ins	\$ 4,433	\$ 8,019	\$ (3,586)	-45%	\$ 52,359	\$ 64,152	\$ (11,793)	-18%	\$ 52,359	\$ 52,625	\$ (266)	-1%	
502081 Worker's Comp Ins	\$ 96,072	\$ 116,390	\$ (20,318)	-17%	\$ 725,189	\$ 931,120	\$ (205,931)	-22%	\$ 725,189	\$ 709,862	\$ 15,327	2%	
502083 Worker's Comp IBNR	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
502101 Holiday Pay	\$ 2,843	\$ 28,652	\$ (25,809)	-90%	\$ 252,723	\$ 229,216	\$ 23,507	10%	\$ 252,723	\$ 249,156	\$ 3,567	1%	
502103 Floating Holiday	\$ 1,300	\$ 5,467	\$ (4,167)	-76%	\$ 16,320	\$ 43,736	\$ (27,416)	-63%	\$ 16,320	\$ 16,438	\$ (118)	-1%	
502109 Sick Leave	\$ 51,178	\$ 63,400	\$ (12,222)	-19%	\$ 377,712	\$ 507,200	\$ (129,488)	-26%	\$ 377,712	\$ 302,716	\$ 74,996	25%	
502111 Annual Leave	\$ 110,571	\$ 125,133	\$ (14,562)	-12%	\$ 1,092,776	\$ 1,001,064	\$ 91,712	9%	\$ 1,092,776	\$ 1,148,470	\$ (55,694)	-5%	
502121 Other Paid Absence	\$ 6,584	\$ 13,692	\$ (7,108)	-52%	\$ 75,851	\$ 109,535	\$ (33,684)	-31%	\$ 75,851	\$ 123,105	\$ (47,254)	-38%	
502251 Physical Exams	\$ 450	\$ 3,019	\$ (2,569)	-85%	\$ 4,053	\$ 24,152	\$ (20,099)	-83%	\$ 4,053	\$ 5,292	\$ (1,239)	-23%	
502253 Driver Lic Renewal	\$ 83	\$ 433	\$ (350)	-81%	\$ 947	\$ 3,464	\$ (2,517)	-73%	\$ 947	\$ 1,507	\$ (560)	-37%	
502999 Other Fringe Benefits	\$ 7,219	\$ 8,027	\$ (808)	-10%	\$ 70,489	\$ 64,216	\$ 6,273	10%	\$ 70,489	\$ 79,632	\$ (9,143)	-11%	
Total Fringe Benefits -	\$ 959,423	\$ 1,120,077	\$ (160,654)	-14%	\$ 7,855,782	\$ 8,960,613	\$ (1,104,831)	-12%	\$ 7,855,782	\$ 7,678,546	\$ 177,236	2%	
Total Personnel Expenses -	\$ 2,247,161	\$ 2,470,798	\$ (223,637)	-9%	\$ 17,793,479	\$ 19,766,381	\$ (1,972,902)	-10%	\$ 17,793,479	\$ 17,158,743	\$ 634,736	4%	1

5-2.04

FY2008
Consolidated Operating Expenses
For the month ending - February 29, 2008

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	Actual		\$ Var	% Var	
									FY08	FY07			
SERVICES													
503011 Acctg & Audit Fees	\$ -	\$ 8,333	\$ (8,333)	-100%	\$ 38,665	\$ 66,917	\$ (28,252)	-42%	\$ 38,665	\$ 35,875	\$ 2,790	8%	
503012 Admin & Bank Fees	\$ 822	\$ 19,669	\$ (18,847)	-96%	\$ 87,170	\$ 157,352	\$ (70,182)	-45%	\$ 87,170	\$ 77,307	\$ 9,863	13%	2
503031 Prof & Tech Fees	\$ 3,560	\$ 32,126	\$ (28,566)	-89%	\$ 91,869	\$ 257,008	\$ (165,139)	-64%	\$ 91,869	\$ 141,540	\$ (49,671)	-35%	3
503032 Legislative Services	\$ 7,500	\$ 8,084	\$ (584)	-7%	\$ 60,470	\$ 64,672	\$ (4,202)	-6%	\$ 60,470	\$ 58,275	\$ 2,195	4%	
503033 Legal Services	\$ -	\$ 4,306	\$ (4,306)	-100%	\$ 1,259	\$ 34,448	\$ (33,189)	-96%	\$ 1,259	\$ 1,120	\$ 139	12%	
503034 Pre-Employ Exams	\$ 1,000	\$ 2,083	\$ (1,083)	-52%	\$ 7,107	\$ 16,664	\$ (9,557)	-57%	\$ 7,107	\$ 14,806	\$ (7,699)	-52%	
503041 Temp Help	\$ 3,016	\$ 1,375	\$ 1,641	119%	\$ 77,417	\$ 11,000	\$ 66,417	604%	\$ 77,417	\$ 20,349	\$ 57,068	280%	4
503161 Custodial Services	\$ 6,650	\$ 6,120	\$ 530	9%	\$ 45,654	\$ 48,960	\$ (3,306)	-7%	\$ 45,654	\$ 42,457	\$ 3,197	8%	
503162 Uniform & Laundry	\$ 3,322	\$ 3,743	\$ (421)	-11%	\$ 26,842	\$ 29,944	\$ (3,102)	-10%	\$ 26,842	\$ 25,362	\$ 1,480	6%	
503171 Security Services	\$ 27,581	\$ 36,994	\$ (9,413)	-25%	\$ 220,928	\$ 295,952	\$ (75,024)	-25%	\$ 220,928	\$ 247,122	\$ (26,194)	-11%	5
503221 Classified/Legal Ads	\$ 1,597	\$ 2,383	\$ (786)	-33%	\$ 9,727	\$ 19,064	\$ (9,337)	-49%	\$ 9,727	\$ 11,522	\$ (1,795)	-16%	
503222 Legal Advertising	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	
503225 Graphic Services	\$ -	\$ 1,717	\$ (1,717)	-100%	\$ -	\$ 13,736	\$ (13,736)	-100%	\$ -	\$ 15,810	\$ (15,810)	-100%	
503351 Repair - Bldg & Impr	\$ 5,356	\$ 3,542	\$ 1,814	51%	\$ 61,390	\$ 28,336	\$ 33,054	117%	\$ 61,390	\$ 32,875	\$ 28,515	87%	
503352 Repair - Equipment	\$ 12,768	\$ 26,236	\$ (13,468)	-51%	\$ 117,229	\$ 209,888	\$ (92,659)	-44%	\$ 117,229	\$ 103,705	\$ 13,524	13%	6
503353 Repair - Rev Vehicle	\$ 31,305	\$ 24,255	\$ 7,050	29%	\$ 188,782	\$ 194,040	\$ (5,258)	-3%	\$ 188,782	\$ 177,304	\$ 11,478	6%	7
503354 Repair - Non Rev Vehicle	\$ 6,346	\$ 4,652	\$ 1,694	36%	\$ 19,753	\$ 37,216	\$ (17,463)	-47%	\$ 19,753	\$ 21,518	\$ (1,765)	-8%	
503363 Haz Mat Disposal	\$ 681	\$ 2,042	\$ (1,361)	-67%	\$ 21,760	\$ 16,336	\$ 5,424	33%	\$ 21,760	\$ 20,613	\$ 1,147	6%	
Total Services -	\$ 111,504	\$ 187,660	\$ (76,156)	-41%	\$ 1,076,022	\$ 1,501,533	\$ (425,511)	-28%	\$ 1,076,022	\$ 1,047,560	\$ 28,462	3%	
MOBILE MATERIALS AND SUPPLIES													
504011 Fuels & Lube Non Rev Veh	\$ 11,807	\$ 10,226	\$ 1,581	15%	\$ 102,341	\$ 81,808	\$ 20,533	25%	\$ 102,341	\$ 64,782	\$ 37,559	58%	
504012 Fuels & Lube Rev Veh	\$ 235,212	\$ 269,649	\$ (34,437)	-13%	\$ 1,527,089	\$ 2,139,188	\$ (612,099)	-29%	\$ 1,527,089	\$ 1,325,376	\$ 201,713	15%	8
504021 Tires & Tubes	\$ 13,366	\$ 18,700	\$ (5,334)	-29%	\$ 122,648	\$ 149,600	\$ (26,952)	-18%	\$ 122,648	\$ 100,249	\$ 22,399	22%	9
504161 Other Mobile Supplies	\$ 231	\$ 667	\$ (436)	-65%	\$ 4,603	\$ 5,336	\$ (733)	-14%	\$ 4,603	\$ 4,903	\$ (300)	-6%	
504191 Rev Vehicle Parts	\$ 57,706	\$ 56,800	\$ 906	2%	\$ 479,079	\$ 454,400	\$ 24,679	5%	\$ 479,079	\$ 424,803	\$ 54,276	13%	
Total Mobile Materials & Supplies -	\$ 318,322	\$ 356,042	\$ (37,720)	-11%	\$ 2,235,760	\$ 2,830,332	\$ (594,572)	-21%	\$ 2,235,760	\$ 1,920,113	\$ 315,647	16%	

5-2.05

FY2008
Consolidated Operating Expenses
For the month ending - February 29, 2008

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	FY08	FY07	\$ Var	% Var	
OTHER MATERIALS & SUPPLIES													
504205 Freight Out	\$ 180	\$ 412	\$ (232)	-56%	\$ 2,414	\$ 3,296	\$ (882)	-27%	\$ 2,414	\$ 1,438	\$ 976	68%	
504211 Postage & Mailing	\$ 3,697	\$ 1,867	\$ 1,830	98%	\$ 11,652	\$ 14,936	\$ (3,284)	-22%	\$ 11,652	\$ 7,939	\$ 3,713	47%	
504214 Promotional Items	\$ -	\$ 2	\$ (2)	-100%	\$ -	\$ 16	\$ (16)	-100%	\$ -	\$ -	\$ -	0%	
504215 Printing	\$ 3,372	\$ 7,401	\$ (4,029)	-54%	\$ 34,634	\$ 59,208	\$ (24,574)	-42%	\$ 34,634	\$ 20,209	\$ 14,425	71%	10
504217 Photo Supply/Processing	\$ 99	\$ 754	\$ (655)	-87%	\$ 3,011	\$ 6,031	\$ (3,020)	-50%	\$ 3,011	\$ 5,206	\$ (2,195)	-42%	
504311 Office Supplies	\$ 7,145	\$ 7,184	\$ (39)	-1%	\$ 53,835	\$ 57,472	\$ (3,637)	-6%	\$ 53,835	\$ 44,632	\$ 9,203	21%	
504315 Safety Supplies	\$ 1,471	\$ 1,521	\$ (50)	-3%	\$ 19,933	\$ 12,168	\$ 7,765	64%	\$ 19,933	\$ 7,963	\$ 11,970	150%	
504317 Cleaning Supplies	\$ 2,930	\$ 4,090	\$ (1,160)	-28%	\$ 36,126	\$ 32,720	\$ 3,406	10%	\$ 36,126	\$ 23,103	\$ 13,023	56%	
504409 Repair/Maint Supplies	\$ 5,932	\$ 3,750	\$ 2,182	58%	\$ 41,185	\$ 30,000	\$ 11,185	37%	\$ 41,185	\$ 32,398	\$ 8,787	27%	
504421 Non-Inventory Parts	\$ 4,848	\$ 3,605	\$ 1,243	34%	\$ 32,388	\$ 28,840	\$ 3,548	12%	\$ 32,388	\$ 20,485	\$ 11,903	58%	
504511 Small Tools	\$ 873	\$ 824	\$ 49	6%	\$ 6,927	\$ 6,592	\$ 335	5%	\$ 6,927	\$ 4,454	\$ 2,473	56%	
504515 Employee Tool Rplcmt	\$ 72	\$ 215	\$ (143)	-67%	\$ 776	\$ 1,720	\$ (944)	-55%	\$ 776	\$ 1,175	\$ (399)	-34%	
Total Other Materials & Supplies -	\$ 30,619	\$ 31,625	\$ (1,006)	-3%	\$ 242,881	\$ 252,999	\$ (10,118)	-4%	\$ 242,881	\$ 169,002	\$ 73,879	44%	
UTILITIES													
505011 Gas & Electric	\$ 20,393	\$ 15,151	\$ 5,242	35%	\$ 143,377	\$ 121,208	\$ 22,169	18%	\$ 143,377	\$ 121,009	\$ 22,368	18%	
505021 Water & Garbage	\$ 8,435	\$ 9,274	\$ (839)	-9%	\$ 77,906	\$ 74,192	\$ 3,714	5%	\$ 77,906	\$ 59,877	\$ 18,029	30%	
505031 Telecommunications	\$ 4,843	\$ 8,021	\$ (3,178)	-40%	\$ 59,926	\$ 64,168	\$ (4,242)	-7%	\$ 59,926	\$ 46,234	\$ 13,692	30%	
Total Utilities -	\$ 33,671	\$ 32,446	\$ 1,225	4%	\$ 281,209	\$ 259,568	\$ 21,641	8%	\$ 281,209	\$ 227,120	\$ 54,089	24%	
CASUALTY & LIABILITY													
506011 Insurance - Property	\$ 5,839	\$ 4,678	\$ 1,161	25%	\$ 29,573	\$ 37,424	\$ (7,851)	-21%	\$ 29,573	\$ 22,908	\$ 6,665	29%	
506015 Insurance - PL & PD	\$ 34,362	\$ 35,000	\$ (638)	-2%	\$ 274,895	\$ 280,000	\$ (5,105)	-2%	\$ 274,895	\$ 336,863	\$ (61,968)	-18%	
506021 Insurance - Other	\$ -	\$ 151	\$ (151)	-100%	\$ 1,007	\$ 1,208	\$ (201)	-17%	\$ 1,007	\$ 474	\$ 533	112%	
506123 Settlement Costs	\$ 23,378	\$ 12,500	\$ 10,878	87%	\$ 41,005	\$ 100,000	\$ (58,995)	-59%	\$ 41,005	\$ 59,542	\$ (18,537)	-31%	11
506127 Repairs - Dist Prop	\$ (79)	\$ -	\$ (79)	0%	\$ (7,203)	\$ -	\$ (7,203)	0%	\$ (7,203)	\$ (104,043)	\$ 96,840	-93%	
Total Casualty & Liability -	\$ 63,500	\$ 52,329	\$ 11,171	21%	\$ 339,277	\$ 418,632	\$ (79,355)	-19%	\$ 339,277	\$ 315,744	\$ 23,533	7%	
TAXES													
507051 Fuel Tax	\$ 223	\$ 888	\$ (665)	-75%	\$ 3,578	\$ 7,104	\$ (3,526)	-50%	\$ 3,578	\$ 7,601	\$ (4,023)	-53%	
507201 Licenses & permits	\$ 4,348	\$ 980	\$ 3,368	344%	\$ 11,188	\$ 7,840	\$ 3,348	43%	\$ 11,188	\$ 10,337	\$ 851	8%	12
507999 Other Taxes	\$ -	\$ 2,058	\$ (2,058)	-100%	\$ 13,315	\$ 16,464	\$ (3,149)	-19%	\$ 13,315	\$ 15,484	\$ (2,169)	-14%	
Total Utilities -	\$ 4,571	\$ 3,926	\$ 645	16%	\$ 28,081	\$ 31,408	\$ (3,327)	-11%	\$ 28,081	\$ 33,422	\$ (5,341)	-16%	

5-2.06

FY2008
Consolidated Operating Expenses
For the month ending - February 29, 2008

	Current Period				Year to Date				YTD Year Over Year Comparison				Notes
	Actual	Budget	\$ Var	% Var	Actual	Budget	\$ Var	% Var	FY08	FY07	\$ Var	% Var	
<u>PURCHASED TRANSPORTATION</u>													
503406 Contr/Paratrans	\$ 5,299	\$ 16,667	\$ (11,368)	-68%	\$ 188,501	\$ 133,336	\$ 55,165	41%	\$ 188,501	\$ 110,428	\$ 78,073	71%	13
Total Purchased Transportation -	\$ 5,299	\$ 16,667	\$ (11,368)	-68%	\$ 188,501	\$ 133,336	\$ 55,165	41%	\$ 188,501	\$ 110,428	\$ 78,073	71%	
<u>MISC</u>													
509011 Dues & Subscriptions	\$ 2,730	\$ 4,768	\$ (2,038)	-43%	\$ 12,689	\$ 38,144	\$ (25,455)	-67%	\$ 12,689	\$ 58,999	\$ (46,310)	-78%	
509085 Advertising - Rev-Product	\$ -	\$ 1,250	\$ (1,250)	-100%	\$ -	\$ 10,000	\$ (10,000)	-100%	\$ -	\$ -	\$ -	0%	
509101 Emp Incentive Prog	\$ 133	\$ 2,135	\$ (2,002)	-94%	\$ 11,579	\$ 15,279	\$ (3,700)	-24%	\$ 11,579	\$ 294	\$ 11,285	3838%	
509121 Employee Training	\$ 34,126	\$ 1,625	\$ 32,501	2000%	\$ 70,257	\$ 83,000	\$ (12,743)	-15%	\$ 70,257	\$ 21,463	\$ 48,794	227%	14
509123 Travel	\$ 7,368	\$ 4,348	\$ 3,020	69%	\$ 22,413	\$ 34,784	\$ (12,371)	-36%	\$ 22,413	\$ 8,406	\$ 14,007	167%	
509125 Local Meeting Exp	\$ 573	\$ 529	\$ 44	8%	\$ 2,610	\$ 4,232	\$ (1,622)	-38%	\$ 2,610	\$ 4,255	\$ (1,645)	-39%	
509127 Board Director Fees	\$ 1,000	\$ 1,100	\$ (100)	-9%	\$ 8,800	\$ 8,800	\$ -	0%	\$ 8,800	\$ 7,800	\$ 1,000	13%	
509150 Contributions	\$ -	\$ 54	\$ (54)	-100%	\$ 98	\$ 432	\$ (334)	-77%	\$ 98	\$ 240	\$ (142)	-59%	
509197 Sales Tax Expense	\$ -	\$ -	\$ -	0%	\$ (52)	\$ -	\$ (52)	0%	\$ (52)	\$ (3,333)	\$ 3,281	-98%	
509198 Cash Over/Short	\$ (29)	\$ -	\$ (29)	0%	\$ 762	\$ -	\$ 762	0%	\$ 762	\$ (8,337)	\$ 9,099	-109%	
Total Misc -	\$ 45,901	\$ 15,809	\$ 30,092	190%	\$ 129,156	\$ 194,671	\$ (65,515)	-34%	\$ 129,156	\$ 89,787	\$ 39,369	44%	
<u>LEASES & RENTALS</u>													
512011 Facility Rentals	\$ 58,048	\$ 59,559	\$ (1,511)	-3%	\$ 461,381	\$ 476,474	\$ (15,093)	-3%	\$ 461,381	\$ 505,123	\$ (43,742)	-9%	
512061 Equipment Rentals	\$ 747	\$ 6,273	\$ (5,526)	-88%	\$ 15,137	\$ 50,184	\$ (35,047)	-70%	\$ 15,137	\$ 43,225	\$ (28,088)	-65%	15
Total Leases & Rentals -	\$ 58,795	\$ 65,832	\$ (7,037)	-11%	\$ 476,518	\$ 526,658	\$ (50,140)	-10%	\$ 476,518	\$ 548,348	\$ (71,830)	-13%	
Total Non-Personnel Expenses -	\$ 672,182	\$ 762,336	\$ (90,154)	-12%	\$ 4,997,405	\$ 6,149,137	\$ (1,151,732)	-19%	\$ 4,997,405	\$ 4,461,524	\$ 535,881	12%	
TOTAL OPERATING EXPENSE -	\$ 2,919,339	\$ 3,233,129	\$ (313,790)	-10%	\$ 22,790,878	\$ 25,915,481	\$ (3,124,603)	-12%	\$ 22,790,873	\$ 21,620,267	\$ 1,170,606	5%	

Current Period Notes:

- 1) Total Personnel Expenses are below budget due to not being at full complement.
- 2) Admin & Bank Fees are under budget due to Sales Tax Admin Fees paid qtrly and the budget being straight lined.
- 3) Prof & Tech Fees are below budget. Negotiations for the year did not start until April 2008.
- 4) Temp Help is over budget due to vacancies and work loads. This item is only budgeted in Admin.
- 5) Security Services are under budget due to the budget being straight lined and not knowing when additional security will be needed throughout the year.
- 6) Repair - Equipment is typically paid qtrly or annually on contracts. The budget was straight lined since we can not anticipate when these costs will be incurred.
- 7) Repair - Rev Vehicle is over budget due to increased costs in ParaCruz and Fleet.
- 8) Fuels & Lube Rev Veh is under budget. The budget was built on anticipating increased fuel prices for the year.

5-2.07

FY2008
Consolidated Operating Expenses
For the month ending - February 29, 2008

	Current Period				Year to Date				YTD Year Over Year Comparison				
	<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>Actual</u>	<u>Budget</u>	<u>\$ Var</u>	<u>% Var</u>	<u>FY08</u>	<u>FY07</u>	<u>\$ Var</u>	<u>% Var</u>	<u>Notes</u>
9) Tires & Tubes	are under budget due to less than expected expenditures in February.												
10) Printing	is under budget due to less than anticipated expenditures in February and YTD.												
11) Settlement costs	are over budget due to higher settlement costs paid in February and the budget being straight lined.												
12) Licenses & Permits	are over budget due to Health Permits paid once a year in February.												
13) Contr/Paratrans	is under budget. Less than budgeted rides were needed for the month.												
14) Employee Training	is over budget due to Hastus training.												
15) Equipment Rental	is under budget due to less than anticipated expenditures in February and YTD												

5-2.08

FY2008
CAPITAL BUDGET
For the month ending - February 29, 2008

	<u>YTD Actual</u>	<u>FY08 Budget</u>	<u>Remaining Budget</u>	<u>% Spent YTD</u>
<u>Grant-Funded Projects</u>				
MetroBase	\$ 3,717,569	\$ 10,300,000	\$ 6,582,431	36%
Purchase 1217 River Street	\$ 1,239,443	\$ 1,237,500	\$ (1,943)	100%
Purchase 1211 River Street	\$ 778,588	\$ 775,000	\$ (3,588)	100%
CNG Bus Conversions (40 Buses)	\$ 2,006,288	\$ 6,800,000	\$ 4,793,712	30%
Local Bus Replacement (8)	\$ -	\$ 3,400,000	\$ 3,400,000	0%
Pacific Station Project	\$ 13,192	\$ 2,729,494	\$ 2,716,302	0%
H17 Bus Replacement (5)	\$ -	\$ 2,262,000	\$ 2,262,000	0%
Hwy 17 Wireless (Air District)	\$ 42,510	\$ 42,500	\$ (10)	100%
Transmission	\$ 12,365	\$ 15,000	\$ 2,635	82%
Subtotal Grant Funded Projects	\$ 7,809,955	\$ 27,561,494	\$ 19,751,539	28%
<u>District Funded Projects</u>				
<u>IT Projects</u>				
ATP - Hastus Run Time Analysis Program - IT/OPS	\$ -	\$ 40,000	\$ 40,000	0%
Qquest Time Clocks	\$ 3,703	\$ 9,000	\$ 5,297	41%
ABS Financial System & Modules	\$ 5,439	\$ 8,000	\$ 2,561	68%
ABS Laser Printer & Software for Checks	\$ 2,940	\$ 7,200	\$ 4,260	41%
Laptops (2) Fleet & Finance	\$ 4,598	\$ 4,000	\$ (598)	115%
FAS - Fixed Asset Mgmt. Software	\$ 3,191	\$ 4,000	\$ 809	80%
Web Access Control Appliance	\$ 3,275	\$ 3,000	\$ (275)	109%
Printer - Ops	\$ 1,665	\$ 1,800	\$ 135	93%
<u>Facilities Repair & Improvements</u>				
Bus Stop Improvements (20 total)	\$ -	\$ 164,251	\$ 164,251	0%
Bus Stop Improvements (China Grade Turnout) **	\$ 5,689	\$ 121,000	\$ 115,311	5%
Bus Shelters - LNI	\$ 42,371	\$ 45,000	\$ 2,629	94%
2-way Radio & Telephone Recording System (Exacom System)	\$ -	\$ 30,000	\$ 30,000	0%
Reseal Operations Facility Roof	\$ -	\$ 25,600	\$ 25,600	0%
ParaCruz Vehicle Hoist	\$ -	\$ 17,500	\$ 17,500	0%
Replace HVAC at ParaCruz Facility	\$ -	\$ 14,500	\$ 14,500	0%
Repair Parking Lots (Greyhound, Soquel Park & Ride)	\$ 2,500	\$ 5,000	\$ 2,500	50%
Repair Sidewalks & Bus Lanes (Pacific Station)	\$ 4,480	\$ 5,000	\$ 520	90%
Cubicle Walls (ParaCruz)	\$ -	\$ 10,000	\$ 10,000	0%
Digital ID Card Processing Equip. for Pacific Station	\$ -	\$ 15,000	\$ 15,000	0%
Replace Toilets at Pacific Station & (1) Waterless	\$ -	\$ 9,600	\$ 9,600	0%
Bus Operators Lockers	\$ -	\$ 4,800	\$ 4,800	0%
Two-way Radio Portable Radio Hand-paks (4)	\$ 3,803	\$ 3,500	\$ (303)	109%
Coin Machine Replacement - Pacific Station	\$ 4,539	\$ 5,000	\$ 461	91%
Money Counting Program - OPS	\$ -	\$ 2,500	\$ 2,500	0%

5-2.09

FY2008
CAPITAL BUDGET
For the month ending - February 29, 2008

	<u>YTD Actual</u>	<u>FY08 Budget</u>	<u>Remaining Budget</u>	<u>% Spent YTD</u>
<u>Revenue Vehicle Replacement</u>				
Purchase ParaCruz Vans (3)	\$ 108,333	\$ 216,303	\$ 107,970	50%
Rebuild Bus Engines (16 remaining) 1998 Fleet	\$ 41,698	\$ 168,000	\$ 126,302	25%
New John Deere Engines (2)	\$ 76,434	\$ 76,435	\$ 1	100%
<u>Non-Revenue Vehicle Replacement</u>				
ParaCruz Staff Car	\$ -	\$ 20,000	\$ 20,000	0%
Facility Service Body Truck (2)	\$ -	\$ 60,000	\$ 60,000	0%
Pickup for Fleet (2)	\$ -	\$ 35,000	\$ 35,000	0%
Hybrid - Admin	\$ 26,293	\$ 30,500	\$ 4,207	86%
Supervisor Vehicle	\$ -	\$ 29,500	\$ 29,500	0%
Shuttle Van	\$ -	\$ 27,500	\$ 27,500	0%
<u>Maint Equipment</u>				
Replace Repeater - Davenport	\$ -	\$ 15,000	\$ 15,000	0%
Wire Welder	\$ 1,649	\$ 2,039	\$ 390	81%
Forklift (Purchased from Casey Printing)	\$ 1,250	\$ 1,250	\$ -	100%
<u>Admin</u>				
Purchase & Renovation of Vernon Bldg	\$ 3,997,564	\$ 6,964,902	\$ 2,967,338	57%
Subtotal District Funded Projects	\$ 4,341,415	\$ 8,201,680	\$ 3,860,265	53%
TOTAL CAPITAL PROJECTS	\$ 12,151,369	\$ 35,763,174	\$ 23,611,805	34%

5-2.a1D

FY2008
CAPITAL BUDGET
For the month ending - February 29, 2008

	<u>YTD Actual</u>	<u>FY08 Budget</u>	<u>Remaining Budget</u>	<u>% Spent YTD</u>
<u>CAPITAL FUNDING</u>				
Federal Capital Grants	\$ 1,919,689	\$ 3,798,527	\$ 1,878,838	51%
State/Other Capital Grants	\$ 2,061,989	\$ 12,919,865	\$ 10,857,876	16%
AB 3090	\$ 2,463,210	\$ 6,363,000	\$ 3,899,790	39%
STA Funding (Current Year & Prior Year Deferred)	\$ 4,342,328	\$ 7,087,337	\$ 2,745,009	61%
Alternative Fuel Conversion Fund	\$ -	\$ 462,000	\$ 462,000	0%
Bus Stop Improvement Reserves	\$ -	\$ 100,000	\$ 100,000	0%
District Reserves	\$ 1,364,153	\$ 5,032,445	\$ 3,668,292	27%
TOTAL CAPITAL FUNDING	\$ 12,151,369	\$ 35,763,174	\$ 23,611,805	34%

✓

✓

5-2.011

GOVERNMENT TORT CLAIM

RECOMMENDED ACTION

TO: Board of Directors

FROM: District Counsel

RE: Claim of: Carter, Verna
Date of Incident: 09/26/07

Received: 03/20/08 Claim #: 08-0010
Occurrence Report No.: SC 09-07-22

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

- 1. Reject the claim entirely.
- 2. Deny the application to file a late claim.
- 3. Grant the application to file a late claim.
- 4. Reject the claim as untimely filed.
- 5. Reject the claim as insufficient.
- 6. Allow the claim in full.
- 7. Allow the claim in part, in the amount of \$ _____ and reject the balance.

By Margaret Gallagher
Margaret Gallagher
DISTRICT COUNSEL

Date: 3-21-08

I, Cindi Thomas, do hereby attest that the above Claim was duly presented to and the recommendations were approved by the Santa Cruz Metropolitan Transit District's Board of Directors at the meeting of April 25, 2008.

By _____
Cindi Thomas
RECORDING SECRETARY

Date: _____

MG/lg
Attachment(s)

CLAIM AGAINST THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

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

Claim # 08-0010

TO: BOARD OF DIRECTORS, Santa Cruz Metropolitan Transit District

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

1. Claimant's Name: Verna Mae Carter

Claimant's Address/Post Office Box: _____

Claimant's Phone Number: _____

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

3. Occurrence: _____

Date: 9/26/07 Time: 6:30pm? Place: Saguero Ave

Circumstances of occurrence or transaction giving rise to claim: Fell + Hit head on Cash Box when Bus came to sudden stop. Bus started moving before I had a chance to sit down

4. General description of indebtedness, obligation, injury, damage, or loss incurred so far as is known: Hospital Emergency, Xray, Emergency Medical group
A week of Annual leave for Driven Rhonda Carter

5. Name or names of public employees or employees causing injury, damage, or loss, if known: Unknown Name of Bus Driver
Not allow person to get to seat before moving

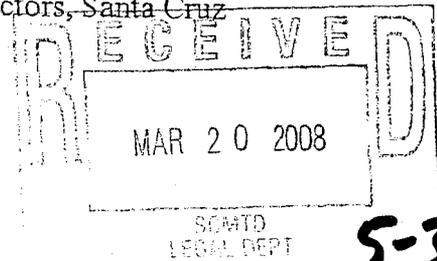
6. Amount claimed now \$ 5,000.00
Estimated amount of future loss, if known \$ 30,000.00
TOTAL \$ 35,000.00

7. Basis of above computations: Total amount of Outstanding present bills + Late fees + Suture treatment

Verna Mae Carter for
CLAIMANT'S SIGNATURE (or Company Representative or Parent of Minor Claimant)

3/20/08
DATE

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



GOVERNMENT TORT CLAIM

RECOMMENDED ACTION

TO: Board of Directors

FROM: District Counsel

RE: Claim of: Carter, Rhonda
Date of Incident: 09/26/07

Received: 03/25/08 Claim #: 08-0011
Occurrence Report No.: SC 09-07-22 (b)

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

- 1. Reject the claim entirely.
- 2. Deny the application to file a late claim.
- 3. Grant the application to file a late claim.
- 4. Reject the claim as untimely filed.
- 5. Reject the claim as insufficient.
- 6. Allow the claim in full.
- 7. Allow the claim in part, in the amount of \$ _____ and reject the balance.

By Margaret Gallagher
Margaret Gallagher
DISTRICT COUNSEL

Date: 3-31-08

I, Cindi Thomas, do hereby attest that the above Claim was duly presented to and the recommendations were approved by the Santa Cruz Metropolitan Transit District's Board of Directors at the meeting of April 25, 2008.

By _____
Cindi Thomas
RECORDING SECRETARY

Date: _____

MG/lg
Attachment(s)

For: LiseTH Guizar

CLAIM AGAINST THE SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

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

Claim # 08-0011 occurrence # SC 09-07-22

TO: BOARD OF DIRECTORS, Santa Cruz Metropolitan Transit District

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

1. Claimant's Name: Rhonda Carter

Claimant's Address/Post Office Box: _____

Claimant's Phone Number: _____

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

3. Occurrence: a senior had groceries and was not allowed to get seated before bus pulled out from curb then pulled into another stop
Date: 9/26/07 Time: 10:30 pm? Place: Sequel AVE S.C. and she fell hitting her head on
Circumstances of occurrence or transaction giving rise to claim: I had to stay home from work to watch & feed Carter due to the fact she had a concussion from hitting her head on a Metro fare box. Also transport her to see doctors.

4. General description of indebtedness, obligation, injury, damage, or loss incurred so far as is known: I had to spend one prescheduled vacation day needed for out of town business that I had to reschedule and also I had to use up 4 additional days in my annual leave bank to stay home and take care of Carter

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

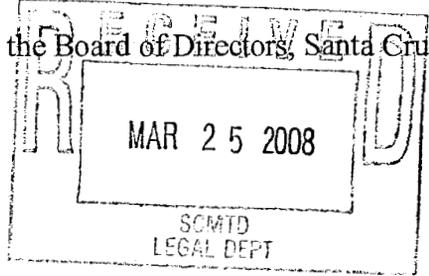
6. Amount claimed now	\$ <u>1,032.00</u>	Cost of 5 days Annual leave
Estimated amount of future loss, if known	\$ <u>0</u>	
TOTAL	\$ <u>1,032.00</u>	

7. Basis of above computations: This is total cost per hr. at 5 days of my job - missed to take care of Carter.

[Signature]
CLAIMANT'S SIGNATURE OR
COMPANY REPRESENTATIVE'S SIGNATURE OR
PARENT OF MINOR CLAIMANT'S SIGNATURE

3/25/08
DATE

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



5-3.4



AGENDA

April 16, 2008 - 6:00 pm
METRO Center Conference Room
920 Pacific Avenue, Santa Cruz, California

1. Roll Call
2. Agenda Additions/Deletions
3. Oral/Written Communication
4. Consideration of Minutes of March 2008
5. Ridership Report for January 2008
6. ParaCruz Operations Status Report for December 2007
7. Discussion of MAC representation and outreach to other transit-related committee meetings
8. Discussion of marketing topics to increase ridership
9. Customer Service Report re: Bike Rack Overloads on Highway 17 Express
10. Letter re: 3/4/08 Incident of Aggression on Highway 17 Express
11. Consideration of reviewing, revising, and prioritizing the list of Unmet Transit and Paratransit Needs
12. Consideration of Revised Elderly & Disabled Discount Fare Program
13. Distribution of MAC Vouchers
14. Communications to METRO General Manager
15. Communications to METRO Board of Directors
16. Items for Next Meeting Agenda
17. Adjournment

*Next Meeting: Wednesday, May 21, 2008 - 6:00 pm
Santa Cruz Metro Center Conference Room*

5-4.1

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Minutes - METRO Advisory Committee (MAC)

February 20, 2008

The METRO Advisory Committee (MAC) met on Wednesday, February 20, 2008 in the METRO Center Conference Room located at 920 Pacific Avenue in Santa Cruz, California.

Chair Naomi Gunther called the meeting to order at 6:03 p.m.

1. ROLL CALL:

MEMBERS PRESENT

Dave Williams

Heidi Curry

Mara Murphy, Vice Chair (arrived after roll call)

Naomi Gunther, Chair

Robert Yount

Stuart Rosenstein

MEMBERS ABSENT

Dennis Papadopulo

STAFF PRESENT

April Warnock, Acting Paratransit Superint.

Ciro Aguirre, Operations Manager

Mary Ferrick, Base Superintendent

VISITORS PRESENT

Steve Prince, UTU

2. AGENDA ADDITIONS/DELETIONS

There were no additions or deletions to the Agenda. Chair Naomi Gunther asked for a motion to accept the Agenda. Dave Williams stated that it was not necessary for a motion on the agenda, only the minutes.

VICE CHAIR MARA MURPHY ARRIVED AT THIS TIME

3. ORAL/WRITTEN COMMUNICATION

Dave Williams complimented the ParaCruz personnel who had assisted his friend with a dilemma involving an oversized chair. Mr. Williams especially thanked April Warnock.

Chair Naomi Gunther commented on a fixed route driver who, went out of his way to make sure passengers were aware of the route number after the bus display malfunctioned.

Chair Naomi Gunther stated that the courtesy announcement of a fixed route bus she was riding was a male voice and the register of the voice was low and hard to hear. Ms. Gunther suggested having a female voice for the courtesy announcement like the voice on the Call-Stop announcements.

4. CONSIDERATION OF MINUTES OF JANUARY 18, 2008

ACTION: MOTION: ROBERT YOUNT SECOND: HEIDI CURRY

ACCEPT AND FILE MINUTES OF THE JANUARY 18, 2008 MEETING AS PRESENTED.

Motion passed unanimously with Dennis Papadopulo being absent.

5-4.2

5. RIDERSHIP REPORT FOR NOVEMBER 2007

Chair Naomi Gunther asked about the ridership of the newly implemented Route 27. Steve Prince stated that Route 27 has good ridership.

6. PARACRUZ OPERATIONS STATUS REPORT FOR OCTOBER 2007

Robert Yount complimented ParaCruz for having some of the best statistics for Paratransit operations in the United States. Vice Chair Mara Murphy asked how many vehicles are in the ParaCruz fleet. April Warnock said that the current ParaCruz Fleet is comprised of 29 minivans, 5 mid-sized buses, and 2 new full-sized vans that are not yet on the road. Ms. Murphy asked where the vehicles were stored. Ms. Warnock described where the vehicles are parked at the ParaCruz facility on Research Park.

Vice Chair Mara Murphy asked how many maintenance personnel ParaCruz has to service the vehicles. April Warnock said that there was one person who serviced vehicles in-house, and that fleet vehicles are outsourced for oil changes, washing and repairs. Ms. Murphy asked how many drivers are on staff. Ms. Warnock answered that there are 29 drivers, and she explained that six minivans are assigned to the subcontractors to perform ParaCruz services--because the district wants subcontractors to use METRO vehicles to only provide ParaCruz service and not their own. Ms. Warnock also said that there must be a 10 percent reserve of vehicles.

Vice Chair Mara Murphy wondered how the fleet is serviced so efficiently. April Warnock said that the fleet is on a rotating inspection schedule so that at any given time a van might need to undergo inspection or service. Ms. Warnock said that vehicles are taken to the car wash after demand has died down or on weekends, and oil changes are done Saturdays when there is a smaller pullout and almost all vehicles can be serviced.

Chair Naomi Gunther asked for any more comments regarding the status report. Robert Yount said that he was amazed at how well the service is performing. Vice Chair Mara Murphy asked for an explanation of a complaint regarding being overcharged. April Warnock described the situation and how she resolved it with a complimentary ParaCruz coupon. Ms. Gunther asked about the customer service report that had been moved to incident status. Ms. Warnock explained that the report had become an incident/accident report once an allegation of injury was made. Ms. Gunther asked if the move meant a specific incident form, and Ms. Warnock said that it meant starting the whole review process. Chair Naomi Gunther asked if the process entailed review and evaluation and asked how often the customer service reports are reviewed. Ms. Warnock said that she reviews and investigates all incidents and, if necessary, she has Mark Hickey interview the driver or she checks with the taxi companies. Ms. Warnock said that she then compiles a letter of response. Ms. Warnock also said that sometimes it might take up to three weeks for her written response to an incident.

7. CONSIDERATION OF PROPOSED CHANGES TO PARACRUZ SAME DAY SERVICE POLICY

Ciro Aguirre described the issue at hand, whereby a client discovered upon arrival that her dentist had moved to offices located 3/10 of a mile away. Mr. Aguirre said that the ParaCruz Guide does not allow for same-day changes, and when the client was not taken to the new location of her dentist office, she refused to leave the vehicle until the police arrived. Mr. Aguirre said that the modifications would include allowing for transport to the subsequent area with managerial approval, transport back home, or whatever ideas the committee might consider presenting to the Board of Directors. Mr. Aguirre distributed a copy of the recommendations of ED&TAC.¹ Robert Yount said that at the last BOD meeting Bonnie Morr commented that drivers are in fear of doing anything on their own due to disciplinary problems, and it appeared to Mr. Yount that taking the client the extra few blocks could have easily solved the problem.

Ciro Aguirre said that operators are instructed to strictly follow procedures without deviation, and any personnel who deviate from established practices will be disciplined. Mr. Aguirre said that there was an instance where an operator used their own discretion and alighted a client--who was cognitively impaired--at a secondary location along with the other passengers in the van, and it wasn't until two hours later that someone questioned why the client was sitting unattended. Mr. Aguirre said that the person did not have the cognizant faculties to determine that where she needed to go was four doors down, and the police called ParaCruz to advise that there was a wheelchair person with a ParaCruz lanyard going around in circles at the wharf.

Ciro Aguirre described a scenario where a client arrives at the destination to find it unserviceable and requests transportation to an alternate destination. Mr. Aguirre explained that one of the problems is not knowing whether the client has difficulty making cognizant decisions or if the client is developmentally impaired, and if so, he asked if the client has a problem making a decision on the cuff. Mr. Aguirre said that some of the clients need a person who sits with them to plan out their trips, so now there's a person who, when the trip is planned and then disrupted, may not be capable of making the decision? Mr. Aguirre posed the question of where to draw the line for the maximum distance. Take them back to their place of origin. The other item is whether. The other recommendation is that service be provided with a change, but at an additional cost.

Chair Naomi Gunther asked if existing policy would have allowed for the client to be taken home, or if the recommendation is to make the change. Mr. Aguirre said that the policy that existed before this incident stated that there were no same-day changes. Ms. Gunther opined that the policy itself contributed to the problem at hand because the operator did not have any leeway in making a decision about a secondary location. Mr. Aguirre distributed an excerpt from the ParaCruz Guide detailing the instructions and guidelines that drivers are given.² Mr. Rosenstein asked if Mr. Aguirre was recommending that the person just be taken back home. Mr. Aguirre replied that he recommends that the members review the accumulated information and then make a decision on how to best approach the issue.

¹ Attached to the file copy of these minutes.

² Attached to the file copy of these minutes.

Stuart Rosenstein said he knew that ParaCruz clients could be picked up if they live within $\frac{3}{4}$ of a mile from a bus route, and he asked if the same rule applied to the destination. Mr. Aguirre answered that the same rule applies. Robert Yount said that he heartily agreed with the fourth ED&TAC recommendation that a client never be left stranded. April Warnock pointed out that there is a discrepancy there because METRO does not leave anyone stranded; it just does not do ordered pickups. Ms. Warnock said that a van would have returned for the client at the time she had scheduled, or if she had a will-call return, it would have been activated. Ms. Warnock said that ParaCruz has a little flexibility there, but it does not leave people stranded, and she informed the committee of a little known fact that ParaCruz will still pick up even when the client does not have the fare for the return ride home.

Stuart Rosenstein asked if a client arrives at an appointment and the place is not there, could the driver take that client home at that time, or would the client be dropped off and then someone else would pick them up. Mr. Aguirre said that the excerpt of the ParaCruz Guide shows the pre-existing rules, and when the incident was reported, there was a discussion on how to address it internally. Mr. Aguirre said that it was decided that clients who have a problem getting to their destination as scheduled, because it doesn't exist or for whatever reason is closed, would now be transported back home. Mr. Aguirre said that was the internal fix to the whole situation, and said that naturally there is a cost factor associated with the return trip, and that would be similar to the expected payment for a scheduled pick up ride.

Chair Naomi Gunther asked if it was common for one-way trips. April Warnock said that clients must specify when they only want a one-way trip. Mara Murphy asked how often the problem happens. Ms. Warnock said that since the incident in question there have been four other incidences, and that an incident log is being maintained. Ciro Aguirre said that some of the recommendations of the ED&TAC had to do with an interpretation of the same-day change as an opportunity to allow people from the dialysis clinic, in the event that a shunt malfunctions, to be transported to a medical facility. Mr. Aguirre said that the problem therein lies in the fact that when a shunt malfunctions there are two issues: bodily fluids and the possibility that the severity of the condition may require medical attention. Mr. Aguirre said that he had responded to ED&TAC by saying that under no circumstances would ParaCruz be transporting clients who need medical attention because ParaCruz vans are not equipped and ParaCruz personnel are not trained. Mr. Aguirre said another aspect to consider is that there have been clients who have wanted to make same-day changes and accommodations were made at higher levels of METRO to proceed.

April Warnock described an incident where a client had scheduled a ParaCruz trip to the Stroke Center, a complimentary ride by Stroke Center staff to the doctor's office, and then another ParaCruz trip from the doctor's office to home. Ms. Warnock said that when the Stroke Center driver called in sick, the staff at the Stroke Center called ParaCruz and were told that a same-day change was not allowed. Ms. Warnock said that at that time, the Stroke Center staff cancelled the existing ParaCruz trip from the doctor's office to the client's home. According to Ms. Warnock, Stroke Center staff later called back at the time they wanted the client picked up, and were vociferously insisting that the client be picked

up, and after getting no results from ParaCruz staff, the administrator of the Stroke Center called the Admin office and left a message to have Mr. Aguirre return her phone call. Mr. Aguirre said that when he called, the administrator was adamant about transporting the client, and when he told her it could not be done she requested to speak to someone with more authority. Mr. Aguirre said that the administrator then called and spoke with Mark Dorfman, who in turn called back and instructed Mr. Aguirre to make the arrangements.

April Warnock said that transporting the client was very difficult as it was a peak service period. Ms. Warnock said that the original thought was to just put the client on a van going in his direction with other clients, but it became much more difficult. Ms. Warnock said that there was no room on the first van, so a second vehicle was summoned and the client had to ride from the Stroke Center all the way to the Soquel/Aptos area before the operator was finally able to drop off the client at home. Ms. Warnock said that from 9:00 a.m. to 10:00 a.m. and 2:00 p.m. are peak periods, with not much capacity. Ms. Warnock said that both the client and a Stroke Center employee had called to thank the ParaCruz staff, and the employee apologized for some of the things that were said, but overall the whole situation was very troublesome.

Ciro Aguirre noted that there are implications to scheduling aspects, and if vans are already scheduled or full and a case arises such as this, there has to be a way of rescheduling that van -- when capacity drops -- to go somewhere else, which will more than likely inconvenience others with respect to arrival times and ready windows. Mr. Aguirre said that the whole system is not designed to take on unexpected requests, and a change may take much longer than expected, so the warning of a 3-hour window recommended by staff is directly because of this. Chair Naomi Gunther asked if the 3-hour window meant that clients might wait up to 3 hours, or if clients had to wait at least 3 hours. Mr. Aguirre said that the wait could be up to 3 hours.

Chair Naomi Gunther asked what prevents clients from trying to get around the Change policy by canceling a trip and calling again to reschedule. April Warnock said if the changes are made the day before there is not a problem, but she added that ride bookings are recorded so that staff can go back to the recording to verify if any mistakes were made. Ms. Warnock emphasized the point that if a reservationist makes a mistake, an effort is made to correct it, and that a filter in the reservation software prevents any double booking. Ms. Warnock said that if a client did have two conflicting trips, ParaCruz staff will call the day before and ask the client to choose which trip they wish to take.

Dave Williams asked Ciro Aguirre for clarification of the recommendations. Mr. Aguirre clarified the staff proposals for the committee. Mr. Williams stated that he thought same-day trips would be the greatest thing in the world, but he said that it appeared that the recommendations would go beyond resolving the issue of same-day changes, and he wanted to be clear on the recommendations. Mr. Aguirre posed theoretical situations to describe how the recommendations would work. Stuart Rosenstein asked if a statement could be incorporated into the ParaCruz guide to advise clients to verify their destination. Mr. Rosenstein said that it seems more cost effective to just take clients to the secondary location. April Warnock explained how difficult it would be to just take clients to secondary destinations, especially with the fact that most of the rides are double and triple booked,

and will usually have other passengers. Ciro Aguirre said that management must decide whether or not a client may be taken to a secondary destination.

Robert Yount reminded the committee that ParaCruz is not a taxi service, and that it is a complement to regular bus service, and that he did not agree with ED&TAC recommendation that dispatchers be given the ability to approve same-day changes. Mr. Yount said that it is the client's responsibility to know the correct address for their destination. Mr. Yount said that he also agreed with the ED&TAC recommendation that no one ever be left stranded, but he felt that some of their recommendations would effectively create a taxi service. Ciro Aguirre explained that in case it was not feasible to take a client to a secondary location, a manager would make the decision to take the client home.

Robert Yount asked if there were plans to have supervisors drive mobility device-capable vehicles for responding to urgent situations. Mr. Aguirre said that fixed-route supervisors do not have the proper vehicles to do this, and that the ParaCruz Training Coordinator is utilized to handle urgent situations. Vice Chair Mara Murphy asked about back up drivers being utilized for urgent situations. April Warnock said that drivers cannot be forced to come in on overtime, but there is an overtime list and there is also the option of using subcontractors as well. Stuart Rosenstein asked about the impact on other rides, and said that it seemed there would be great change involved with the recommendations. Ms. Murphy asked Ms. Warnock if she thought it would work. Ms. Warnock said that she thought it would work great on Sunday afternoons.

ACTION: MOTION: DAVE WILLIAMS SECOND:

RECOMMEND THAT MANAGERS BE AUTHORIZED TO APPROVE SAME DAY MODIFICATIONS TO PARATRANSIT TRIPS AND RECOMMEND THAT THE DISTRICT ALLOW SAME DAY SERVICE.

Motion was withdrawn due to no second.

ACTION: MOTION: DAVE WILLIAMS SECOND: ROBERT YOUNT

RECOMMEND THAT MANAGERS BE AUTHORIZED TO APPROVE SAME DAY MODIFICATIONS TO PARATRANSIT TRIPS

Motion passed unanimously with Dennis Papadopulo being absent.

Stuart Rosenstein asked how the changes would work. Ciro Aguirre explained the issues again and how the change would remedy the situation. Robert Yount said that he did not support Same-Day service because he thought it would create too many problems. April Warnock said that creating same-day service would be a giant leap forward, but she personally felt that smaller steps should be taken. Chair Naomi Gunther said there is reluctance to over-commit when we already have service that runs well. Mr. Aguirre said that he thought the proposal needed more thought, that the key element is a deficiency in the ParaCruz Guide, and that the MAC recommendation allowing managerial modifications to trips addresses a major portion of the deficiency.

ACTION: MOTION: ROBERT YOUNT SECOND: STUART ROSENSTEIN

RECOMMEND THAT METRO STAFF ADD AN ADVISORY STATEMENT TO THE PARACRUZ CUSTOMER GUIDE TO REMIND CLIENTS TO VERIFY THEIR DESTINATION PRIOR TO THE DATE OF TRAVEL.

Motion passed unanimously with Dennis Papadopulo being absent.

ACTION: MOTION: DAVE WILLIAMS SECOND: ROBERT YOUNT

RECOMMEND THAT BOARD OF DIRECTORS APPROVE STAFF RECOMMENDATION TO INCORPORATE NECESSARY CHANGES TO PARACRUZ CUSTOMER GUIDE REGARDING SAME DAY SERVICE CHANGES, AND RECOMMEND THAT METRO HOLD A PUBLIC HEARING AS PROPOSED BY STAFF

Motion passed unanimously with Dennis Papadopulo being absent.

8. DISCUSSION OF MAC ORIENTATION PROCEDURE AND CREATING A GUIDELINE MANUAL

Committee members received their MAC binders. Stuart Rosenstein thanked METRO staff for the binders. Chair Naomi Gunther said that the binder would help committee members. Robert Yount said that he had volunteered to add some wording. Mr. Yount said MAC advises the Board, and funding is provided from federal, state, and county sources, usually administered through the Regional Transportation Commission. Mr. Yount said that there are advisory committees to the Regional Transportation Committee and there are several advisory committees to METRO, one of which is the Metro Advisory Committee. Mr. Yount said that the job of the committee is to make recommendations and to guide the Board on anything that is the purview of the Board. Mr. Yount asked if there were any suggestions. Chair Naomi Gunther moved the discussion to next meeting.

9. DISCUSSION OF CREATING A PLANNED SCHEDULE OF EVENTS FOR THE 2008 MAC MEETINGS

Vice Chair Mara Murphy suggested that a discussion on creating outreach to young people in order to inspire them to use the METRO system be the special topic for the March 19 meeting. Robert Yount suggested creating an orientation video for UCSC students. Chair Naomi Gunther moved the discussion to next meeting.

10. DISTRIBUTION OF MAC VOUCHERS

Ciro Aguirre distributed METRO transit ride vouchers to the MAC Members at this time.

11. COMMUNICATIONS TO METRO GENERAL MANAGER

None.

5-4.8

12. COMMUNICATIONS TO METRO BOARD OF DIRECTORS

None.

13. ITEMS FOR NEXT MEETING AGENDA

- Discussion of Creating a Planned Schedule of Events for the 2008 MAC Meetings
- Discussion of MAC Orientation Procedure and Creating a Guideline Manual

ADJOURN

There being no further business, Chair Naomi Gunther thanked everyone for participating and adjourned the meeting at 7:57 p.m.

Respectfully submitted,



ANTHONY TAPIZ
Administrative Assistant

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

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

I. RECOMMENDED ACTION

This report is for information only- no action requested

II. SUMMARY OF ISSUES

- METRO ParaCruz is the federally mandated ADA complementary paratransit program of the Transit District, providing shared ride, door-to-door demand-response transportation to customers certified as having disabilities that prevent them from independently using the fixed route bus.
- METRO assumed direct operation of paratransit services November 1, 2004.
- Operating Statistics and customer feedback information reported are for the month of January 2008.
- A breakdown of pick-up times beyond the ready window is included.

III. DISCUSSION

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

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

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

5-5.1

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

	January 2007	January 2008
Total pick ups	6802	6847
Percent in “ready window”	91.87%	93.97%
1 to 5 minutes late	2.97%	2.60%
6 to 10 minutes late	1.93%	1.26%
11 to 15 minutes late	1.37%	.69%
16 to 20 minutes late	.82%	.42%
21 to 25 minutes late	.38%	.31%
26 to 30 minutes late	.29%	.18%
31 to 35 minutes late	.19%	.15%
36 to 40 minutes late	.18%	.10%
41 or more minutes late (excessively late/missed trips)	.04%	.09%
Total beyond “ready window”	8.13%	6.03%

During the month of January 2008, ParaCruz received thirteen (13) service complaints and two (2) compliments. Four (4) of the complaints could not be verified. Nine (9) of the service complaints were “not valid”.

5-5.2

Comparative Operating Statistics This Fiscal Year, Last Fiscal Year through January.

	January 07	January 08	Fiscal 06-07	Fiscal 07-08
Requested	7886	7556	54,614	54,708
Performed	6802	6847	48,165	50,675
Cancels	18.69%	18.05%	18.89%	16.53%
No Shows	3.21%	2.89%	2.98%	2.51%
Total miles	47,205	45,200	333,314	334,216
Av trip miles	5.00	4.99	5.05	5.14
Within ready window	91.87%	93.97%	90.51%	93.69%
Excessively late/missed trips	3	5	97	22
Call center volume	5077	6089	41,227	43,786
Call average seconds to answer	28	28	28	30
Hold times less than 2 minutes	97%	96%	95%	96%
Distinct riders	785	757	1,374	1,478
Most frequent rider	58 rides	64 rides	262 rides	322 rides
Shared rides	63.7%	64.5%	64.2%	64.8%
Passengers per rev hour	1.78	2.52	1.73	2.48
Rides by supplemental providers	8.01%	3.88%	8.00%	16.25%
Vendor cost per ride	\$24.58	\$21.92	\$23.80	\$22.90
ParaCruz driver cost per ride (estimated)	\$26.82	\$23.79	\$25.77	\$23.93
Rides < 10 miles	81.75%	82.02%	82.25%	72.11%
Rides > 10	18.25%	17.98%	17.75%	27.89%

IV. FINANCIAL CONSIDERATIONS

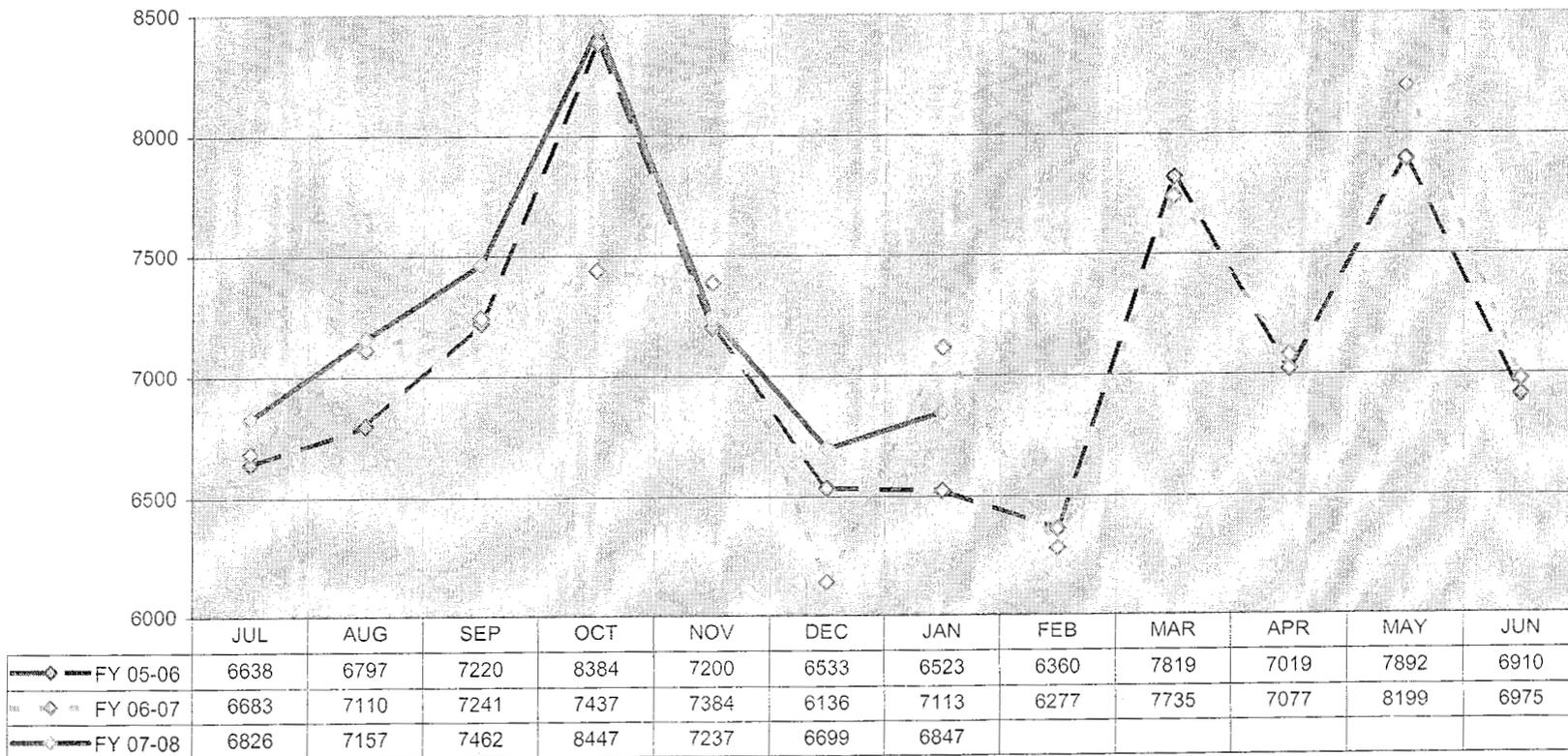
NONE

V. ATTACHMENTS

- Attachment A:** Number of Rides Comparison Chart
- Attachment B:** Shared vs. Total Rides Chart
- Attachment C:** Mileage Comparison Chart
- Attachment D:** Year To Date Mileage Chart
- Attachment E:** Daily Drivers vs. Subcontractor Chart

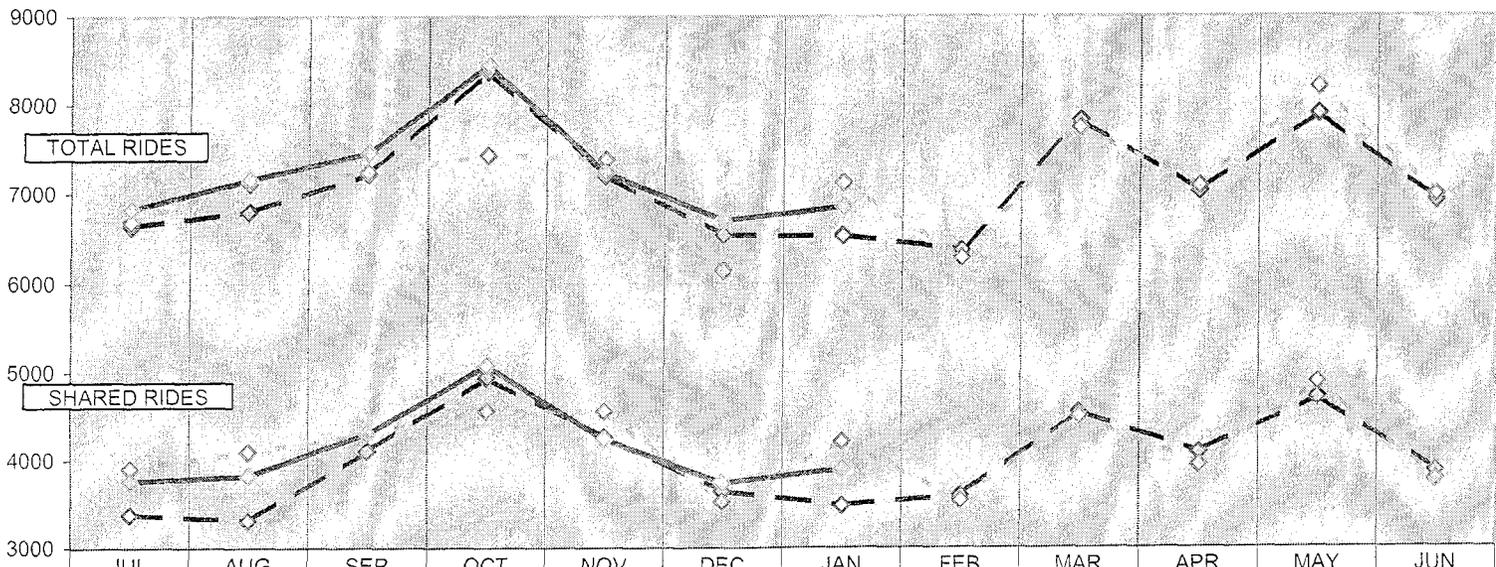
5-5.3

NUMBER OF RIDES COMPARISON



5-5.a1

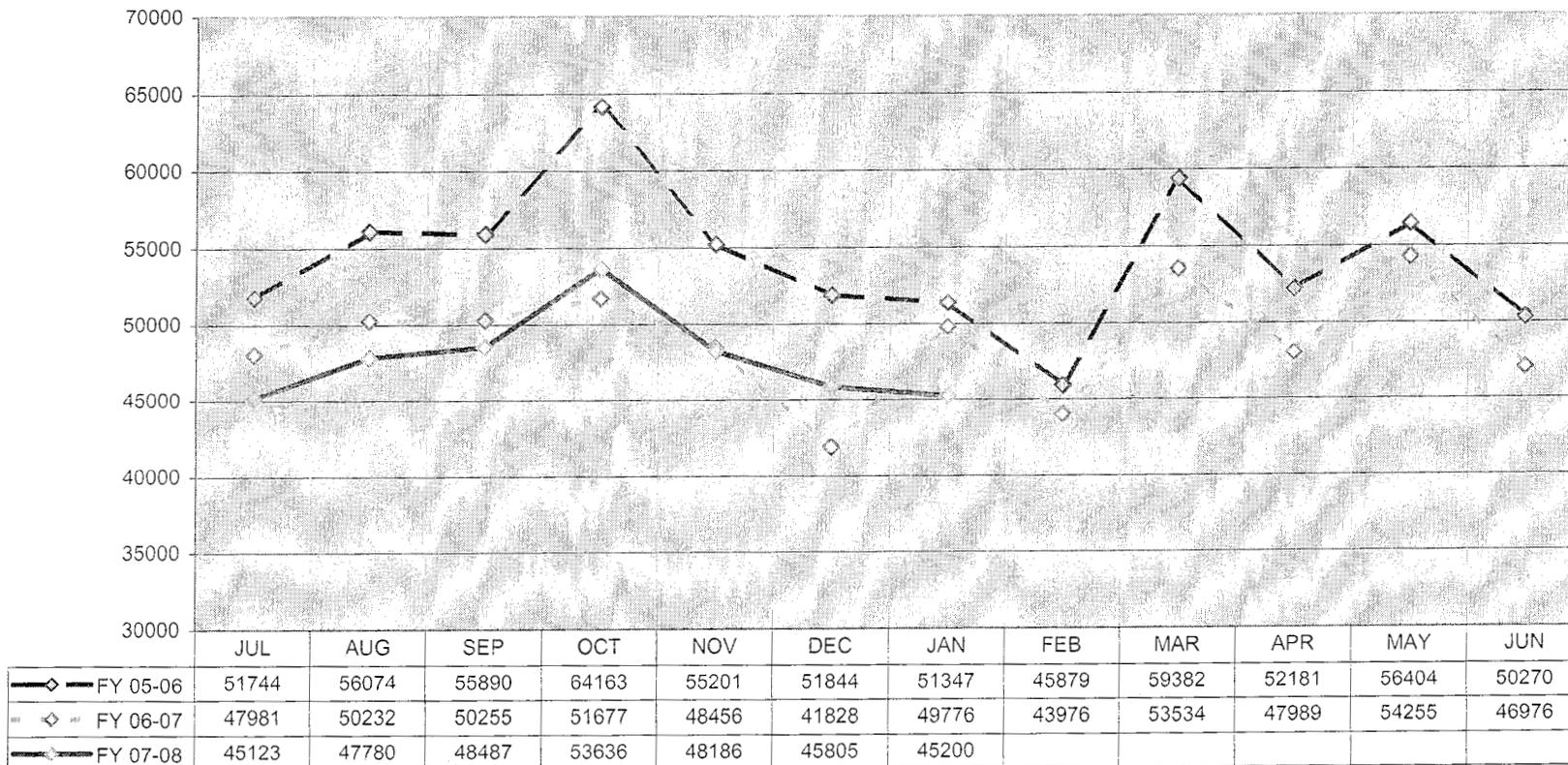
SHARED VS TOTAL RIDES



—◆— FY 05-06	6638	6797	7220	8384	7200	6533	6523	6360	7819	7019	7892	6910
—◆— FY 06-07	6683	7110	7241	7437	7384	6136	7113	6277	7735	7077	8199	6975
—◆— FY 07-08	6826	7157	7462	8447	7237	6699	6847					
---◆--- FY 05-06	3380	3310	4106	4945	4265	3649	3482	3590	4548	4080	4708	3869
---◆--- FY 06-07	3908	4095	4305	4567	4563	3524	4207	3537	4504	3939	4878	3769
---◆--- FY 07-08	3762	3823	4305	5077	4240	3745	3890					

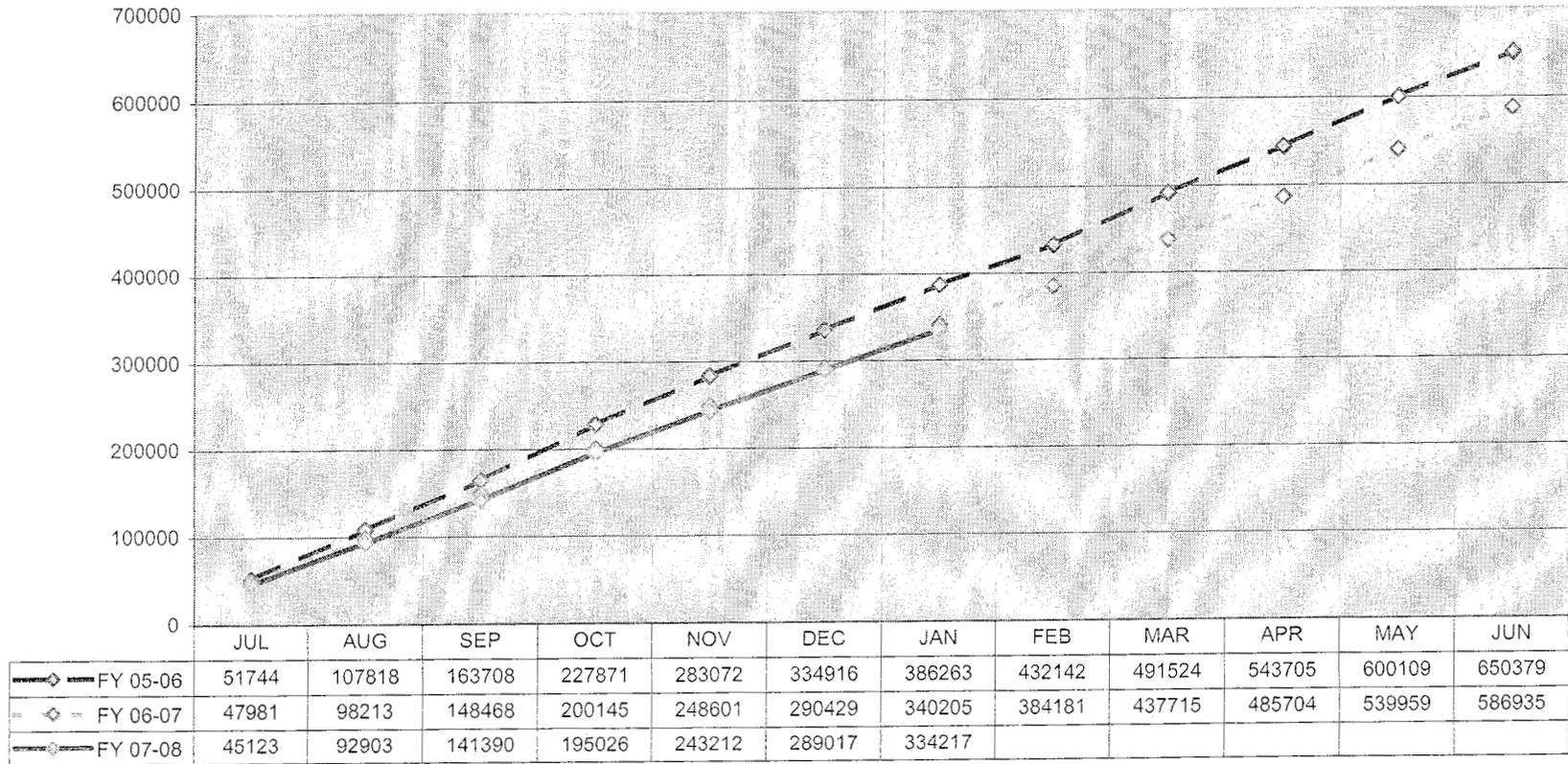
5-5.61

MILEAGE COMPARISON



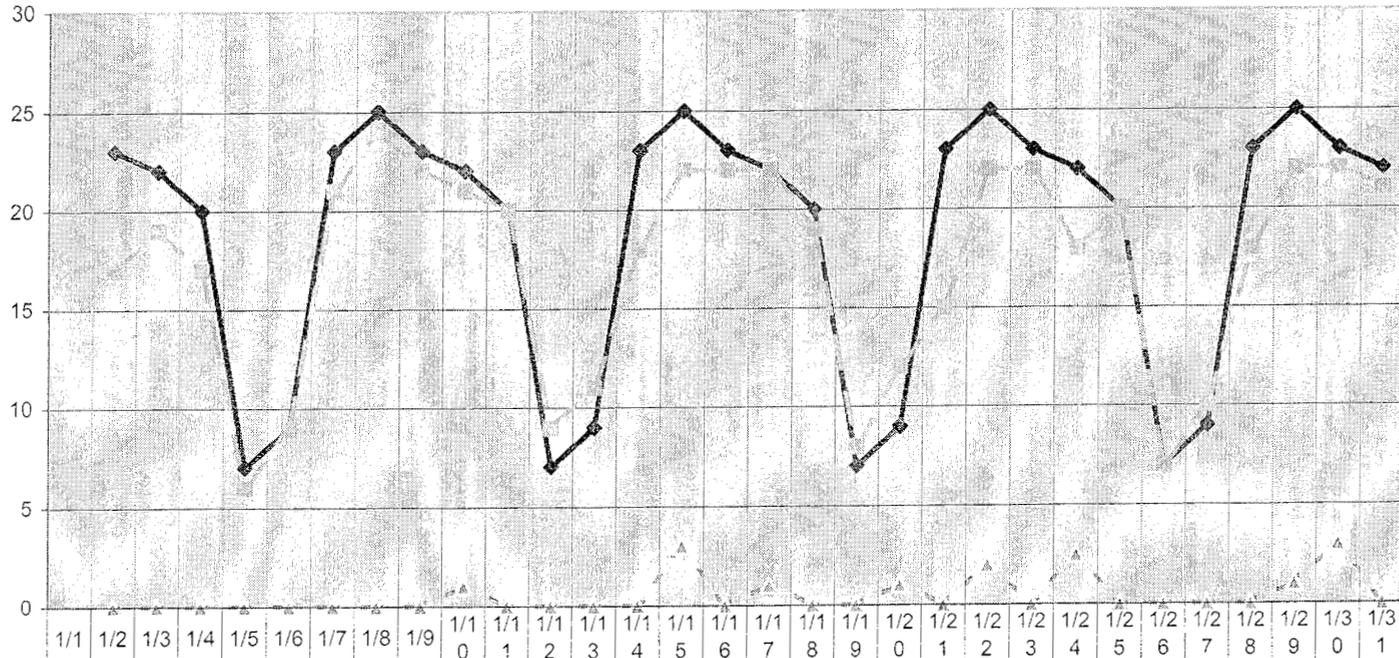
5-5.c1

YEAR TO DATE MILEAGE COMPARISON



5-5.d1

JANUARY DAILY DRIVER vs. SUBCONTRACTOR



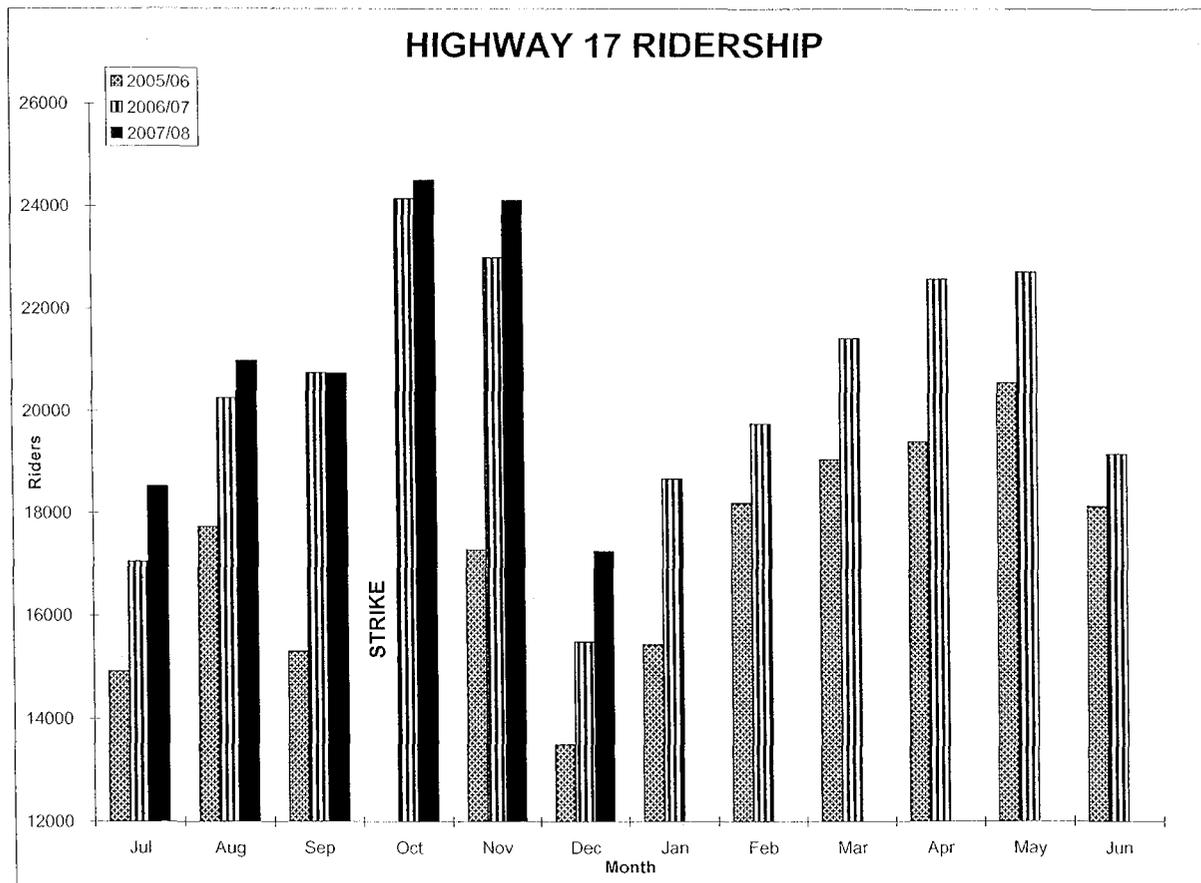
	1/1	1/2	1/3	1/4	1/5	1/6	1/7	1/8	1/9	1/10	1/11	1/12	1/13	1/14	1/15	1/16	1/17	1/18	1/19	1/20	1/21	1/22	1/23	1/24	1/25	1/26	1/27	1/28	1/29	1/30	1/31	
#PC SCHEDULE	23	22	20	7	9	23	25	23	22	20	7	9	23	25	23	22	20	7	9	23	25	23	22	20	7	9	23	25	23	22		
#PC ACTUAL	17	19	17	6	9	21	24	22	21	20	9	11	18	22	22	22	19	8	12	15	22	22	18	20	7	10	18	22	22	21		
# SUBCON	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.0	0.0	0.0	0.0	3.0	0.0	1.0	0.0	0.0	0.0	1.0	0.0	2.0	0.0	2.5	0.0	0.0	0.0	0.0	0.0	1.0	3.0	0.0

S-5.e1

Attachment E

HIGHWAY 17 - DECEMBER 2007

	DECEMBER			YTD		
	This Year	Last Year	%	This Year	Last Year	%
FINANCIAL						
Cost	\$ 139,942	\$ 131,290	6.6%	\$ 850,108	\$ 799,983	6.3%
Farebox	\$ 60,845	\$ 54,100	12.5%	\$ 416,057	\$ 402,616	3.3%
Operating Deficit	\$ 67,141	\$ 66,275	1.3%	\$ 364,076	\$ 355,542	2.4%
Santa Clara Subsidy	\$ 33,570	\$ 33,138	1.3%	\$ 182,038	\$ 177,771	2.4%
METRO Subsidy	\$ 33,570	\$ 33,138	1.3%	\$ 182,038	\$ 177,771	2.4%
San Jose State Subsidy	\$ 1,875	\$ 1,919	(2.3%)	\$ 11,187	\$ 10,260	9.0%
AMTRAK Subsidy	\$ 10,082	\$ 8,995	12.1%	\$ 58,787	\$ 31,564	86.2%
STATISTICS						
Passengers	17,259	15,497	11.4%	126,125	120,705	4.5%
Revenue Miles	40,199	40,199	0.0%	247,488	245,344	0.9%
Revenue Hours	1,508	1,508	0.0%	9,281	9,201	0.9%
Passengers/Day	557	500	11.4%	685	656	4.5%
Passengers/Weekday	694	634	9.6%	816	811	0.7%
Passengers/Weekend	307	257	19.4%	394	328	20.1%
PRODUCTIVITY						
Cost/Passenger	\$ 8.11	\$ 8.47	(4.3%)	\$6.74	\$6.63	1.7%
Revenue/Passenger	\$ 3.53	\$ 3.49	1.0%	\$3.30	\$3.34	(1.1%)
Subsidy/Passenger	\$ 4.00	\$ 4.40	(9.1%)	\$2.98	\$3.03	(1.8%)
Passengers/Mile	0.43	0.39	11.4%	0.51	0.49	3.6%
Passengers/Hour	11.44	10.28	11.4%	13.59	13.12	3.6%
Recovery Ratio	43.5%	41.2%	5.5%	48.9%	50.3%	(2.8%)



**Santa Cruz METRO
February 2008 Ridership Report**

ROUTE	Miles	Hours	Passes/ Free Rides	UC Student	UC Staff Faculty	Full Fare	Day Pass	Cash S/D Riders	S/D Day Pass	Cabrillo	Total Ridership	Passengers Per Mile	Passengers Per Hour	W/C	Bike
10	5,237.28	439.16	875	29,111	1,981	917	10	62	14	131	33,154	6.33	75.49	32	745
13	2,198.40	188.00	451	13,001	843	318	5	12	6	53	14,707	6.69	78.23	1	331
15	7,635.33	641.20	1,170	44,997	2,182	1,217	11	43	5	203	49,880	6.53	77.79	9	1,145
16	15,956.68	1,324.72	2,591	88,930	4,009	3,662	35	145	12	461	99,978	6.27	75.47	7	2,420
19	5,982.49	439.09	1,118	25,827	1,193	959	9	56	10	106	29,322	4.90	66.78	3	698
3	2,366.02	172.89	1,437	772	160	790	20	149	23	230	3,741	1.57	21.64	28	73
4	1,485.86	153.99	3,319	395	98	460	13	274	39	134	5,046	3.40	32.77	40	110
7	1,094.10	98.01	636	234	30	134	1	52	13	64	1,202	1.10	12.26	4	9
9	455.32	24.15	207	13	39	84	3	6	3	8	366	0.80	15.16	-	2
12A	263.28	19.00	13	850	137	34	-	4	2	-	1,049	3.98	55.21	-	42
20	5,957.44	397.04	1,191	22,532	1,083	1,164	16	84	19	349	26,661	4.48	67.15	5	510
27	1,405.60	120.00	83	5,335	285	95	-	5	-	6	5,815	4.14	48.46	1	195
31	2,238.22	115.14	890	307	117	734	10	29	-	61	2,215	0.99	19.24	11	133
32	750.58	44.46	195	10	5	261	-	6	-	17	516	0.69	11.61	-	19
33	473.67	21.85	144	-	-	84	-	-	-	3	253	0.53	11.58	-	1
34	265.24	16.78	70	1	-	64	-	-	-	-	135	0.51	8.05	-	-
35	37,370.45	1,874.79	20,630	1,300	546	13,305	325	1,096	141	1,113	39,282	1.05	20.95	64	1,508
40	2,386.10	96.86	649	56	4	567	20	51	8	28	1,396	0.59	14.41	-	30
41	3,037.23	126.16	677	323	89	579	16	27	2	85	1,840	0.61	14.58	-	103
42	3,276.51	121.51	392	336	19	348	1	67	2	68	1,258	0.38	10.35	-	72
53	1,169.28	82.59	574	15	10	264	15	64	10	25	989	0.85	11.97	40	24
54	1,902.36	110.49	310	18	16	229	4	33	2	77	699	0.37	6.33	4	19
55	2,832.06	192.51	1,708	19	24	799	20	133	24	835	3,605	1.27	18.73	73	60
56	2,211.09	97.65	518	7	7	268	11	44	5	263	1,133	0.51	11.60	20	10
66	6,324.84	545.92	6,662	1,499	461	5,527	162	652	53	405	15,763	2.49	28.87	118	418
68	4,881.62	399.48	4,893	1,417	316	3,030	92	364	67	323	10,693	2.19	26.77	75	261
68N	1,790.75	128.56	757	472	44	852	2	56	-	62	2,261	1.26	17.59	15	83
69	3,481.06	314.82	4,090	1,288	390	2,999	37	337	36	277	9,633	2.77	30.60	52	292
69A	14,114.12	760.04	8,261	1,183	588	8,985	109	906	121	471	21,500	1.52	28.29	219	669
69N	1,742.90	139.99	880	494	106	887	-	61	1	284	2,759	1.58	19.71	23	162
69W	13,758.74	768.24	9,565	1,436	478	9,505	106	874	78	2,679	25,368	1.84	33.02	170	802
70	2,014.67	165.66	1,800	237	73	1,211	14	140	13	2,313	5,943	2.95	35.87	34	169
71	47,722.17	2,730.82	24,035	2,635	1,387	26,647	296	2,906	250	7,933	68,350	1.43	25.03	391	2,610
72	5,523.08	267.06	1,257	10	37	1,721	69	249	21	91	3,545	0.64	13.27	16	47
74	3,402.08	197.76	750	24	36	1,638	15	233	39	80	2,911	0.86	14.72	13	37
75	6,366.66	384.25	1,835	58	55	2,897	38	405	38	144	5,659	0.89	14.73	70	84
76	1,681.98	88.66	293	7	9	296	15	59	5	1	710	0.42	8.01	3	7
79	1,647.72	96.24	926	16	19	781	23	212	55	77	2,192	1.33	22.78	69	14
88	771.86	77.34	339	6	-	14	-	4	-	5	4,095	5.31	52.95	-	-
91	5,621.68	232.94	1,673	122	155	1,468	39	75	28	781	4,546	0.81	19.52	8	218
UC Supplemental	1,598.80	100.12	35	4,632	210	58	-	3	-	12	4,954	3.10	49.48	-	81
Unknown			148	-	3	-	-	1	-	2	217			-	74
TOTAL	230,415.34	14,315.94	108,047	249,925	17,244	95,852	1,562	9,979	1,145	20,260	515,341	2.24	36.00	1,618	14,287

ROUTE	Monthly Pass	VTA/SC Day Pass	CalTrain	Full Fare	17 Day Pass	S/D Riders	ECO Pass	METRO RIDERSHIP	Passengers Per Mile	Passengers Per Hour	W/C	Bike			
17	43,132.12	1,401.39	11,124	33	47	9,471	115	1,246	7,456	207	23,226	0.54	16.57	29	1,021

Night Owl	5,324.00
TOTAL	5,324.00

February Ridership	543,891
February Revenue	\$ 223,629.79

5-7.1

**Santa Cruz METRO
February 2007 Ridership Report**

FAREBOX REVENUE AND RIDERSHIP SUMMARY BY ROUTE

ROUTE	REVENUE	RIDERSHIP	UC		UC Staff		S/D		S/D		Cabrillo	Bjke	Passes/ Free Rides
			Student	Faculty	Day Pass	Riders	W/C	Day Pass					
10	\$ 1,342.30	31,170	27,454	1,938	19	62	27	12	119	511	841		
13	\$ 619.18	13,097	11,598	693	3	17	5	7	33	212	384		
15	\$ 1,817.74	44,355	39,155	2,542	14	49	20	6	220	855	1,301		
16	\$ 5,492.61	91,375	80,629	4,068	42	154	31	16	468	1,557	2,780		
19	\$ 1,469.47	27,396	24,033	1,321	7	117	9	12	149	496	948		
3B	\$ 1,187.14	2,385	307	121	25	68	3	9	209	62	964		
4	\$ 1,144.10	4,100	328	45	13	208	31	19	104	94	2,606		
7	\$ 362.12	851	58	18	9	56	3	21	42	18	502		
9	\$ 270.10	350	10	25	4	8	-	1	2	2	150		
12A	\$ 28.32	1,156	947	173	-	1	-	1	3	19	15		
20	\$ 1,748.24	21,771	18,162	957	21	119	2	8	242	396	1,203		
31	\$ 1,241.54	1,801	107	48	13	22	-	2	62	60	774		
32	\$ 281.89	372	16	7	2	5	-	1	10	19	153		
33	\$ 240.30	535	6	1	-	3	-	1	5	2	341		
34	\$ 190.16	192	-	-	-	-	-	-	-	1	68		
35	\$ 23,014.16	35,346	1,074	382	253	873	14	172	1,084	997	18,381		
40	\$ 1,168.20	1,569	28	10	21	70	-	5	21	33	763		
41	\$ 953.92	1,556	216	77	14	43	-	-	77	75	580		
42	\$ 701.57	936	114	15	1	39	1	2	40	95	317		
53	\$ 450.10	669	1	13	3	57	19	5	22	5	335		
54	\$ 348.85	679	8	7	3	31	8	3	97	21	346		
55	\$ 1,495.66	3,499	35	29	15	140	62	27	1,125	67	1,322		
56	\$ 471.09	1,252	12	3	5	34	26	7	385	22	540		
66	\$ 9,317.79	16,116	2,562	463	102	583	96	54	500	352	6,403		
68	\$ 5,402.38	10,076	1,525	354	58	237	35	39	366	208	4,294		
68N	\$ 1,301.02	2,255	532	93	-	26	6	-	75	66	720		
69	\$ 5,225.42	9,761	1,211	413	37	339	48	29	324	237	4,312		
69A	\$ 15,742.01	21,249	1,295	558	112	867	157	97	605	551	8,189		
69N	\$ 1,246.69	2,367	418	91	1	46	10	1	265	128	773		
69W	\$ 16,018.17	23,865	1,545	514	152	797	157	87	2,798	637	8,404		
70	\$ 2,276.31	5,774	258	60	23	86	28	7	2,067	167	1,881		
71	\$ 45,537.15	63,506	2,500	1,208	355	2,394	322	201	8,313	2,015	20,972		
72	\$ 3,086.61	3,536	13	28	28	266	17	13	148	59	1,258		
74	\$ 2,468.46	2,441	9	12	14	159	10	9	58	20	656		
75	\$ 5,671.68	6,270	23	41	64	416	36	57	233	104	2,252		
76	\$ 614.58	651	4	16	4	54	4	15	3	19	218		
79	\$ 1,486.84	1,945	8	38	28	178	68	62	83	13	850		
88	\$ 19.76	3,870	6	4	-	1	-	1	3	5	27		
91	\$ 2,775.66	4,397	160	114	64	68	7	7	783	151	1,527		
UC Supplemental	\$ 341.58	11,597	10,713	420	1	11	1	-	30	178	213		
Unknown	\$ 214.36	448	106	10	2	5	87	2	55	14	134		
TOTAL	\$164,795.23	476,556	227,186	16,930	1,532	8,709	1,351	1,017	21,228	10,543	98,697		

ROUTE	REVENUE	RIDERSHIP	VTASC		17		S/D		METRO	ECO Pass	Bike	Monthly Pass
			Day Pass	CalTrain	Day Pass	Riders	W/C					
17	\$ 40,018.43	19,755	13	38	128	1,094	25	5,295	119	784	9,637	

RIDERSHIP	
Night Owl	4,150
	-
TOTAL	4,150

January Ridership	500,461
January Revenue	\$205,227.60

5-7.2

BUS OPERATOR LIFT TEST *PULL-OUT*

VEHICLE CATEGORY	TOTAL BUSES	AVG # DEAD IN GARAGE	AVG # AVAIL. FOR SERVICE	AVG # IN SERVICE	AVG # SPARE BUSES	AVG # LIFTS OPERATING	% LIFTS WORKING ON PULL-OUT BUSES
FLYER/HIGHWAY 17 - 40'	7	2	5	2	3	2	100%
FLYER/LOW FLOOR - 40'	12	3	9	8	1	8	100%
FLYER/LOW FLOOR - 35'	18	3	15	14	1	14	100%
FLYER/HIGH FLOOR - 35'	13	1	12	5	7	5	100%
GILLIG/SAM TRANS - 40'	10	2	8	4	4	4	100%
DIESEL CONVERSION - 35'	15	7	8	7	1	7	100%
DIESEL CONVERSION - 40'	14	3	11	9	2	9	100%
ORION/HIGHWAY 17 - 40'	11	4	7	6	1	6	100%
GOSHEN	2	1	1	0	1	0	100%
TROLLEY	1	0	1	0	1	0	100%
CNG NEW FLYER - 40'	10	2	8	6	2	6	100%

5-7.3

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

PASSENGER LIFT PROBLEMS

MONTH OF FEBRUARY 2008

BUS #	DATE	DAY	REASON
2201CG	22-Feb	Friday	Kneel doesn't work sometimes.
2308OR	12-Feb	Tuesday	Coach seems (feels) awfully LOW @ R-F (even w/o kneeling-little bit of "bottom out" leaving yard)
8079F	21-Feb	Thursday	Kneel isn't working properly, raises as soon as its lowered.
8080F	4-Feb	Monday	Kneel will not stay down. Every time tried to kneel, driver's chair would go down.
8102F	25-Feb	Monday	Kneel doesn't work well.
8102F	26-Feb	Tuesday	Kneel will not stay down.
9803LF	29-Feb	Friday	Ramp needs lubed graff, on rear wheel well dr/side.
9812LF	7-Feb	Thursday	Kneel alarm is not working.
9813LF	23-Feb	Saturday	Beeper on kneel not working
9814LF	11-Feb	Monday	Kneel light burned out
9815LF	19-Feb	Tuesday	Once in awhile the bus will roll when the door is open and it is kneeled
9827LF	18-Feb	Monday	W/C does not deploy, need to deploy by hand
9832G	12-Feb	Tuesday	Kneel depletes most of air pressure. Using lift depletes air pressure.
9836G	6-Feb	Wednesday	Kneel not working properly. Goes down, but very slowly rises up.
9838G	27-Feb	Wednesday	Ramp won't deploy. Makes a clicking sound.

F New Flyer
G Gillig
C Champion
LF Low Floor Flyer
GM GMC
CG CNG
CN SR855 & SR854
OR Orion/Hwy 17

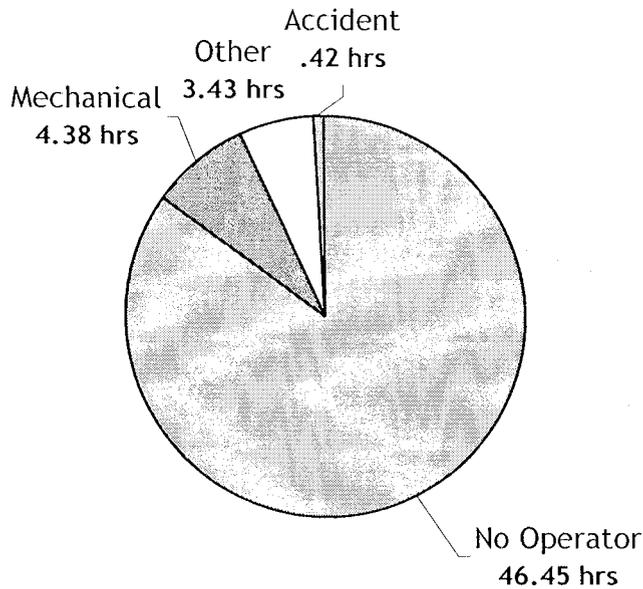
Note: Lift operating problems that cause delays of less than 30 minutes.

5-7.4

Dropped Service for FY 2008

	FY 2005/06		FY 2006/07		FY 2007/08	
	Dropped Hours	Dropped Miles	Dropped Hours	Dropped Miles	Dropped Hours	Dropped Miles
July	0	0	5.00	96.88	5.53	90.97
August	213.92	3,575.86	15.02	276.46	4.93	110.45
September	140.97	2,336.50	11.30	160.72	9.00	191.05
October	STRIKE	STRIKE	37.52	540.19	9.52	122.24
November	113.77	1,780.56	37.55	477.48	3.32	45.89
December	95.61	1,659.66	6.08	143.84	18.97	241.87
January	16.52	286.31	12.24	188.23	49.20	453.86
February	39.22	579.38	13.07	88.59	54.68	714.47
March	21.38	380.68	7.13	133.30		
April	62.57	986.08	4.85	43.67		
May	33.47	551.00	16.00	241.42		
June	20.20	267.47	62.19	802.29		
TOTAL	757.62	12,403.50	227.95	3,193.06	155.15	1,970.80

Dropped Service Breakdown for February 2008



SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

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

I. RECOMMENDED ACTION

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

II. SUMMARY OF ISSUES

- Service Building work
 - Finalizing close out documents for the Service & Fueling Building.
 - METRO has been utilizing the facility for bus washing, CNG fueling, and diesel fueling.
- Maintenance Building
 - West Bay Builders continuing site work on 120 Golf Club Drive property
 - Concrete was poured on the mezzanine level.
 - PG&E will be putting in a new pole on Vernon Street.
 - Concurrent work with AT&T to utilize the new PG&E pole for routing telecommunication wires.

III. DISCUSSION

METRO, Harris & Associates, and Arntz Builders are finalizing all documents needed to close out the Service & Fueling Building. Now that METRO has been able to utilize the facility, METRO can fuel and wash buses with new equipment. METRO has been fast-fueling CNG and Diesel. Scheduled deliveries are made for LNG and Diesel to keep up with METRO's demand.

West Bay Builders is continuing work on Golf Club Drive for storm and sewer work. Interior work continues with concrete pour on the mezzanine level and CMU wall installation. For PG&E, they are scheduled to install a new pole on Vernon Street. Current work with AT&T will be determined after PG&E installs new pole. AT&T will attempt to use the same PG&E pole to route telecommunicate wires.

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

5-8.1

New updates on the MetroBase Project:

- Harris & Associates is finalizing close out documents for the Service & Fueling Building.
- West Bay Builders continuing site work on 120 Golf Club Drive property.
- PG&E installing new pole on Vernon Street.

Previous information regarding the MetroBase Project:

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

- Substantial completion
- Arntz working on punch-list items.
- Received Caltrans Encroachment Permit. Work completed.
- Department of Fish&Game approved work on outfall construction completed.
- Concrete Driven Piles completed end of May 2006.
- Arntz Builders providing training to METRO employees.
- Public Outreach Newsletter sent to areas possibly affected by construction.
- Notice to Proceed issue effective January 9, 2006 with 365 calendar day construction period.

B. Maintenance Building (IFB 06-01)

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

IV. FINANCIAL CONSIDERATIONS

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

V. ATTACHMENTS

Attachment: NONE

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: April 25, 2008
TO: Board of Directors
FROM: Mark J. Dorfman, Assistant General Manager
**SUBJECT: RECOMMENDATION TO APPROVE ASSESSMENT FOR
COOPERATIVE RETAIL MANAGEMENT DISTRICT**

I. RECOMMENDED ACTION

The purpose of this communication is to request approval for the assessment on property owners for the support of the Cooperative Retail Management District in Downtown.

II. SUMMARY OF ISSUES

- The District owns property in the Downtown area that is subject to an assessment for the Downtown Host Program.
- The assessment needs to be renewed for the fiscal year.
- Total cost to the District for the assessment is \$2,547.76, no increase from last year.

III. DISCUSSION

The District recently received correspondence from the City of Santa Cruz regarding the Cooperative Retail Management Business Real Property Improvement District. Since the District owns property in the downtown area, there is an assessment that is being requested for the coming fiscal year. This assessment funds the Downtown Host Program.

It is recommended that the District support the continued assessment of the levy for this important Downtown project. Total funds for this assessment amount to \$2,547.76.

IV. FINANCIAL CONSIDERATIONS

There are two assessments for property owned by the District, one for \$1,797.76 and one for \$750.00, for a total of \$2,547.76.

V. ATTACHMENTS

Attachment A: Letters from City of Santa Cruz

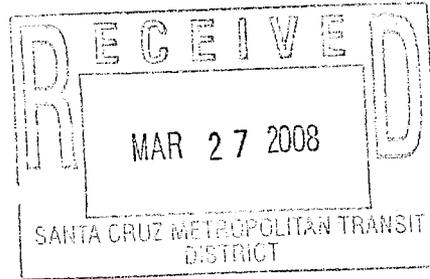
5-9.1



ECONOMIC DEVELOPMENT/REDEVELOPEMENT AGENCY
337 Locust Street, Santa Cruz CA 95060 • 831 420-5150 • Fax: 831 420-5151 • www.ci.santa-cruz.ca.us • cityra@ci.santa-cruz.ca.us

**CITY COUNCIL
CITY OF SANTA CRUZ
NOTICE OF PUBLIC MEETING AND HEARING**

Santa Cruz Metropolitan Transit District
370 Encinal Street, #100
Santa Cruz, CA 95060-2101



March 26, 2008

Dear Santa Cruz Property Owner:

**RE: Assessor Parcel Number ("APN"): 05-152-05
912 Pacific Avenue**

NOTICE IS HEREBY GIVEN that the City Council of the City of Santa Cruz will hold a public meeting to consider: 1) the annual report for FY 2009 prepared by the advisory board to the Cooperative Retail Management (CRM) Business Real Property Improvement District; and; 2) the adoption of a Resolution of Intention to levy an assessment for the period July 1, 2008 through June 30, 2009 for the District and a public hearing to consider the levy of an annual assessment for the District.

The amount of the proposed annual assessment on the entire district will be \$118,503.42. The rate of business promotion assessment shall be imposed on business property owners according to the formulas set forth below:

1. Properties located on Pacific Avenue between Laurel Street and Mission/Water Street shall be assessed \$15.00 per linear foot of property on Pacific Avenue.
2. Properties between Cedar and Front Streets and located on Soquel Avenue; Locust, Cooper, Church, Walnut, Lincoln, Cathcart, Elm and Maple Streets; Plaza, Locust, Commerce, Elm and Birch Lanes; Pearl Alley; Lincoln-Cathcart and Pacific-Front alleyways shall be assessed \$12.00 per linear foot of property on the above-mentioned side streets and alleyways.

The purpose of the assessment is to fund the Downtown Host Program created to enhance safety and security and improve public perceptions of the district. The assessment will also be used to review the need for, and establishment of, common hours for retail merchants and maintenance of private property within the district.

5-9.a1

The amount of the proposed annual assessment for APN 05-152-05 is set forth below:

Pacific Avenue footage: 50.00 x \$15.00	\$750.00
Side street or alleyway footage: 0.00 feet x \$12.00/linear foot	\$0.00
TOTAL Assessment for Fiscal Year 2009:	\$750.00

Properties with frontage on both Pacific Avenue and a side street or alley will only be assessed an additional fee for the side street or alley frontage where a separate business uses the side street or alley as its main entrance.

A public meeting regarding the consideration of the Annual Report and adoption of a Resolution of Intention to levy an annual assessment will be held on **Tuesday, April 22, 2008**, after the hour of 3:00 p.m. If the Resolution of Intention is adopted, a public hearing will be held on **Tuesday, May 13, 2008**, after the hour of 3:00 p.m., at which time the Council will decide the amount of the assessments to be levied. Both public meetings will be held in the Council Chambers, City Hall, 809 Center Street, Santa Cruz, California. Copies of the Annual Report/Plan Work Program, and Budget are available in the City Clerk's office at 809 Center Street, Room 9, Santa Cruz, California or at the Economic Development and Redevelopment Department's office at 337 Locust Street, Santa Cruz, California, or may be viewed on the EDRD web page at www.ci.santa-cruz.ca.us/ra.

If the Resolution of Intention is adopted, property owners in the proposed assessment district may file written protests in the City Clerk's office between April 22, 2008 and May 13, 2008 before the close of the public hearing. If protests are submitted by property owners representing 50% or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50%, no further proceedings to create the district shall be taken for at least one year. If the Resolution of Intention is not adopted, the May 13, 2007 public hearing will be cancelled. All interested persons are invited to present their oral or written statements at these hearings.

Further information is available from the City Economic Development and Redevelopment Department, 337 Locust Street, Santa Cruz, California, (831) 420-5150.

LORRIE BREWER, City Clerk
City of Santa Cruz

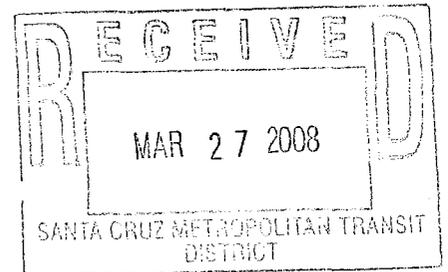


ECONOMIC DEVELOPMENT/REDEVELOPEMENT AGENCY
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**CITY COUNCIL
CITY OF SANTA CRUZ
NOTICE OF PUBLIC MEETING AND HEARING**

March 26, 2008

Santa Cruz Metropolitan Transit District
370 Encinal Street, #100
Santa Cruz, CA 95060



Dear Santa Cruz Property Owner:

**RE: Assessor Parcel Number ("APN"): 05-152-31
920 Pacific Avenue**

NOTICE IS HEREBY GIVEN that the City Council of the City of Santa Cruz will hold a public meeting to consider: 1) the annual report for FY 2009 prepared by the advisory board to the Cooperative Retail Management (CRM) Business Real Property Improvement District; and, 2) the adoption of a Resolution of Intention to levy an assessment for the period July 1, 2008 through June 30, 2009 for the District and a public hearing to consider the levy of an annual assessment for the District.

The amount of the proposed annual assessment on the entire district will be \$118,503.42. The rate of business promotion assessment shall be imposed on business property owners according to the formulas set forth below:

1. Properties located on Pacific Avenue between Laurel Street and Mission/Water Street shall be assessed \$15.00 per linear foot of property on Pacific Avenue.
2. Properties between Cedar and Front Streets and located on Soquel Avenue; Locust, Cooper, Church, Walnut, Lincoln, Cathcart, Elm and Maple Streets; Plaza, Locust, Commerce, Elm and Birch Lanes; Pearl Alley; Lincoln-Cathcart and Pacific-Front alleyways shall be assessed \$12.00 per linear foot of property on the above-mentioned side streets and alleyways.

The purpose of the assessment is to fund the Downtown Host Program created to enhance safety and security and improve public perceptions of the district. The assessment will also be used to review the need for, and establishment of, common hours for retail merchants and maintenance of private property within the district.

5-9.93

Santa Cruz Metropolitan Transit District
Notice of Public Hearing- Page 2

The amount of the proposed annual assessment for APN 05-152-31 is set forth below:

Pacific Avenue footage: 119.85 x \$15.00	\$1,797.76
Side street or alleyway footage: 0.00 feet x \$12.00/linear foot	\$0.00
TOTAL Assessment for Fiscal Year 2009:	\$1,797.76

Properties with frontage on both Pacific Avenue and a side street or alley will only be assessed an additional fee for the side street or alley frontage where a separate business uses the side street or alley as its main entrance.

A public meeting regarding the consideration of the Annual Report and adoption of a Resolution of Intention to levy an annual assessment will be held on **Tuesday, April 22, 2008**, after the hour of 3:00 p.m. If the Resolution of Intention is adopted, a public hearing will be held on **Tuesday, May 13, 2008**, after the hour of 3:00 p.m., at which time the Council will decide the amount of the assessments to be levied. Both public meetings will be held in the Council Chambers, City Hall, 809 Center Street, Santa Cruz, California. Copies of the Annual Report/Plan Work Program, and Budget are available in the City Clerk's office at 809 Center Street, Room 9, Santa Cruz, California or at the Economic Development and Redevelopment Department's office at 337 Locust Street, Santa Cruz, California, or may be viewed on the EDRD web page at www.ci.santa-cruz.ca.us/ra.

If the Resolution of Intention is adopted, property owners in the proposed assessment district may file written protests in the City Clerk's office between April 22, 2008 and May 13, 2008 before the close of the public hearing. If protests are submitted by property owners representing 50% or more of the assessments proposed to be levied and protests are not withdrawn so as to reduce the protests to less than 50%, no further proceedings to create the district shall be taken for at least one year. If the Resolution of Intention is not adopted, the May 13, 2007 public hearing will be cancelled. All interested persons are invited to present their oral or written statements at these hearings.

Further information is available from the City Economic Development and Redevelopment Department, 337 Locust Street, Santa Cruz, California, (831) 420-5150.

LORRIE BREWER, City Clerk
City of Santa Cruz

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

STAFF REPORT

DATE: April 25, 2008
TO: Board of Directors
FROM: Margaret Gallagher, District Counsel
SUBJECT: REVIEW AND CONSIDER DIFFERENT DISTRIBUTION METHODS FOR CALLSTOP AUDITS AND SELECT METHOD THAT IS THE MOST EQUITABLE

I. RECOMMENDED ACTION

Select the Audit method that is weighted by bus usage on weekdays.

II. SUMMARY OF ISSUES

- At the November 2001, Board of Directors meeting, staff was authorized to conduct quarterly call stop compliance audits of the internal call stop announcements.
- METRO has 41 active routes serving approximately 1000 active bus stops. On February 23, 2004, all buses and routes, including the Highway 17 service were equipped with the Talking Bus Technology and the system was fully operational.
- At the July 27, 2007, Board meeting, an issue was raised regarding whether the audit was covering the routes throughout the fixed route system on an equal basis. After discussions with the Transit Planner and the General Manager, the auditors were directed to perform their audit based on the distribution of the transit service in four distinct areas of Santa Cruz County.
- At the January 25, 2008 meeting, a question was raised again regarding whether the audit system was being conducted in the most equitable distribution method possible.
- This report is designed to review different audit distribution methods in order to determine which method is the most equitable.

III. DISCUSSION

Title II of the Americans with Disabilities Act (ADA) addresses public services with a substantial part of it focusing on transportation provided by public entities. As with other civil rights legislation, specific definitions, interpretations, and requirements are spelled out in regulations issued by the implementing agencies. The Department of Transportation (USDOT) issued regulations covering transportation services provided by public entities under Title II. In addition to other requirements, these regulations require METRO on its fixed route system, to announce its bus stops as follows:

1. The entity shall announce at least at transfer points with other fixed routes, other major intersections and destination points, and intervals along a route sufficient to permit individuals with visual impairments or other disabilities to be oriented to their location.
2. The entity shall announce any stop on request of an individual with a disability.
3. Where vehicles or other conveyances for more than one route serve the same stop, the entity shall provide a means by which an individual with a visual impairment or other disability can identify the proper vehicle to enter or be identified to the vehicle operator as a person seeking a ride on a particular route.

At the November 2001, Board of Directors' meeting, METRO staff was authorized to conduct quarterly call stop compliance audits to insure that call stop announcements were being made. Staff contracted with a private investigative firm, to conduct the audits. The investigation firm was authorized to utilize 100 hours to survey the internal announcements at a cost of \$5,000.00 each quarter. METRO has 41 active routes serving approximately 1000 active bus stops.

METRO purchased Talking Bus equipment and programming capabilities in order to assure compliance with the call stop requirements. On February 23, 2004, all buses in Metro's fixed route service, including the Highway 17 service, were equipped with the Talking Bus Technology. The Talking Bus equipment is programmed to announce each stop in the fixed route system that is at least 600 feet from the proceeding bus stop. If the talking bus equipment fails to make the proper announcement, the bus drivers are required to call certain bus stops from an Operations Department list. The auditors inform METRO whether the talking bus equipment is functioning correctly and if not whether the bus operator called a listed stop in accordance with the METRO requirements. Initially, the auditors were instructed to conduct the audits on a random basis without regard to area, service distribution or ridership.

At the July 27, 2007 Board meeting, an issue was raised regarding whether the audit was covering the routes throughout the fixed route system on an equal basis. After discussions with the Transit Planner and the General Manager, the auditors were directed to perform the audit by the following manner, reflecting the distribution of the transit service by area.

- | | |
|----------------------|-----|
| 1. Santa Cruz/UCSC | 50% |
| 2. Scotts Valley/SLV | 20% |
| 3. Capitola/Live Oak | 20% |
| 4. Watsonville | 10% |

The Auditor analyzed the audits from December 2005 through March 2008 and produced a chart setting forth the audit distribution per area (See Attachment A).

At the January 25, 2008 regular meeting, there was a question as to whether the audit distribution should be based on the percentage of bus stops in each area, as opposed to transit service by area. The following tables show the percentages of bus stops in each area and the percentage of bus stop usage in each area respectively as follows:

BY NUMBER OF BUS STOPS - WEEKDAYS:

Area	Total # of Bus stops	Percentage of total
1. Unincorporated	357	35%
2. Santa Cruz	275	27%
3. Watsonville	245	24%
4. Scotts Valley	62	6%
5. Capitola	56	6%
6. San Jose	17	2%

Weighted by Bus Stop Usage - WEEKDAYS:

Area	Total # of Bus stops	Percentage of total
1. Santa Cruz	13831	45%
2. Unincorporated	8333	27%
3. Watsonville	5768	19%
4. Capitola	1160	4%
5. Scotts Valley	1034	3%
6. San Jose	450	1%

Another method of determining equitable distribution of the audit would be to consider the current ridership. According to Ian McFadden, Transit Planner, a large percentage of ridership is allocated to Area One, the Santa Cruz and UCSC area. However, Assistant General Manager Mark Dorfman advised that ridership couldn't be calculated by area because METRO only counts boardings by route but not by specific area. A route can travel through multiple areas.

IV. FINANCIAL CONSIDERATIONS

Randomly conducted call stop compliance audits cost approximately \$20,000.00 per year.

V. ATTACHMENTS

Attachment A: Stop Announcement Audit Comparison

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STOP ANNOUNCEMENT AUDIT COMPARISON

Table of Results

<u>Quarter</u>	<u>Total Trips</u>	<u>Area 1</u>	<u>Area 2</u>	<u>Area 3</u>	<u>Area 4</u>
January – March 2008	111	54 = 49%	23 = 21%	21 = 19%	13 = 11%
October – December 2007	97	50 = 53%	19 = 20%	18 = 19%	8 = 8%
July – September 2007	119	48 = 41%	23 = 19%	31 = 26%	17 = 14%
April – June 2007	86	30 = 35%	18 = 21%	28 = 32%	10 = 12%
January – March 2007	86	28 = 33%	18 = 21%	28 = 32%	12 = 14%
October – December 2006	92	26 = 28%	13 = 14%	42 = 46%	11 = 12%
July – September 2006	83	21 = 25%	17 = 21%	36 = 43%	9 = 11%
April – June 2006	91	20 = 22%	16 = 18%	40 = 44%	15 = 16%
December 2005 – February 2006	91	28 = 31%	16 = 17%	31 = 34%	16 = 18%

Area Descriptions

Area 1	Santa Cruz/UCSC	03, 04, 07, 09, 10, 13, 15, 16, 19, 20, 40, 41, 42
Area 2	Scotts Valley/SLV	31, 32, 35, 35A
Area 3	Capitola/Live Oak	53, 54, 55, 56, 66, 68, 68N, 69, 69A, 69W, 70, 71
Area 4	Watsonville	69A, 69W, 71, 72, 74, 75, 76, 79, 91

Note: Trips which included Area 3 and Area 4 were split between the two areas
11 trips with both = Area 3 (5 trips) and Area 4 (6 trips)

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

STAFF REPORT

DATE: April 25, 2008
TO: Board of Directors
FROM: Leslie White, General Manager
SUBJECT: ACCEPT AND FILE NOMINATION OF AURORA TRINIDAD FOR RED CROSS WORKPLACE HERO AWARD

I. RECOMMENDED ACTION

No Action necessary, for informational purpose only.

II. SUMMARY OF ISSUES

- The American Red Cross for the Santa Cruz County Chapter honors local heroes that are nominated for heroic acts.
- This year, the Red Cross will honor ten special heroes in our community at the 3rd Annual Heroes Breakfast on May 21, 2008.
- Santa Cruz METRO has nominated Aurora Trinidad, a METRO ParaCruz Operator as a special hero in our community.

III. DISCUSSION

The American Red Cross for the Santa Cruz County Chapter honors local heroes that are nominated for heroic acts. This year, the Red Cross will honor ten special heroes in our community at the 3rd Annual Heroes Breakfast on May 21, 2008.

Santa Cruz METRO has nominated Aurora Trinidad, a METRO ParaCruz Operator as a Workplace hero in our community. Attached is the completed nomination form that was submitted to the Red Cross. It is METRO's hope that Ms. Trinidad will receive the award from the Red Cross for heroic actions performed in her workplace environment.

IV. FINANCIAL CONSIDERATIONS

None

V. ATTACHMENTS

Attachment A: Completed Red Cross Nomination Form



HONORING OUR HOMETOWN HEROES

**"Find our Heroes!"**

Help the Red Cross find our Hometown Heroes

Please join the American Red Cross, Santa Cruz County Chapter as we honor our local Heroes. Throughout our community there are seemingly ordinary people who have touched our lives through their selfless acts of courage. These Heroes may have helped save a life, performed an extraordinary act of compassion, or have demonstrated an exceptional spirit of giving. This year we will honor 10 special heroes in our community at the 3rd Annual Heroes Breakfast on May 21st, 2008.

2008 Hero Nominees may be:

- A friend, family member, neighbor, co-worker, etc.
- A professionally trained life saver such as a paramedic, doctor, fireman or policeman
- A Good Samaritan or a role model that has had a significant impact on the community

Criteria for Nominations:

- Nominees must live or work in Santa Cruz County
- The heroic act does not need to have occurred in Santa Cruz County
- The heroic act must have occurred after January 1, 2006
- If you have submitted a nomination form within the last two years and your hero has not been selected to receive an award, he or she is still eligible. Please re-submit your nomination for consideration.

How to Nominate your Hero:

- **Complete this form.** Please mail or fax this form to the American Red Cross (information on reverse side of form). All forms must be received no later than April 1, 2008. Forms are also available on our website: www.sccredcross.org. **Proceeds from the Heroes Breakfast will benefit American Red Cross lifesaving programs and services within Santa Cruz County.**

Step 1: Please choose an award category (must select one category only)

Animal Rescue Hero: An act of heroism that saved an animal's life or an act of heroism by an animal that saved a human life.

Education Hero: An act of heroism performed by an individual in an educational environment. This category includes private and public schools, continuing education schools, community colleges and institutions of advanced learning.

Good Samaritan: A person who lives or works in Santa Cruz County who has shown an act of heroism in some unusual way or in a time of crisis, or one who has shown an extraordinary and sacrificial commitment to the ongoing serious needs and challenges in Santa Cruz County.

Law Enforcement Hero: An act of heroism performed by an individual trained to respond as a part of his or her professional employment. This category includes police, deputy sheriffs, and park rangers.

Lifetime Achievement: Sustained action that demonstrates a passionate and dedicated commitment to saving lives and/or promoting the health and well being of others through volunteer activity on local, national, or international level.

Medical Professional Hero: An act of heroism performed by an individual trained to respond as a part of his or her professional employment. This category includes physicians, nurses, and any employees in medical settings.

Military Hero: An act of heroism performed by a member of the armed services, including the National Guard.

Rescue Professional Hero: An act of heroism performed by an individual trained to respond as a part of his or her professional employment. This category includes fire-fighters, lifeguards, 911 dispatchers and Coast Guard personnel.

Workplace Hero: An act of heroism performed by an individual in his or her workplace environment.

Youth Hero: An act of heroism by an individual under the age of 21.

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Step 2: Tell us who you are.

First Name: <u>Leslie</u>	Last Name: <u>White</u>
Street Address: <u>370 Encinal St</u>	Apt: <u>Suite 100</u>
City/State: <u>Santa Cruz, CA</u>	Zip: <u>95060</u>
County of Residence, or where heroic act occurred: <u>Santa Cruz County</u>	
Daytime Phone: <u>(831) 426-6080</u>	Evening Phone:
Email: <u>LeslieWhite@scmtd.com</u>	

Step 3: Tell us who your hero is.

First Name: <u>Aurora</u>	Last Name: <u>Trinidad</u>
Street Address: <u>2880 Research Park Dr</u>	Apt: <u>Suite 160</u>
City/State: <u>Soquel, CA</u>	Zip: <u>95073</u>
County of Residence, or where heroic act occurred: <u>Santa Cruz County</u>	
Daytime Phone: <u>(831) 425-4664</u>	Evening Phone:
Email:	

Step 4: Tell us your hero's story.

Attach supplemental documents and extra sheets as necessary. All Stories subject to verification.

The Santa Cruz Metropolitan Transit District (METRO) is a public agency that provides public transportation in fixed route bus service and paratransit service. METRO's paratransit service, commonly called METRO ParaCruz, is provided to those customers whose disabilities prevent them from being able to utilize the bus service. Aurora Trinidad, my hero, is a METRO ParaCruz Operator. On February 29, 2008, Ms. Trinidad was operating a minivan with four passengers on board when one of the passengers, who suffers from mental disabilities, became disorientated and started using abusive and foul language, which quickly escalated into threatening actions when he used his cane to repeatedly strike the interior of the van. These actions frightened the other passengers inside the minivan and triggered a panic attack in one. In a calm and steady manner, Ms. Trinidad took control of the situation and promptly contacted METRO Dispatch and summoned help. Further she quickly found a safe place to stop the van and allowed the passenger to deboard the van to secure the safety of the remaining passengers, while at the same time insuring that the deboarded passenger remained out of harm's way. A few minutes later, law enforcement arrived. Ms. Trinidad handled the situation with the utmost graciousness and professionalism. She is to be commended for her heroic actions in deescalating a volatile situation that insured that no one sustained physical injuries.

Step 5: Send us your completed form by April 1, 2008.

Submit your completed nomination form to the American Red Cross.

Nomination forms cannot be returned. A third party selection committee will review and consider all nominees. Award winners will be notified by mail and contacted via phone. Hero Award winners must be available to attend the Heroes Breakfast on the morning of May 21, 2008 at the Seascape Golf Club in Aptos.

Mail this form to:
Santa Cruz County
Chapter
2960 Soquel Avenue
Santa Cruz, CA
95062

Fax this form to:
831-462-5996

Email this form to:
Lsegersin@sccredcross.org

Deadline for nominations is April 1, 2008.

Questions? Please feel free to call us at
831-462-2881 ext.14 or send an email to Lindsay at
Lsegersin@sccredcross.org

5-11.92

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: April 25, 2008
TO: Board of Directors
FROM: Robyn Slater, Human Resources Manager
SUBJECT: PRESENTATION OF EMPLOYEE LONGEVITY AWARDS

I. RECOMMENDED ACTION

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

II. SUMMARY OF ISSUES

- None.

III. DISCUSSION

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

IV. FINANCIAL CONSIDERATIONS

None.

V. ATTACHMENTS

Attachment A: Employee Recognition List

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
EMPLOYEE RECOGNITION**

TEN YEARS

None

FIFTEEN YEARS

None

TWENTY YEARS

Paula R. Flagg, Administrative Assistant
Joseph H. Hyman, Facilities Maintenance Worker II

TWENTY-FIVE YEARS

None

THIRTY YEARS

None

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: April 25, 2008

TO: Board of Directors

FROM: Leslie R. White, General Manager

SUBJECT: CONSIDERATION OF INFORMATION REGARDING SHAW VS. CHAING/GENEST LAWSUIT FILED IN RESPONSE TO THE DIVERSION OF TRANSIT FUNDS IN FY 2008 BY THE CALIFORNIA STATE LEGISLATURE.

I. RECOMMENDED ACTION

That the Board of Directors receive and review information regarding the Shaw vs. Chaing/Genest lawsuit filed in response to the diversion of State Transit Funding by the California State Legislature in FY 2008.

II. SUMMARY OF ISSUES

- METRO receives funding from the State of California through the State Transit Assistance (STA) program that is contained within the State Public Transportation Account (PTA).
- Funding from the STA is provided to the Santa Cruz County Regional Transportation Commission (SCCRTC) based on a formula of population and locally generated transit revenue.
- In previous years the SCCRTC has passed the STA funds through to METRO.
- If funded at the statutory level by the State of California, the STA program would provide approximately \$7.5 million to Santa Cruz annually. Approximately \$5.3 million was lost to Santa Cruz in FY 2008 as a result of the action of the Legislature.
- In adopting the FY 2008 Budget the California State Legislature diverted approximately \$1.259 billion from the PTA to the General Fund.
- On September 6, 2007 the California Transit Association filed a lawsuit (Shaw vs. Chaing/Genest) against the State of California based upon the proposed uses of the funds that were diverted from the PTA to the State General Fund.
- On November 30, 2007 Judge Jack Sapunor of the Sacramento County Superior Court heard arguments from both the Plaintiffs and the Defendants regarding the Shaw vs. Chaing/Genest lawsuit.
- On January 29, 2008 Judge Sapunor issued his Preliminary Decision regarding the Shaw vs. Chaing/Genest lawsuit. Judge Sapunor has subsequently upheld the provisions of his Preliminary Decision despite objections from both sides.

- Judge Sapunor found partially in favor of the Plaintiffs and partially in favor of the Defendants. The Decision of Judge Sapunor required the State to return approximately \$409 million in transit funds to the PTA.
- In January 2008 the State Legislature complied with the Sapunor Decision and returned \$409 million to the PTA. Two days later the Legislature passed a Supplemental Budget Bill that re-diverted the \$409 million to the General Fund for home to school transportation costs that the Sapunor Decision had indicated would be a legal use of the funds.
- On February 20, 2008 the California Transit Association Executive Committee voted to formally appeal the Sapunor Decision. The State of California also indicated that it was the intention of the State to appeal the decision.
- The California Transit Association will be seeking support from both Member Agencies and other interested parties in the form of legal briefs supporting the appeal.
- I have attached the Sapunor Decision and both parties' objections to this Staff Report for your information.

III. DISCUSSION

METRO receives funding from the State of California through the State Transit Assistance (STA) program that is contained within the State Public Transportation Account (PTA). Funding from the STA is provided to the Santa Cruz County Regional Transportation Commission (SCCRTC) based on a formula of population and locally generated transit revenue. In previous years the SCCRTC has passed the STA funds through to METRO. If funded at the statutory level by the State of California, the STA program would provide approximately \$7.5 million to Santa Cruz annually. In adopting the FY 2008 Budget the California State Legislature diverted approximately \$1.259 billion from the PTA to the General Fund. Approximately \$5.3 million was lost to Santa Cruz in FY 2008 as a result of the action of the Legislature.

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I have attached the Sapunor Decision and both parties' objections to this Staff Report for your information.

IV. FINANCIAL CONSIDERATIONS

The continued diversion of funds from the PTA/STA at the level of FY 2008 will result on the loss of approximately \$30 million from Santa Cruz over the next six years.

V. ATTACHMENTS

Attachment A: Sapunor Decision with Plaintiffs and Defendants Objections

SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO

DATE	: JANUARY 29, 2008	DEPT. NO	: 20
JUDGE	: HON. JACK SAPUNOR	CLERK	: TEMMERMAN
JOSH SHAW, Taxpayer and Executive Director of California Transit Association; and the CALIFORNIA TRANSIT ASSOCIATION, a nonprofit corporation, Petitioners, VS. JOHN CHIANG, California State Controller; and MICHAEL C. GENEST, California Director of Finance, in their official capacity, Respondents.		Case No.: 07CS01179	
Nature of Proceedings:		PETITION FOR WRIT OF MANDATE, DECLARATORY RELIEF, INJUNCTION AND ATTORNEYS' FEES; STATEMENT OF DECISION	

Set forth below is the Court's proposed Statement of Decision. Either party may, within 15 days after service of this proposed Statement of Decision, serve and file objections to the proposed statement of decision, in accordance with California Rule of Court 3.1590. The Court then shall consider any timely objections and issue a final Statement of Decision.

I.
Introduction

This petition for writ of mandate and complaint for declaratory and injunctive relief ("Petition") challenges appropriations in the 2007-08 state budget act and related trailer bills. Petitioners' principal argument is that the challenged legislation violates Public Utilities Code § 99310.5 and Revenue and Taxation Code § 7102(a)(1)-(3), as amended by Proposition 116, because it diverts \$1,187,909,982 from the Public Transportation Account (the "PTA") for purposes other than "transportation planning or mass transportation." Petitioners further allege that the legislation is unconstitutional because it uses PTA revenues to fund the State's obligation to repay the Transportation Investment Fund for prior suspensions of transfers of gasoline sales tax revenues, as constitutionally required by Propositions 2 and 1A. The Petition seeks a writ of

BOOK : 20
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**Superior Court of California,
County of Sacramento**

BY: F. TEMMERMAN,
Deputy Clerk

7.01

mandate and/or injunction prohibiting Respondents from diverting the challenged appropriations from the PTA; a declaration that use of PTA funds for the purposes set forth in the challenged legislation would violate Proposition 116 (and Propositions 2 and 1A); and an injunction enjoining the future use of PTA revenues except for transportation planning and mass transportation purposes.

As described more fully below, this case requires the Court to decide whether the challenged legislation is constitutionally invalid as an act in excess of the Legislature's powers. The Court's role as a reviewing court is simply to ascertain and give effect to the voters' intent. The Court does not pass upon the wisdom, expediency, or policy of the ballot measures or of the 2007-08 state budget act and related trailer bills. Even if legislation is unwise, inexpedient, or bad public policy, it still may be within the Legislature's constitutional authority. Moreover, in considering the constitutionality of a legislative act, the Court must presume its validity. Unless conflict with a provision of the Constitution is clear and unquestionable, the Court must uphold the act.

Applying these principles here, the Court concludes that the majority of the challenged appropriations are allowed. However, the Court concludes that the appropriation of \$409,000,000 in PTA funds to reimburse the General Fund for debt service payments on bonds made in prior fiscal years violates Proposition 116, and is beyond the Legislature's constitutional authority.

II. Background Facts

A. Summary of Background Legislation

This case requires an understanding of the history of several ballot measures approved prior to the legislation challenged in this lawsuit: namely, Proposition 108, Proposition 111, Proposition 116, Proposition 192, Proposition 2, Proposition 42, and Proposition 1A. A brief history of these measures is set forth below.

In June 1990, California's voters approved Propositions 108, 111, and 116. Proposition 108 is known as the Passenger Rail and Clean Air Bond Act of 1990, and is codified at Streets & Highway Code section 2701 *et seq.* It authorizes the sale of \$1 billion in general obligation bonds for the acquisition of rights-of-way, capital expenditures, and acquisition of rolling stock for intercity rail, commuter rail, and urban rail transit and for capital improvements which directly support rail transportation. (Sts. & Hy. Code §§ 2701.06, 2701.10, 2701.15.)

Proposition 116, an initiative measure, is known as the Clean Air and Transportation Improvement Act of 1990. Proposition 116 authorizes the sale of \$1.99 billion in general obligation bonds primarily for "rail projects," including rights-of-way, terminals and stations,

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BY: F. TEMMERMAN, *Flem*
Deputy Clerk

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Attachment Package
Page 6

rolling stock, grade separations, maintenance facilities, capital expenditures, but also for paratransit vehicles, bicycle facilities, a railroad museum, and water-borne ferry vessels and facilities. (Pub. Util. Code §§ 99690.5, 99613.)

In addition to authorizing the sale of bonds, Proposition 116 also added Public Utilities Code section 99611. Section 99611 provides, in relevant part:

"It is the intent of the people of California, in enacting this part, that bond funds shall not be used to displace existing sources of funds for rail and other forms of public transportation, including, but not limited to, funds that have been provided pursuant to Article XIX of the California Constitution, the Transportation Planning and Development Account in the State Transportation Fund . . . and local transportation sales taxes; that any future comprehensive transportation funding legislation shall not offset or reduce the amounts otherwise made available for transit purposes by this act; and that funding for public transit should be increased from existing sources including fuel taxes and sales tax on fuels."
(Pub. Util. Code § 99611.)

Proposition 116 also amended Public Utilities Code section 99310.5. Section 99310.5 governs the use of funds in the Transportation Planning and Development Account, which is now known as the Public Transportation Account (or PTA). (See Pub. Util. Code § 99310.) Prior to 1990, Public Utilities Code section 99310.5 provided that funds in the PTA "shall be available, when appropriated by the Legislature, for transportation purposes as specified." Proposition 116 amended section 99310.5 to designate the PTA as a "trust fund" and to provide that funds in the account shall be available "only for transportation planning and mass transportation purposes, as specified by the Legislature." (*Id.*)

Proposition 116 also amended Revenue and Taxation Code section 7102. Section 7102 governs the disposition of state sales and use tax revenues after they are deposited into the Retail Sales Tax Fund. As amended by Proposition 116, section 7102 requires the State to quarterly estimate the "spillover" and "diesel fuel sales tax" revenues and transfer such amounts to the PTA.¹ In addition, Proposition 116 added section 7102, subdivision (d) [now subdivision (e)], providing that the "Legislature may amend this section, by statute passed in each house of the Legislature by rollcall vote entered in the journal, two-thirds of the membership concurring, if the statute is consistent with, and furthers the purposes of this section."

Proposition 111 is known as the "The Traffic Congestion Relief and Spending Limitation Act of 1990." It is undisputed that Proposition 111 increased the gas excise tax by (ultimately)

¹ "Spillover" revenue is the amount by which gasoline sales tax revenues at the 4.75% rate exceed the amount generated from sales tax on all other goods at the 0.25% rate. "Diesel fuel sales tax" revenue is the net revenue at the 4.75% rate from the sales and use tax imposed on diesel fuel, liquefied petroleum gas, and natural gas

BOOK : 20
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BY: F. TEMMERMAN, *Flem*
Deputy Clerk

nine cents per gallon. It also is undisputed that Proposition 111 required the sales tax revenues on this incremental increase in the gas excise tax to be transferred quarterly to the PTA.

In 1996, the voters approved Proposition 192. Proposition 192, another bond measure, is known as the Seismic Retrofit Bond Fund of 1996. It is codified at Government Code § 8879 *et seq.* Proposition 192 authorizes the sale of \$2 billion in bonds for the seismic retrofit of state-owned highways and bridges, including toll bridges, throughout the state.² (Gov. Code § 8879.3.)

In 1998, the voters approved Proposition 2. Proposition 2 is a legislative constitutional amendment. It added article XIX A to the California Constitution, which restrict the conditions under which funds in the PTA can be "borrowed" by the General Fund and used for non-transportation purposes. Specifically, Proposition 2 provides that funds in the PTA may be "loaned" to the General Fund, but only if certain conditions are met. (See Cal. Const. art. XIX A, § 1.)

In 2002, the voters approved Proposition 42, another legislative constitutional amendment. Prior to 2002, gasoline sales tax revenues not transferred to the PTA were deposited in the General Fund and used for general governmental purposes. (See, e.g., Rev. & Tax. Code § 7102(b).) Proposition 42 changed that. Proposition 42 added Article XIX B to the California Constitution. Article XIX B, section 1 provides that all moneys received by the State under the Sales and Use Tax Law upon the sale, storage, use, or other consumption of motor vehicle fuel that are deposited in the General Fund shall instead be transferred to the "Transportation Investment Fund."

Article XIX B, section 1 also specifies how moneys in the Transportation Investment Fund shall be allocated. For the 2008-09 fiscal year and beyond, moneys shall be allocated 20 percent to "public transit and mass transportation;" 40 percent to transportation capital improvement projects; 20 percent to street and highway maintenance by cities; and 20 percent to street and highway maintenance by counties. (Cal. Const. art. XIX B, § 1.) For fiscal years 2003-04 to 2007-08, moneys must be allocated in accordance with section 7104 of the Revenue and Taxation Code, as that section read on March 6, 2002. (*Id.*) As it read on March 6, 2002, section 7104 conditionally required a portion of the funds to be transferred to the PTA. Specifically, section 7104 provided that 20 percent of the amount remaining (if any) after specified allocations to the Traffic Congestion Relief Fund shall be transferred to the PTA for appropriation by the Legislature as follows: 50 percent to the Department of Transportation for funding of bus and passenger rail services and public transit capital improvement projects pursuant to Public Utilities Code § 99315, subdivisions (a) or (b); 20 percent to the Controller for allocation to local transportation planning agencies and county transportation commissions

² It also authorizes funds to be used to reimburse the State Highway Account and the Consolidated Toll Bridge Fund for Phase Two retrofit expenditures incurred in the 1994-95 and 1995-96 fiscal years. (Gov. Code § 8879.3(c))

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pursuant to Public Utilities Code § 99314; and 20 percent to the Controller for allocation to local transportation planning agencies and county transportation commissions pursuant to Public Utilities Code § 99313.

As originally adopted, article XIX B, section 1 authorized the State to suspend the transfer of revenues from the General Fund to the Transportation Investment Fund in whole or in part, if the Governor has issued a proclamation declaring that the transfer will result in a significant negative fiscal impact on the government functions funded by the General Fund and the Legislature enacts a statute by a two-thirds vote authorizing such suspension. The State suspended the transfer twice between 2002 and 2006. In 2003-04, the transfer was partially suspended, and in 2004-05 the full amount of the transfer was suspended.

In November 2006, the voters adopted Proposition 1A. Proposition 1A, a legislative constitutional amendment, amended article XIX B to, among other things, further limit the conditions under which the Proposition 42 transfer of gasoline sales tax revenues can be suspended. After Proposition 1A, suspensions can occur only if the Governor issues a proclamation that declares suspension of the transfer is necessary due to a "severe state fiscal hardship." In addition, Proposition 1A amended article XIX B to provide that the transfer to the Transportation Investment Fund shall not be suspended for more than two fiscal years during any ten consecutive year period, and that no suspensions can occur unless prior suspensions (excluding those made prior to 2007-08) have been repaid in full. Further, as amended, article XIX B requires the State to use its General Fund to repay, no later than June 30, 2016, certain amounts that were not transferred to the Transportation Investment Fund because of the suspensions that occurred in 2003-04 and 2004-05. (See Cal. Const. art. XIX B, § 1, subdivision (f)(1).) For simplicity, the Court hereafter shall refer to these mandatory re-payments as the "Prop. 1A Gas Tax Reimbursements."

B. Summary of Challenged Legislation

Against this historical background, the Court now proceeds to describe the legislation at issue in this lawsuit. By way of overview, there are four legislative bills at issue: Senate Bills 77, 78, and 79, and Assembly Bill 193.

Senate Bill 79 amends Revenue and Taxation Code section 7102, subdivision (a)(1) by adding two new subdivisions (G) and (H) pertaining to the allocation of "spillover" revenues. As described above, section 7102, subdivision (a)(1) generally requires all "spillover" revenues to be transferred quarterly to the PTA. However, commencing in fiscal year 2001-02, the Legislature began amending section 7102, subdivision (a)(1) for the purpose of limiting/diverting the amount of such transfers. (See Rev. & Tax Code § 7102, subdivisions (a)(1)(A) through (F).) In some fiscal years, the Legislature diverted all of the spillover revenues so that no transfers were made to the PTA. (Rev. & Tax Code § 7102(a)(1)(D), (E).) In other fiscal years, the Legislature merely diverted a portion of the total amount of funds that otherwise would be transferred to the

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PTA. (Rev. & Tax Code § 7102(a)(1)(A), (B), (C), (F).) New subdivisions (G) and (H) continue this practice. These two new subdivisions provide:

"(G) For the 2007-08 fiscal year, the first one hundred fifty-five million four hundred ninety-one thousand eight hundred thirty-seven dollars (\$155,491,837) in revenue estimated pursuant to this paragraph each quarter shall, notwithstanding any other provision of this paragraph or any other provision of law, be transferred quarterly to the Mass Transportation Fund. If revenue in any quarter is less than that amount, the transfer in the subsequent quarter or quarters shall be increased so that the total transferred for the fiscal year is six hundred twenty-one million nine hundred sixty-seven thousand three hundred forty-eight dollars (\$621,967,348).

"(H) For the 2008-09 fiscal year and every fiscal year thereafter, 50 percent of the revenue estimated pursuant to this paragraph each quarter shall, notwithstanding any other provision of this paragraph or any other provision of law, be transferred to the Mass Transportation Fund." (Rev. & Tax Code § 7102(a)(1)(G), (H).)

Thus, as a result of SB 79, for the 2007-08 fiscal year, up to \$621,967,348 of "spillover" revenues that otherwise would have been transferred to the PTA will instead be transferred to a newly-established "Mass Transportation Fund." Similarly, for the 2008-09 fiscal year and beyond, 50 percent of any additional "spillover" revenues shall also be transferred to the Mass Transportation Fund.

Assembly Bill 193 adds section 7103 to the Revenue and Taxation Code. Section 7103 establishes the Mass Transportation Fund described above. Section 7103, subdivision (a) also provides that moneys in the Mass Transportation Fund "may be used for, but shall not necessarily be limited to," the following transportation purposes: (1) payment of debt service on transportation bonds, or reimbursement to the General Fund for past debt service payments on transportation bonds; (2) funding of the Department of Developmental Services for Regional Center transportation; (3) reimbursement to the General Fund for payments made by the General Fund pursuant to subdivision (f) of Section 1 of Article XIX B of the California Constitution; and (4) funding of home-to-school transportation and Small School District Transportation programs. (Rev. & Tax Code § 7103(a).)

For fiscal year 2007-08, of the \$621,967,348 in spillover revenues diverted to the Mass Transportation Fund, Revenue & Taxation Code section 7103, subdivision (b) provides that \$539,289,348 shall be transferred to the Transportation Debt Service Fund and that the remaining \$82,678,000 shall be transferred to the General Fund to "offset" the Prop. 1A Gas Tax Reimbursements (i.e., the payments required from the General Fund pursuant to article XIX B, section 1, subdivision (f)).

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AB 193 also adds Government Code section 16965. Section 16965 establishes the Transportation Debt Service Fund. As its name implies, the Transportation Debt Service Fund is dedicated to the payment of debt service on bonds, including the bonds issued pursuant to Propositions 108, 116, and 192.

Of the \$539,289,348 transferred to the Transportation Debt Service Fund from the Mass Transportation Fund pursuant to Revenue and Taxation Code § 7103(b), Government Code section 16965(b) authorizes the Director of Finance to transfer up to \$339,289,345 to the General Fund for the purpose of offsetting the cost of current debt service payments for bonds issued pursuant to Propositions 108, 116, and 192. (Gov. Code § 16965(b).) (The \$339,289,345 breaks down between the three bond measures as follows: (i) \$70,983,363 for Proposition 108; (ii) \$123,973,493 for Proposition 116; and (iii) \$144,332,489 for Proposition 192. (Gov. Code § 16965(b).) Section 16965(b) authorizes the Director of Finance to transfer the remaining \$200,000,000 to the General Fund for the purpose of offsetting the cost of debt service payments for public transportation-related general obligation bond expenditures made from the General Fund "in prior fiscal years." (Gov. Code § 16965(b).) The Department of Finance has determined that this \$200,000,000 will be used to reimburse the General Fund for past debt service payments on Proposition 108 bonds.

Unlike SB 79 and AB 193, which pertain to the use of "spillover" revenues diverted from the Retail Sales Tax Fund, SB 77 and 78 involve appropriations of funds from the PTA.

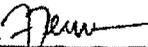
Senate Bill 78 adds section 24.80 to the Budget Act. It authorizes the Director of Finance to transfer \$409,000,000 from the PTA to the General Fund in the 2007-08 fiscal year for the purpose of reimbursing the General Fund for debt service payments on public transportation bonds made in prior fiscal years.³ Section 24.80(c) expressly finds that funding debt service on bonds benefiting public transportation is a component of the State's mass transportation program. The Department of Finance has determined that this \$409,000,000 has been (or will be) used to reimburse the General Fund for past debt service payments on Proposition 108 bonds.

Senate Bill 78 also adds section 56 to the Budget Act. Section 56 transfers \$99,120,000 from the PTA to the State School Fund, as part of the Home-to-School Transportation and Small School District Transportation programs. The Home-to-School Transportation program provides funding to local school districts and counties for transportation of students to and from public schools. The Small School District Transportation program provides funding to small school districts and county offices of education to comply with federal safety standards either through the purchase of new school buses or the reconditioning of existing buses.

³ The total reimbursement, however, may not reduce the balance in the PTA below a "prudent reserve," as determined by the Director of Finance.

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Senate Bill 77 appropriates \$128,806,000 from the PTA to the Department of Developmental Services for local assistance to Regional Centers. This appropriation is for transporting developmentally disabled persons receiving vocational rehabilitation services at Regional Centers. (See 17 C.C.R. § 58520.)

In summary, for fiscal year 2007-08, SB 79 and AB 193 transfer \$621,967,348 of spillover revenues directly from the Retail Sales Tax Fund to the Mass Transportation Fund. Of this amount, \$82,678,000 is then transferred to the General Fund to offset the Prop. 1A Gas Tax Reimbursements, and the remaining \$539,289,348 is transferred to the Transportation Debt Service Fund. Of the amount transferred to the Transportation Debt Service Fund, \$339,289,345 is transferred to the General Fund for current debt service payments on Propositions 108, 116, and 192 bonds, and the remaining \$200,000,000 is transferred to the General Fund for past debt service payments on Proposition 108 bonds. Thus, to further summarize, SB 79 and AB 193 transfer \$621,967,348 from the Retail Sales Tax Fund to the General Fund to offset the Prop. 1A Gas Tax Reimbursements and fund current and past debt service payments on transportation bonds. In addition, commencing in fiscal year 2008-09, SB 79 permanently diverts 50 percent of future spillover revenues from the Retail Sales Tax Fund to the Mass Transportation Fund for the purposes described above.

SB 78 appropriates \$409,000,000 from the PTA to reimburse the General Fund for past debt service payments on Proposition 108 bonds, and appropriates \$99,120,000 from the PTA to fund the Home-to-School Transportation and Small School District Transportation programs. And SB 77 appropriates \$128,806,000 from the PTA to pay the costs of transporting developmentally disabled persons receiving vocational rehabilitation services.

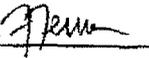
C. Petitioners' Claims

In this proceeding, Petitioners do not challenge the amendments to Revenue and Taxation Code § 7102(a)(1) which limited/diverted spillover revenues in fiscal years 2001-02, 2002-03, 2003-04, 2005-06, and 2006-07. (See Rev. & Tax. Code § 7102(a)(1)(A) through (E).) Petitioners contend that these amendments were improper, but do not challenge them here. The legislation challenged in this Petition only involves appropriations for fiscal year 2007-08 and beyond.

Petitioners also do not challenge the diversion of \$70,983,363 in spillover revenues to pay for current debt service on bonds issued pursuant to Proposition 108 for fiscal year 2007-08. Petitioners concede for purposes of this lawsuit that funding *current* debt service on bonds issued pursuant to Proposition 108 bonds is a legitimate "mass transportation" purpose within the meaning of Proposition 116. However, Petitioners challenge all of the other appropriations described above. Specifically, the Petition challenges the following appropriations in fiscal year 2007-08:

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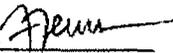
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- (1) \$144,332,489 in spillover revenues diverted from the Retail Sales Tax Fund to the General Fund to offset current debt service payments on bonds issued pursuant to Proposition 192;
- (2) \$123,973,493 in spillover revenues diverted from the Retail Sales Tax Fund to the General Fund to offset current debt service payments on bonds issued pursuant to Proposition 116;
- (3) \$200,000,000 in spillover revenues diverted from the Retail Sales Tax Fund to the General Fund to reimburse the General Fund for past debt service payments on bonds issued pursuant to Proposition 108;
- (4) \$82,678,000 in spillover revenues diverted from the Retail Sales Tax Fund to the General Fund to offset current Prop. 1A Gas Tax Reimbursements;
- (5) \$409,000,000 in funds appropriated from the PTA to the General Fund to reimburse the General Fund for past debt service payments on bonds issued pursuant to Proposition 108;
- (6) \$128,806,000 in funds appropriated from the PTA to the Department of Developmental Services for local assistance to Regional Centers; and
- (7) \$99,120,000 in funds appropriated from the PTA to the Department of Education for the Home-to-School Transportation and Small School District Transportation programs.

Petitioners challenge the \$144,332,489 appropriation on the grounds it violates Public Utilities Code § 99310.5 and Revenue and Taxation Code section 7102, as amended by Proposition 116. Petitioners contend that the spillover revenues are PTA funds and therefore, pursuant to Public Utilities Code § 99310.5, the revenues are available "only for transportation planning and mass transportation purposes." Petitioners contend that mass transportation means public mass transit, or public transportation, not general transportation infrastructure. Seismic retrofitting of state-owned highways and bridges, Petitioners argue, is not a "transportation planning" or "mass transportation" purpose. Thus, Petitioners contend PTA funds cannot be used to pay the current debt service on Proposition 192 bonds. Petitioners further contend that the State cannot circumvent the restrictions on PTA funds in Public Utilities Code § 99310.5 by diverting the spillover revenues from the Retail Sales Tax Fund before they are transferred into the PTA. Petitioners contend that Revenue and Taxation Code § 7102(a) imposes a mandatory duty on the State to transfer spillover revenues from the Retail Sales Tax Fund to the PTA, and that Proposition 116 prevents the Legislature from amending section 7102 in a manner inconsistent with the purposes of Proposition 116 and the PTA trust fund account.

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Petitioners challenge the \$123,973,493 appropriation on the grounds it violates Public Utilities Code § 99611, as added by Proposition 116. Section 99611 specifies that it is the intent of the people in enacting Proposition 116 that the bond funds approved in the measure "shall not be used to displace existing sources of funds for rail and other forms of public transportation, including but not limited to funds that have been provided pursuant to Article XIX of the California Constitution, [and] the [PTA] . . ." (Pub. Util. Code § 99611.) As described above, Petitioners contend that Revenue and Taxation Code § 7102 and Public Utilities Code § 99310.5 impose a mandatory obligation on the State to transfer spillover revenues from the Retail Sales Tax Fund to the PTA and to use those revenues only for "transportation planning and mass transportation purposes." Because Petitioners contend that mass transportation means public transportation, Petitioners argue that spillover revenues are an existing source of funds for public transportation. Thus, Petitioners contend that by directing that \$123,973,493 of spillover revenues be transferred from the PTA for payments on Proposition 116 bonds, the Legislature effectively has "displaced" existing public transportation funds to service the bonds.

Petitioners challenge the appropriation of \$200,000,000 in spillover revenues, and \$409,000,000 in PTA funds, to reimburse the General Fund for *past* debt service payments on Proposition 108 bonds on the grounds these appropriations serve no "transportation planning or mass transportation" purpose and are a thinly-veiled attempt to divert PTA funds for general governmental purposes. Petitioner asserts that the Legislature does not have the power to broaden the uses for which PTA funds are available beyond "transportation planning and mass transportation purposes."

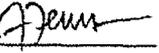
Petitioners challenge the appropriation of \$128,806,000 in funds appropriated from the PTA to the Department of Developmental Services for local assistance to Regional Centers, and \$99,120,000 in funds appropriated from the PTA to the Department of Education for the Home-to-School Transportation and Small School District Transportation programs, on the grounds these are not transportation planning or mass transportation purposes.

Finally, Petitioners challenge the \$82,678,000 appropriation to offset current Prop. 1A Gas Tax Reimbursements on the ground that using transportation funds to backfill the General Fund's constitutional obligation to reimburse the Transportation Investment Fund for the suspended transfers that occurred in 2003-04 and 2004-05 is contrary to both Proposition 116 and Proposition 1A. Petitioners contend that this appropriation conflicts with Proposition 116 because it would result in spillover revenues being used for non-transportation planning and non-mass transportation purposes. Petitioners contend that this appropriation also conflicts with the intent of Proposition 1A because it would result in no net repayment of the suspended transfers of Prop. 42 transportation funds.

For fiscal year 2008-09 and beyond, Petitioners challenge the diversion of 50 percent of all spillover revenues from the Retail Sales Tax Fund to the Mass Transportation Fund because

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the transfer would allow the Legislature to use these funds for purposes other than transportation planning and mass transportation. (See Rev. & Tax. Code § 7102(a)(1)(H).)

Respondents, in contrast, argue that the Petition should be denied for substantive and procedural reasons.

Substantively, Respondents argue that of the \$1,187,909,982 in appropriations challenged by Petitioners, only \$565,942,634 was appropriated from the PTA. Respondents contend only the appropriations from the PTA are governed by the restrictions of Public Utilities Code § 99310.5. In respect to these PTA appropriations, Respondents assert that the challenged transfers fully comport with the restrictions of Public Utilities Code § 99310.5.

In respect to the non-PTA appropriations (the spillover revenues), Respondents contend that the only relevant issue before the Court is whether the Legislature properly amended Revenue and Taxation Code § 7102(a)(1), to add subdivisions (G) and (H), diverting the spillover revenues from the Retail Sales Tax Fund to the Mass Transportation Fund. Respondents assert that the amendment was proper and must be upheld.

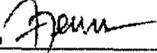
According to Respondents, Proposition 116 allows amendments to section 7102 that are consistent with, and further the purposes of, section 7102. The purpose of section 7102, Respondents argue, is broader than merely funding the PTA. Rather, it is to provide for the distribution of all State sales and use tax revenues that have been deposited in the Retail Sales Tax Fund. Respondents assert that any amendment is consistent with and furthers the purposes of that section so long as it distributes sales and use tax revenue to fund the general operations of the government. Because the challenged amendments to section 7102(a)(1), subdivisions (G) and (H), are consistent with this purpose, the amendments are valid and Petitioners' challenge to the transfers from the Retail Sales Tax Fund must be rejected.

Moreover, even if Public Utilities Code § 99310.5 applies to the diverted spillover revenues, Respondents assert that the challenged appropriations nevertheless are valid. Respondents assert that all of the appropriations are for a "mass transportation" purpose within the meaning of Public Utilities Code § 99310.5. Respondents argue that Petitioners' interpretation of the phrase "mass transportation" is unduly narrow. Respondents deny that mass transportation is synonymous with "mass transit," "public mass transportation," or "public transportation." Respondents interpret the phrase "mass transportation" to include any means or system of conveyance of a large number of people or things, including, potentially, highways and bridges.

In respect to the appropriations for current debt service payments on Proposition 116 bonds, Respondents contend that Petitioners' interpretation of Public Utilities Code § 99611 renders the provision unconstitutional and that, in any event, there is no evidence that bond funds have displaced public transportation funds.

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In respect to the appropriations for past debt service payments on Proposition 108 bonds, Respondents contend Petitioners are making a "baseless distinction" between the payment of current debt service on Proposition 108 bonds – which Petitioners concede is proper – and payment of past debt service on Proposition 108 bonds – which Petitioners contend is not proper.

And in respect to the appropriations for Prop. 1A Gas Tax Reimbursements, Respondents contend that such backfilling is permissible because there is no law that prohibits the General Fund from receiving reimbursement for its constitutional obligation.

Procedurally, Respondents argue that Petitioners' challenges are barred by laches. According to Respondents, the Legislature has been diverting spillover revenues and appropriating PTA funds for agricultural worker transportation and seismic retrofit programs since 2001. Respondents contend this established a practice, and that the Legislature and the Department of Finance relied on the legitimacy of this practice in preparing the 2007-08 budget. Respondents argue that to allow Petitioners to now challenge the legitimacy of this established practice would be prejudicial to Respondents.

Furthermore, Respondents argue that even if the Court were to find that one or more of the challenged appropriations does not fully comply with the law, the petition for writ of mandate should be denied on equitable grounds because it will have detrimental consequences for the State's 2008-09 budget.

Finally, Respondents assert the Petition should be denied because the verification of the Petition is defective.

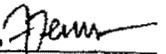
III.
Standard of Review

As described above, this Petition alleges that various provisions of the 2007-08 Budget Act and related trailer bills are unconstitutional because they conflict with an initiative statute (Proposition 116) and three legislative constitutional amendments (Propositions 42, 2 and 1A).

In interpreting a constitutional amendment or voter initiative, courts apply the same principles that govern construction of a statute. The paramount task is to ascertain and effectuate legislative intent. Courts turn first to the language of the constitutional text or initiative statute, giving the words their ordinary meaning, in the context of the nature and purpose of the enactment. When the language is clear and unambiguous, the plain meaning of the language governs. (*Hayden v. Robertson Stephens, Inc.* (2007) 150 Cal.App.4th 360, 367.) As a judicial body, it is the role of the courts to interpret the laws as they are written; courts cannot insert or omit words to cause the meaning of the measure to conform to a presumed intent that is not expressed. (*Knight v. Superior Court* (2005) 128 Cal.App.4th 14, 23.) Where there is ambiguity

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in the language of the measure, however, courts may consider ballot summaries, arguments, and other indicia of voters' intent in determining the meaning of a ballot measure. (*Professional Engineers v. Kempton* (2007) 40 Cal.4th 1016, 1037.)

In general, the law-making authority of the State is vested in the Legislature and that body may exercise any and all legislative powers which are not expressly or by necessary implication denied to it by the Constitution. (*Professional Engineers v. Wilson* (1998) 61 Cal.App.4th 1013, 1020.) Thus, in considering the constitutionality of a legislative act, the court presumes its validity and resolves all doubts in favor of the act. Unless conflict with a constitutional provision is clear, the court must uphold the act. (*Id.* at p. 1025.)

On the other hand, it also is the duty of the courts to "jealously guard" the people's initiative and referendum power. Thus, it has long been a judicial policy to apply a liberal construction to this power whenever it is challenged in order that the right to initiative and referendum is "not improperly annulled." (*Proposition 103 Enforcement Project v. Quackenbush* (1998) 64 Cal.App.4th 1473, 1486; see also *Professional Engineers v. Kempton* (2007) 40 Cal.4th 1016, 1044.)

IV.
Discussion

A. Is the Petition procedurally barred?

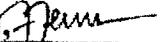
As an initial matter, Respondents contend that the Petition should be denied on procedural grounds because Petitioners have unreasonably delayed in seeking relief; issuance of a writ will not promote the ends of justice; and the Petition is not properly verified. Each of these contentions is rejected.

Petitioners have not unreasonably delayed in seeking relief. The transfers challenged by Petitioners are unique to the 2007-08 Budget Act. The fact that Petitioners could have filed lawsuits challenging similar enactments in prior years is wholly irrelevant. Moreover, the public cannot be estopped from challenging the legality of an illegally established practice. An established practice that is not legal does not become legal by the mere passage of time.

Neither is writ relief barred on the grounds it will not promote the ends of justice. Issuance of a writ, if ordered, will promote the ends of justice by prohibiting illegal appropriations and furthering the will of the people. Whatever detrimental effects this may have on the State's 2008-09 budget is a consequence of the illegal Acts, not this Court's decision. If the Court were to adopt Respondents' argument, writ relief would rarely, if ever, be available in lawsuits against the State.

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Respondents' challenge to the verification of the First Amended Petition is likewise rejected. The First Amended Petition on which the verifications were based differed from the filed Petition in only one immaterial respect: the First Amended Petition that was reviewed and verified contained blanks for a legal citation to Assembly Bill 193. All material facts in the Petitioner were properly verified. Moreover, even if the verification is defective, the failure to verify a pleading is not a jurisdictional matter, but a mere defect in pleading, which may be waived by proceeding to trial without proper objection. (*United Farm Workers of America v. Agric Labor Relations Bd.* (1985) 37 Cal.3d 912, 915; *Ware v. Stafford* (1962) 206 Cal.App.2d 232, 237; *People v. Birch Sec. Co.* (1948) 86 Cal.App.2d 703, 707-708.) The proper objection where a party fails to verify a pleading is a motion to strike. (*Zavala v. Board of Trustees* (1993) 16 Cal.App.4th 1755, 1761.) When Respondents proceeded to trial without principally objecting to the lack of verification, they waived any right to object to the verification. (*Id.*)

B. Does Public Utilities Code § 99310.5 apply to the transfers of spillover revenues challenged by Petitioners?

The amendments to Revenue and Taxation Code § 7102(a)(1), subdivisions (G) and (H) transfer from the Retail Sales Tax Fund to the Mass Transportation Fund \$621,967,348 in spillover revenues that would otherwise have been transferred into the PTA. Petitioners argue that these amendments violate Proposition 116. Petitioners contend that Public Utilities Code § 99310.5 and Revenue & Taxation Code § 7102, as amended by Proposition 116, impose a mandatory obligation on the State to transfer spillover revenues from the Retail Sales Tax Fund to the PTA, and to use those revenues only for "transportation planning and mass transportation purposes."

Respondents argue that Petitioners have improperly framed the issue. Respondents assert that Public Utilities Code § 99310.5, by its terms, applies only to funds in the PTA trust fund account. In this case, the challenged spillover revenues were not transferred into the PTA account because the amendments to Revenue & Taxation Code § 7102(a)(1) diverted the spillover revenues directly from the Retail Sales Tax Fund to the Mass Transportation Fund. Therefore, Respondents argue, the only issue before the Court is whether the Legislature had the power to amend Revenue & Taxation Code § 7102(a)(1) in this manner. Respondents assert that it did.

The Court agrees with Respondents that the threshold issue before the Court is whether the Legislature had the power to amend Revenue & Taxation Code § 7102(a)(1). There is a constitutional limitation on the Legislature's power to amend initiative statutes. (*Foundation for Taxpayer & Consumer Rights v. Garamendi* (2005) 132 Cal.App.4th 1354, 1364-1365.) Article II, section 10, subdivision (c) of the California Constitution provides that the Legislature may amend or repeal an initiative statute only by another statute approved by the electors, "unless the initiative statute permits amendment or repeal without their approval." (Cal. Const. art. II, § 10(c).) The power of the electors to decide whether the Legislature can amend or repeal an

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initiative statute is absolute and includes the power to enable legislative amendment subject to conditions attached by the voters. (*Foundation for Taxpayer & Consumer Rights, supra*, at pp. 1364-1365; *Amwest Surety Ins. Co. v. Wilson* (1995) 11 Cal.4th 1251, 1251.) It is common for an initiative measure to include a provision authorizing the Legislature to amend the initiative without voter approval so long as the amendment furthers a purpose of the initiative. (See *Amwest, supra*, at pp. 1251-1252; see also *Professional Engineers v. Kempton* (2007) 40 Cal.4th 1016, 1026; *Proposition 103 Enforcement Project v. Quackenbush* (1998) 64 Cal.App.4th 1473, 1484.) Where an initiative measure grants the Legislature the power to amend a measure to further its purposes, a court, in determining whether an amendment is valid, applies a presumption of constitutionality to the amendment and upholds the amendment if there is any reasonable basis to conclude that the amendment serves the purposes of the initiative statute. (*Amwest, supra*, at pp. 1251-1253.) In determining the purposes of the measure, a court is not limited to the general statement of purpose found in the initiative, and may look to many sources, including the historical context of the measure and the ballot arguments. (*Id.* at pp. 1256-1257.)

Revenue & Taxation Code § 7102, at issue here, is an initiative statute. It was amended and re-enacted by virtue of the voters' approval of Proposition 116. (See Cal. Const. art. II, § 9; *Yoshisato v. Superior Court* (1992) 2 Cal.4th 978, 990 fn. 6.)

Proposition 116 allows amendments to Revenue & Taxation Code section 7102 subject to conditions. Section 7102, subdivision (e) provides, in relevant part, "[t]he Legislature may amend this section, by [two-thirds vote], if the statute is consistent with, and furthers the purposes of this section." (Rev. & Tax. Code § 7102(e).)

Respondents correctly observe that the power that Proposition 116 gives to the Legislature is atypical in that amendments to Section 7102 need only further the purposes of "this section" – meaning § 7102 – and not the purposes of the broader initiative.⁴

Petitioners dispute this interpretation and argue that even though the statute uses the term "section," the voters' must have intended to preclude amendments inconsistent with the purposes of the "trust" fund. Why else, Petitioners query, would the voters have amended Revenue & Taxation Code § 7102, subdivision (a) to direct spillover revenues to the trust fund?⁵ However, in making this argument, Petitioners ignore that the voters also amended section 7102 to allow the Legislature to amend "this section" by statute passed by two-thirds vote provided the statute is consistent with and furthers the purposes of "this section." Where the language of a statute is

⁴ Section might also be interpreted as reference to the "section" of the initiative (§ 4) setting forth the amendments to Revenue & Taxation Code section 7102. However, that is a distinction without a difference since the only purpose of section 4 of the initiative was to describe the amendments to Revenue & Taxation Code section 7102. The term "section" cannot reasonably be interpreted as a reference to a "part" of the initiative since the text of the initiative clearly distinguished between these two terms. (See, e.g., Pub. Util. Code §§ 99605, 99611.)

⁵ To the extent this rhetorical question requires an answer, one possibility is that the voters intended to conform Revenue & Taxation Code § 7102(a) to the amendments to Public Utilities Code § 99310.5.

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clear on its face, a court may not add to a statute or rewrite it to conform to an assumed intent that is not apparent in its language. (*Professional Engineers v. Kempton* (2007) 40 Cal.4th 1016, 1037.) Here, the term "section" has an accepted meaning, (see *Black's Law Dictionary* [6th Ed. 1990], at p. 1353), and the Court cannot rewrite the statute to state something different.⁶

Moreover, even if the Court were to conclude that the term "section" is ambiguous, there is no extrinsic evidence of intent in the ballot materials or anywhere else to support Petitioners' interpretation. While the text of the initiative makes clear the voters intended to designate the PTA as a trust fund, there is nothing in the ballot summaries, arguments, or analysis discussing the trust fund, or suggesting that the voters intended to preclude the Legislature from changing the amount of sales and use tax revenues allocated to the trust fund.⁷ (*Cf.* Pub. Util. Code § 99605 [empowering Legislature to amend part if the statute is consistent with and furthers the purposes of this part, provided no changes are made in the way in which funds are allocated pursuant to Chapter 3, except Section 99684].) The only evidence of the voters' intent regarding the trust fund is the text of the initiative statute itself, which is no basis to overturn the presumption of constitutionality supporting the Legislature's acts. For these reasons, the Court concludes the Legislature may amend section 7102, by a two-thirds vote, provided the statute is consistent with, and furthers the purposes of section 7102.

Here, it is undisputed that the 2007-08 Budget Act's amendments were passed in each house of the Legislature by a two-thirds vote of the membership. Thus, the only remaining question is whether the amendments are consistent with, and further the purposes of, the section. The Court concludes that the amendments are consistent with, and further the purposes of, the section.

The purpose of section 7102 is broader than funding the PTA. Rather, section 7102 is a bucket-type distribution statute that governs the disposition of all state sales and use taxes deposited into the Retail Sales Tax Fund. (*See* Rev. & Tax. Code § 7102 ["The money in the fund shall . . . be drawn [for refunds] . . . or be transferred in the following manner: . . .".]) Although some of its provisions govern the transfer of spillover revenues to the PTA, section 7102 also governs the transfer of revenues to other funds, including the General Fund. The purpose of section 7102, therefore, is to provide for the distribution of all state sales and use tax revenues that have been deposited in the Retail Sales Tax Fund.

The amendments to Revenue and Taxation Code § 7102, subdivisions (a)(1)(G) and (H), are consistent with and further the purposes of section 7102 because the amendments distribute sales and use tax revenues for the general operation of the government. Accordingly, the

⁶ Neither can the Court pass upon the wisdom, expediency, or policy of this enactment (*Professional Engineers v. Kempton* (2007) 40 Cal 4th 1016, 1043)

⁷ Because it was not raised in this proceeding, the Court expresses no opinion on whether Proposition 116 violated the single-subject rule of the California Constitution because the provisions of the initiative measure embraced more than one subject (*See* Cal Const art. IV, § 9; *Senate of the State of Cal v Jones* (1999) 21 Cal.4th 1142.)

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Legislature had the power to amend § 7102(a)(1). And because the amendments are valid, Petitioners' claim that the transfer of \$621,967,348 in spillover revenues violates Public Utilities Code § 99310.5 must be rejected. By its terms, Public Utilities Code § 99310.5 only applies to funds in the PTA account. By virtue of the amendments, the spillover revenues never were deposited in the PTA.

C. Do the provisions of Proposition 116 preclude the use of spillover revenues for payment of current debt service on Proposition 116 bonds?

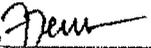
Proposition 116, the Clean Air and Transportation Improvement Act of 1990, authorizes the sale of \$1.99 billion in bonds primarily for "rail projects." From the statement of intent set forth in Public Utilities Code § 99611, the voters intended Proposition 116 to increase funds for rail and other public transportation projects without reducing or displacing existing sources of funds for public transportation. (See Pub. Util. Code § 99611.) Petitioners allege that using spillover revenues to reimburse the General Fund for payment of current debt service on Proposition 116 bonds would have the effect of displacing a source of funds for public transportation and, therefore, violate Proposition 116. Respondents contend, however, that Petitioners' argument fails because (1) as a factual matter, there is no evidence that bond funds have displaced public transportation funds; (2) as a matter of law, section 99611 does not apply to the displacement of non-public transportation funds; and (3) Petitioners' interpretation would render section 99611 an unconstitutional restriction on the Legislature's plenary power to appropriate money.

The Court agrees with Respondents. In enacting Proposition 116, the voters intended to increase mass transit spending without depleting or displacing existing public transportation funds. (*Professional Engineers v. Wilson* (1998) 61 Cal.App.4th 1013, 1022.) The PTA is an existing public transportation fund. (See discussion *infra*.) However, the spillover revenues were not deposited into the PTA. As discussed above, the Legislature validly amended Revenue and Taxation Code § 7102, subdivisions (a)(1) to divert the spillover revenues directly from the Retail Sales Tax Fund to the Mass Transportation Fund. Moneys in the Mass Transportation Fund are not restricted to public transportation purposes. (See Rev. & Tax Code § 7103.) And there is no evidence that moneys in the Mass Transportation Fund (or the General Fund) specifically earmarked for public transportation were used for this bond debt reimbursement. (See *Wilson, supra*, at p. 1023.) Thus, there is no evidence that bond funds have displaced public transportation funds.

Further, as a matter of law, section 99611 does not apply to non-public transportation funds. (See *Wilson, supra*, at p. 1022.) Because the diverted spillover revenues were not transferred into the PTA, they were not public transportation funds. To the extent Petitioners construe section 99611 as prohibiting the Legislature from servicing bond debt with any moneys that *could* be used to fund public transportation, then Petitioners' interpretation must be rejected

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as inconsistent with Proposition 116 and as an unconstitutional limitation on the Legislature's authority.⁸

D. Does Proposition 1A prohibit the appropriation of \$82,678,000 in spillover revenues to offset the Prop. 1A Gas Tax Reimbursements?

The subject legislation transfers \$82,678,000 in spillover revenues from the Retail Sales Tax Fund to the General Fund (via the Mass Transportation Fund) for the purpose of offsetting the General Fund's constitutional mandate to repay the suspended Proposition 42 transfers to the Transportation Investment Fund that occurred in 2003-04 and 2004-05 (i.e., the Prop. 1A Gas Tax Reimbursements). Petitioners contend that this appropriation conflicts with Proposition 1A because it would result in no net repayment of the suspended Proposition 42 transportation funds.

Petitioners are correct that the appropriation effectively would result in no net repayment of the suspended transportation funds. However, the Court agrees with Respondents that this backfilling is not unlawful. There is no law that prohibits the General Fund from being reimbursed for its ultimate obligation to re-pay the suspended transfers. (*See Wilson, supra*, at pp. 1020-1021 [upholding use of funds from the State Highway Account to reimburse the General Fund for current debt service payments on bonds based, in part, on fact that bond measures do not prohibit reimbursement].) Accordingly, Petitioners' challenge to this appropriation is rejected.

E. Are the appropriations from the PTA trust fund prohibited by Public Utilities Code § 99310.5?

In addition to challenging \$621,967,348 of spillover revenues diverted from the Retail Sales Tax Fund, Petitioners also challenge \$565,942,634 in funds appropriated from the PTA. Specifically, the Petition challenges \$409,000,000 in PTA funds transferred to the General Fund to "reimburse" the General Fund for past debt service payments on bonds issued pursuant to Proposition 108; \$128,806,000 in PTA funds transferred to the Department of Developmental Services for local assistance to Regional Centers; and \$99,120,000 in PTA funds transferred to the Department of Education for the Home-to-School and Small School District Transportation programs. Petitioners allege that all of these transfers violate Public Utilities Code § 99310.5 because the funds are not being used for "transportation planning" or "mass transportation" purposes.

⁸ The intent of the enactment was to increase public transportation spending without displacing or depleting existing public transportation funds. The intent of the enactment was not to guarantee a particular level of transportation funding or to restrict how the Legislature spends non-public transportation funds.

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Respondents do not dispute that Public Utilities Code § 99310.5 restricts the use of funds in the PTA to transportation planning and mass transportation purposes, but Respondents contend that the challenged transfers fully comport with these use restrictions. Respondents argue that Petitioners' interpretation of the phrase "mass transportation" is unduly narrow. Respondents argue that the phrase "mass transportation" was not intended to be synonymous with "public transportation." Rather, Respondents contend, it was intended to include any means or system of conveyance of a large number of people or things. Respondents assert that each of the challenged transfers falls within the scope of this definition.

After considering the arguments of the parties and the evidence presented, the Court is persuaded by Petitioners' argument that the voters intended the phrase "mass transportation" to be synonymous with "mass transit" or "public transit." The Court reaches this conclusion for a number of reasons.

First, and most important, is the fact that the voters specifically amended section 99310.5 to designate the PTA a "trust fund" and to specify that funds in the account shall be available not just for any "transportation purposes," but "only for transportation planning and mass transportation purposes."⁹ The claim by Respondents that "mass transportation" should include any means or system of transportation would render these amendments superfluous. Thus, Respondents' interpretation fails to give meaning to the amendments enacted by Proposition 116. Petitioners' interpretation, in contrast, gives meaning to the amendments enacted by Proposition 116 and is consistent with Proposition 116's broader purpose to increase funding for rail transportation and other forms of public transit. (See Argument in Favor of Proposition 116, Pet. Appx., Exh 1.)

Second, Public Utilities Code § 99611, added by Proposition 116, specifically refers to the trust fund as an "existing source[] of funds for rail and other forms of public transportation." (Pub. Util. Code § 99611; see also *Professional Engineers v. Wilson* (1998) 61 Cal.App.4th 1013, 1022.) This suggests that the voters, in approving Proposition 116, intended the phrase "mass transportation" to be synonymous with "public transportation."¹⁰

Third, this interpretation is consistent with the dictionary meaning of the term "mass transportation," i.e., the transportation of large numbers of passengers from one place to another

⁹ The qualifying phrase "as specified by the Legislature" authorizes the Legislature to determine the particular "transportation planning" and "mass transportation" purposes for which PTA funds shall be used, but it does not give the Legislature the power to define "mass transportation" to mean something different than what was intended by the voters. (See *C&C Construction, Inc v Sacramento Municipal Utility District* (2004) 122 Cal App.4th 284, 300-302 [holding Legislature lacks constitutional authority to re-define "discrimination" for purposes of Proposition 209])

¹⁰ It also is noteworthy that, after adoption of Proposition 116, the Legislature changed the name of the trust fund account from the Transportation Planning and Development Account to the "Public Transportation Account." (Pub Util Code § 99310, Stats 1997 ch 622 § 32 (SB 45), see also Pub. Util Code § 99312(d) ["and the remainder of revenue shall remain in the Public Transportation Account to fund other state public transportation priorities"])

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by means of a public conveyance. (See Webster's Third New International Dictionary (1986) at pp. 1388, 2430; Pet. Appx., Exh. 12; see also 49 U.S.C. § 5302(a)(7), (10), (14).)

The Court next considers whether the \$565,942,634 in challenged appropriations from the PTA were for "mass transportation" purposes.¹¹

Petitioners contend that transporting public school children and the disabled are not mass transportation purposes because the services are not available to the general public. However, the Court is not persuaded public transportation services must be available to every member of the general public to serve a mass transportation purpose within the meaning of Public Utilities Code § 99310.5. Rather, in the Court's view, mass transportation services may include not only general transportation services provided to the public at large, but also specialized transportation services indiscriminately provided to some portion of the public. (See Pet. Appx., Exh. 12 [defining mass transportation to include both "general" and "special" services]; 49 U.S.C. § 5302(a)(7), (10) [defining mass transportation as transportation by a conveyance that provides general or special transportation to the public]; see also Cal. Pub. Util. Code §§ 99238, 99401.5.) Thus, the Court finds that expenditures for transporting public school children and the disabled serve "mass transportation" purposes within the meaning of section 99310.5.

To the extent Petitioners allege that the Home-to-School Transportation and/or Small School District Transportation programs may include expenditures that do not serve "mass transportation" purposes, such as in lieu payments to parents to transport their own children to school, the Court would be inclined to agree. However, there is no evidence to support Petitioners' claim that the challenged appropriations will be used for these illegitimate purposes as opposed to the legitimate purposes described above. Thus, this claim must fail.

In respect to the \$409,000,000 transfer to reimburse the General Fund for past debt service payments on Proposition 108 bonds, however, the Court agrees with Petitioners that this transfer does not serve any transportation planning or mass transportation purpose.

In reaching this conclusion, the Court distinguishes between using PTA funds to "reimburse" the General Fund for current debt service payments, and using PTA funds to reimburse the General Fund for past debt service payments. In the first instance, the funds are essentially passed through the General Fund and used to pay the current debt service on the bonds. In effect, the current debt service is paid with the PTA funds. (See, e.g., *Automobile Club of Washington v. City of Seattle* (1959) 55 Wn.2d 161, 165.) In the second instance, the debt service already was paid in prior fiscal years. Thus, the effect of this transfer is simply to transfer funds from the PTA to the General Fund, at which point the funds may be used without restrictions for any general governmental purpose.

¹¹ It is undisputed the appropriations were not for "transportation planning" purposes.

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In *Professional Engineers v Wilson* (1998) 61 Cal.App.4th 1013, the Court of Appeal was faced with the first type of "reimbursement." The Court considered whether current Proposition 108 and 116 bond payments could be made using funds "reimbursed" (i.e., transferred) to the General Fund from the State Highway Account for this purpose. In considering this issue, the Court looked at how State Highway Account funds are allowed to be used, and how the restricted funds actually were going to be used. The Court concluded that State Highway Account funds can be used for any work within the powers and duties of the Department, including bond debt on rail mass transit projects. Because the State Highway Account funds at issue were going to be used for this purpose, the Court concluded that the challenged transfer did not violate the purposes for which State Highway Account funds can be spent. The Court concluded that current bond debt payments could be made with funds transferred to the General Fund from the State Highway Account. (*Id.* at p. 1029.) In its opinion, however, the Court expressly stated that the distinction between reimbursement and obligation should not be taken too far: "Funding restrictions cannot be ignored through the guise of a theoretical legal 'obligation.'" (*Id.* at p. 1021.)

In this case, the distinction between reimbursement and obligation has been taken too far.¹² Here, unlike in *Professional Engineers*, there is no connection between the "obligation" to be reimbursed and the actual use of the dedicated funds. The bond obligations are not going to be paid with funds transferred to the General Fund from the PTA; those obligations no longer exist, having been retired in prior fiscal years.¹³ Thus, the PTA funds will not be used to pay the debt service on the bonds. Instead, the funds simply will be transferred to the General Fund, where they can be used for any governmental purpose. This "reimbursement" in no way serves a "mass transportation" purpose.¹⁴ As a result, the "reimbursement" violates the purposes for which PTA funds can be spent under Public Utilities Code § 99310.5.¹⁵

F. Conclusion

¹² Indeed, if Respondents' position is adopted, then restrictions on dedicated funds would be rendered virtually meaningless: the State simply could look over its prior General Fund expenditures and, to the extent it identifies sums paid for purposes consistent with the dedicated fund, it could use the dedicated funds to "reimburse" its General Fund in that amount.

¹³ The funds used to pay the debt service on the bonds in prior fiscal years were not borrowed or advanced from the General Fund on behalf of the PTA. There is no existing obligation to be reimbursed.

¹⁴ It makes no difference that the Legislature found that funding debt service on bonds benefiting public transportation is a component of the state's mass transportation program. The \$409,000,000 appropriation is not funding debt service on bonds. It is reimbursing the General Fund for past debt service on bonds. The Legislature did not find that reimbursing the General Fund benefits the state's mass transportation program, and even if it had, such a finding would be unreasonable. If anything, the reimbursement results in a net decrease in the amount of funds reserved for mass transportation purposes.

¹⁵ Although the Legislature has the power to amend section 99310.5 by statute passed by two-thirds vote if the statute is consistent with and furthers the purposes of "this section," the Court concludes that amending section 99310.5 to allow trust funds to be used for any purpose, or even any transportation purpose, would not be consistent with the purposes of the section.

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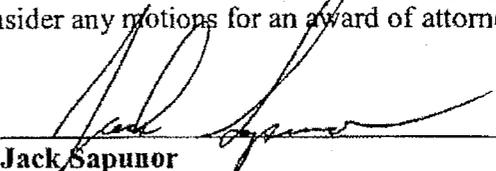
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For the reasons discussed above, the Court concludes that the transfer of \$409,000,000 from the PTA to the General Fund for the purpose of reimbursing the General Fund for past debt service payments on Proposition 108 bonds is contrary to Public Utilities Code § 99310.5. Judgment shall be entered granting the Petition to the extent it seeks to invalidate the portion of SB 78 authorizing the \$409,000,000 transfer from the PTA to the General Fund and enjoin such transfer, but denying the Petition in all other respects.

Petitioners are directed to prepare a formal judgment and peremptory writ of mandate consistent with this Court's ruling; submit them to opposing counsel for approval as to form; and thereafter submit them to the Court for signature and entry of judgment in accordance with Rule of Court 3.1312. Petitioners shall be entitled to recover their costs upon appropriate application. The Court reserves jurisdiction to consider any motions for an award of attorney fees.

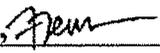
Date: January 29, 2008



Jack Sapunor
Judge of the Superior Court of California
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CERTIFICATE OF SERVICE BY MAILING
(C.C.P. Sec. 1013a(4))

I, the undersigned deputy clerk of the Superior Court of California, County of Sacramento, do declare under penalty of perjury that I did this date place a copy of the Court's Ruling in envelopes addressed to each of the parties, or their counsel of record as stated below, with sufficient postage affixed thereto and deposited the same in the United States Post Office at Sacramento, California.

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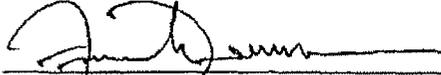
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Dated: January 29, 2008

Superior Court of California,
County of Sacramento

By:



Frank Temmerman,
Deputy Clerk

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12
 13 SUPERIOR COURT OF CALIFORNIA
 14 COUNTY OF SACRAMENTO

15 JOSH SHAW, Taxpayer and Executive Director of) Case No. 07CS 01179
 16 California Transit Association, and the)
 CALIFORNIA TRANSIT ASSOCIATION, a)
 17 nonprofit corporation,)
)
 18) **PETITIONERS' OBJECTION TO**
 Petitioners,) **STATEMENT OF DECISION**
)
 19)
 vs.)
 20)
 JOHN CHIANG, California State Controller and) Date: January 29, 2008
 21 MICHAEL C. GENEST, California Director of) Time:
 Finance, in their official capacity,) Dept: 20
) Judge: Hon. Jack Sapunor
 23 Respondents.)
)
 24)
 25)

26 Pursuant to California Rules of Court section 3.1590 this Statement of Objection is filed in
 27 response to the court's Proposed Statement of Decision issued January 29, 2008 in the above captioned
 28 matter.

7.a24

I. Does Revenue and Taxation Code Section 7102(e) Give the Legislature Unfettered Discretion to Divert Revenues Required to be Deposited in the Public Transportation Account by Section 7102(a) for Any Government Purpose?

Petitioners respectfully object to the court's interpretation that Revenue and Taxation Code section 7102(e)¹ authorizes the Legislature to redirect for any government purpose revenues that would otherwise be required to be deposited in the Public Transportation Account (PTA). The Court's interpretation is totally inconsistent with prior actions of the Legislature. Why would the Legislature have placed Proposition 2 on the ballot, restricting the ability of the Legislature to borrow funds from the PTA, if the Legislature thought it had the power to simply divert the money for general government purposes before it goes into the PTA? Why would the Legislative Analyst in describing Proposition 2 to the voters state:²

Under current law, revenues from the sales tax on diesel fuel and part of the sale tax on gasoline must be deposited in the Public Transportation Account for use only for public transportation and transportation planning purposes. Currently, these funds may be loaned to the State General Fund. Loans must be repaid with interest. (Emphasis added.)

If the court's interpretation is correct, the Legislature's placement of Proposition 2 on the ballot inflicted a classic hoax on the voters. The amendment language in Public Utilities Code section 99310.5(c) and Revenue and Taxation code section 7102(e), both added by Proposition 116, are identical. The court correctly construes section 99310.5(c) to preclude any amendments that would permit funds in the PTA to be used for purposes other than transportation planning or mass transportation purposes. However, the court concludes that the provisions in section 7102(e) would not preclude any amendments circumventing the transfer requirements of section 7102(a), an integral part of the Public Transportation Account and one of the two principal purposes of section 7102.

Prior to Proposition 116 there were no amendment provisions to section 7102. This meant the Legislature could amend section 7102 in any manner it chose. After amendment by proposition 116, section 7102 contained only two subdivisions addressing the distribution of revenues: subdivision (a)

¹ Previously section 7102(d).

² Pet. Appx., Exh. 2 [Bate p. 11]

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1 distributing revenues to the PTA, and subdivision (b) distributing revenues to the General Fund.³
2 Proposition 116 preserved the Legislature's amendment power but conditioned it on two-thirds vote
3 and the requirement that the power be exercised consistent with and further the "purposes" of the
4 section. There would be no need to require that any amendment further the purpose of the General
5 Fund. Support of any government program would further the purpose of the General Fund. However,
6 requiring that amendments dealing with the transfer of revenues to the PTA must further the purpose
7 of the trust fund would serve a significant purpose. The court gives no effect to this purpose and
8 concludes the singular purpose of section 7102 is simply to distribute sales and use tax revenues for
9 any government purpose. Under this interpretation, the requirement that any amendments be
10 consistent with and further the purposes of section 7102 becomes meaningless because the single
11 purpose adopted by the court embraces the universe of General Fund governmental programs. In
12 effect, all that Proposition 116 practically achieved was to require a two-thirds vote of the Legislature
13 to amend section 7102.

14 While the court correctly observes there are no ballot summaries, arguments or analysis
15 discussing the trust fund, the court's conclusion that the trust language itself is not sufficient to
16 overcome the presumption of constitutionality of the Legislature's action ignores 1) the statutory
17 scheme; i.e., the integrated nature of the trust and its source of funds, and 2) the Legislature's
18 subsequent action placing Proposition 2 on the ballot. The trust Fund was created by Public Utilities
19 Code section 99310.5. The decision recognizes that section 99310.5(c) would not permit the trust
20 fund to be used for purposes other than transportation planning or mass transportation purposes. The
21 trust nature of the PTA is referenced in Revenue and Taxation Code section 7102(a). While voter
22 intent can never be proven with absolute certainty, it is reasonable to conclude that the reasonable
23 expectation of the voters was that as the revenues identified in section 7102(a) are the only basis for
24 the trust's existence and that as transfer of those revenues to the PTA is an integral part of the trust
25 obligation, then any amendment that would divert revenues from the PTA for general government
26
27

28 ³ Pet. Appx., Exh. I [Bate p. 10]

7.a26

1 purposes would be inconsistent with the creation of the trust fund and the mechanism for funding the
2 trust fund.

3 Under the court's interpretation, the Public Transportation Account becomes largely irrelevant.
4 Going forward, the issue of using PTA revenues for past and current debt service on any bond issue, or
5 providing transportation to schools and vocational rehabilitation could be avoided simply by not
6 depositing any PTA revenues in the PTA. Under the court's broad interpretation of section 7102(e),
7 the obligation of the Director of Finance and the Board of Equalization to identify PTA revenues could
8 be eliminated entirely.

9 The question that must be addressed is whether it is reasonable to assume the voters would
10 have created a trust fund and the mechanism for funding it but permit the Legislature to destroy it. The
11 court avoids this issue by declaring the language to be clear on its face. For the reasons stated above,
12 we disagree that section 7102 has only one purpose that need be considered in any amendment. A
13 recent decision of the California Supreme Court is instructive on the need, where possible, to construe
14 initiative language in a manner that upholds the reasonable expectation of the voters even though that
15 expectation is not expressly documented in ballot arguments or official analyses.⁴ In 1911 the
16 Legislature submitted two measures to the voters. One conferred on the Legislature plenary power
17 over legislation dealing with the then California Railroad Commission, the successor to the Public
18 Utilities Commission. The other measure conferred on the people of the state the power of initiative
19 and referendum. Both measures were adopted by the voters.

20 In 2005, Proposition 80 qualified for the November 2005 General Election ballot. Proposition
21 80 would have made various changes in the powers of the Public Utilities Commission. A judicial
22 challenge was filed in the Court of Appeal for the Third District challenging the power of the people
23 through the initiative process to usurp the plenary power conferred on the Legislature in 1911 over the
24 Public Utilities Commission. The pertinent language of the 1911 measure (ACA No. 6) conferred on
25 the Legislature:

26 "plenary power, *unlimited by other provisions of this constitution*, but
27 consistent with this article, to confer additional authority and jurisdiction

28 ⁴ *Independent Energy Producers Assn. v. McPherson* (2006) 38 Cal.4th 1020.

7.a27

1 upon the commission, to establish the manner and scope of review of
2 commission action in a court of record, and to enable it to fix just
3 compensation for utility property taken by eminent domain."
(Emphasis added.)⁵

4
5 A unanimous panel of the Court of Appeal found the above quoted language unambiguous and
6 ordered the measure off the ballot. Upon the filing of a petition for review, the Supreme Court
7 immediately ordered the measure to be placed on the ballot and held further proceedings in abeyance
8 until after the election. The measure failed but the court took up whether the above language
9 precluded the use of the initiative power in any circumstance where the powers of the California Public
10 Utilities Commission were involved. There were no ballot pamphlets, ballot arguments or official
11 summaries to provide guidance for the court. The court ultimately concluded:

13 When the October 10, 1911, election is viewed as a whole, *it appears*
14 *most improbable that* - at the same election in which the voters
15 overwhelming approved a far-reaching measure incorporating a broad
16 initiative power as part of the California Constitution - they intended
17 without any direct or explicit statement to this effect, to limit the use of
the initiative power by virtue of the language in ACA No. 6. (Id. at 1042;
Emphasis added.)

18 Similarly, when the voters approved Proposition 116, it is improbable they intended that the
19 trust, for all practical purposes, could be destroyed by the amendment provisions in section 7102(e).
20 The obvious purpose of Proposition 116 was to create a protected revenue source for transportation
21 planning and mass transportation purposes. The purpose of the caveat that any amendment be
22 "consistent with and further the purposes of this section" was to protect the revenue source by *limiting*
23 the power of the Legislature to amend section 7102. Instead, the proposed decision gives the
24 Legislature and the Administration unfettered discretion to destroy the dedicated source of funding that
25 Propositions 116 and 2 were intended to protect.

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⁵ Id. at 1037.

7.928

1 The people have no real protection from the actions of the Legislature or the Administration
 2 other than through their exercise of the initiative power and in seeking relief from the courts when
 3 laws enacted by initiative have been violated, as has occurred here. We believe the court's expansive
 4 interpretation of section 7102(e) severely encroaches on the peoples reserved power of initiative. As
 5 stated in *Amador Valley Joint Union High Sch. Dist. v. State Bd. of Equalization* (1978) 22 Cal.3d
 6 208, 219 "It is a fundamental precept of our law that, although the legislative power under our
 7 constitutional framework is firmly vested with the Legislature, 'the people reserve to themselves
 8 powers of initiative and referendum.' [Citation omitted.] It follows from this that '[the] power of
 9 initiative must be liberally construed . . . to promote the democratic process.'" [Citation omitted.] See
 10 also *Brosnahan v. Brown* (1982) 32 Cal.3d 236, 241: "... as we so very recently acknowledged in
 11 *Amador*, it is our solemn duty jealously to guard the sovereign people's initiative power, 'it being one
 12 of the most precious rights of our democratic process. (Id. At p. 248)' Consistent with prior precedent,
 13 *we are required to resolve any reasonable doubts in favor of the exercise of this precious right.*"
 14 (Italics original.)

15 In *Amwest Surety Ins. Co. v. Wilson* (1995) 11 Cal.4th 1243, 1255-1256 the Supreme Court
 16 expressed concern that if drafters of initiative measures perceive that amendment provisions are
 17 largely unenforceable, they will leave them out with the result that minor technical glitches can only be
 18 corrected by a vote of the people. This statement is clear recognition that the Court considers
 19 amendment provisions a serious and constructive part of the initiative process.

20 **II. Is School Busing a Mass Transportation Purpose?**

21 The court concludes that mass transportation includes "special services" which, according to
 22 the court's proposed decision, includes school busing. The court cites to Petitioner's Exhibit 12, 49
 23 U.S.C. § 5302(a)(7), (10), and Public Utilities Code §§ 99238 and 99401.5. Petitioner's Exhibit 12 is
 24 the California Department of Transportation's definition of "Mass Transportation," which expressly
 25 excludes school buses:

26 MASS TRANSPORTATION

27 Mass Transportation by bus, or rail, or other conveyance, either publicly or
 28 privately owned, which provides to the public general or special service[d]

7.a29

1 on a regular and continuing basis. *Does not include school buses, charter,*
2 *or sightseeing service. See also "Public Transportation." (Emphasis*
3 *added.)*

4 Title 49 U.S.C § 5302(a)(7) excludes school buses from mass transportation:

5 (7) Mass Transportation. The term "mass transportation" means
6 transportation by a conveyance that provides regular and continuing
7 general or special transportation to the public but *does not include school*
8 *bus, charter, or sightseeing transportation. (Emphasis added.)*

9 Title 49 U.S.C. § 5302(a)(10) defines "public transportation" as mass transportation. Thus, public
10 transportation does not include school buses.

11 A fair reading of Public Utilities Code §§ 99238 and 99401.5 indicates that specialized services
12 refer to paratransit type programs, not school buses. For example, section 99401.5(b)(1) requires that
13 the local transportation planning agency make an annual assessment of

14 "the size and location of identifiable groups likely to be transit dependent
15 or transit disadvantaged, *including but not limited to, the elderly, the*
16 *handicapped, including individuals eligible for paratransit and other*
17 *special transportation services pursuant to Section 12143 of Title 42 of*
18 *the United States Code (the Americans With Disabilities Act of 1990 (42*
19 *U.S.C. Sec. 12101 et seq.)), and persons of limited means, including but*
20 *not limited to, recipients under the CalWORKs program. (Emphasis*
21 *added.)*

22 Section 99238 requires each planning agency to provide for the establishment of a social
23 services transportation advisory council whose responsibilities, among others, are to identify the need
24 for "specialized transportation services." (Subdivision (c)(1).) This term generally refers to services
25 for seniors and the handicapped. (See Vehicle Code § 9107(d), exempting van pool vehicles providing
26 "specialized transportation services" to seniors and the handicapped from weight fees, and Revenue
27 and Taxation Code section 10789(a), exempting vehicles providing "specialized transportation
28 services" to seniors and the handicapped from specified license fees.)

7.930

In sum, not only are school buses expressly precluded from the cited mass transportation definitions in Petitioners' Exhibit 12 and 49 U.S.C. § 5302, the term "specialized transportation services" in Public Utilities Code §§ 99238 and 99401.5 refers generally to special transportation of the elderly and handicapped, not school buses.

CONCLUSION

For the reasons stated above, petitioners respectfully object to the proposed Statement of Decision and request the Court to consider these objections in preparing and issuing its Statement of Decision.

Dated: February ____, 2008

Respectfully Submitted,

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7.931

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11
 12 SUPERIOR COURT OF CALIFORNIA
 13 COUNTY OF SACRAMENTO
 14
 15

16 **JOSH SHAW, Taxpayer and Executive Director of**
California Transit Association; and the
 17 **CALIFORNIA TRANSIT ASSOCIATION, a**
nonprofit corporation,
 18
 19 **Petitioners,**
 20
 21 **v.**
JOHN CHIANG, California State Controller and
MICHAEL C. GENEST, California Director of
Finance, in their official capacity,
 22
 23 **Respondents.**

Case No. 07CS01179
RESPONDENTS'
OBJECTIONS TO
PROPOSED STATEMENT OF
DECISION
 Dept: 20
 Judge: Hon. Jack Sapunor
 Action Filed: September 6, 2007

24
 25 Pursuant to Code of Civil Procedure section 634, Rule of Court, Rule 3.1590, and this
 26 Court's January 29, 2008 order, Respondents John Chiang, the California State Controller, and
 27 Michael C. Genest, the California Director of Finance, (collectively "Respondents") file the
 28 following objections to the Court's January 29, 2008 Proposed Statement of Decision.

7.a32

1 1. Objection 1

2 Respondents object to the proposed Statement of Decision's statement at page 2,
3 paragraph 1, lines 2-3: "The Petition seeks . . . a declaration that use of PTA funds for the
4 purposes set forth in the challenged legislation would violate Proposition 116 (and Propositions 2
5 and 1A)."

6 Respondents object because the prayer for declaratory relief of the First Amended
7 Petition does not make reference to Propositions 2 or 1A. (First Amended Petition at p. 13.)

8 2. Objection 2

9 Respondents object to the proposed Statement of Decision's statement at page 5,
10 paragraph 5: "However, commencing in fiscal year 2001-02, the Legislature began amending
11 section 7102, subdivision (a)(1) for the purpose of limiting/diverting the amount of such
12 transfers."

13 Respondents object because the word "divert" is inaccurate and ambiguous. As this
14 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
15 section 7102, subdivision (a)(1).

16 3. Objection 3

17 Respondents object to the proposed Statement of Decision's statement at page 5,
18 paragraph 5: "In some fiscal years, the Legislature diverted all of the spillover revenues so that
19 no transfers were made to the PTA."

20 Respondents object because the word "diverted" is inaccurate and ambiguous. As this
21 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
22 section 7102, subdivision (a)(1).

23 4. Objection 4

24 Respondents object to the proposed Statement of Decision's statement at page 5,
25 paragraph 5: "In other fiscal years, the Legislature merely diverted a portion of the total amount
26 of funds that otherwise would be transferred to the PTA."

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1 Respondents object because the word "diverted" is inaccurate and ambiguous. As this
2 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
3 section 7102, subdivision (a)(1).

4 **5. Objection 5**

5 Respondents object to the proposed Statement of Decision's statement at page 6,
6 paragraph 6: "For fiscal year 2007-08, of the \$621,967,348 in spillover revenues diverted to the
7 Mass Transportation Fund, Revenue and Taxation Code section 7103, subdivision (b) provides
8 that \$538,289,348 shall be transferred to the Transportation Debt Service Fund and that the
9 remaining \$82,678,000 shall be transferred to the General Fund to 'offset' the Proposition 1A
10 Gas Tax Reimbursements"

11 Respondents object because the word "diverted" is inaccurate and ambiguous. As this
12 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
13 section 7102, subdivision (a)(1).

14 **6. Objection 6**

15 Respondents object to the proposed Statement of Decision's statement at page 7,
16 paragraph 3: "Unlike SB 79 and AB 193, which pertain to the use of 'spillover' revenues diverted
17 from the Retail Sales Tax Fund, SB 77 and 78 involve appropriations of funds from the PTA."

18 Respondents object because the word "diverted" is inaccurate and ambiguous. As this
19 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
20 section 7102, subdivision (a)(1).

21 Respondents also object because the word "appropriations" is inaccurate. Senate Bill
22 78 adds section 24.80 to the Budget Act, and provides that "the Director of Finance is authorized
23 to reimburse four hundred nine million dollars (\$409,000,000) in General Fund expenditures for
24 the purposes of offsetting the cost of debt service payments made in prior fiscal years for public
25 transportation related general obligation bond expenditures in the 2007-08 fiscal year from the
26 Public Transportation Account." (Pet. App. at pp. 42-43 (Bates).)

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1 7. Objection 7

2 Respondents object to the proposed Statement of Decision's statement at page 7,
3 paragraph : "It authorizes the Director of Finance to transfer \$409,000,000 from the PTA to the
4 General Fund in the 2007-2008 fiscal year for the purpose of reimbursing the General Fund for
5 debt service payments on public transportation bonds made in prior fiscal years."

6 Respondents object because the word "transfer" is inaccurate and ambiguous. Section
7 24.80, subdivision (a) provides that "the Director of Finance is authorized to reimburse four
8 hundred nine million dollars (\$409,000,000) in General Fund expenditures for the purposes of
9 offsetting the cost of debt service payments made in prior fiscal years for public transportation
10 related general obligation bond expenditures in the 2007-08 fiscal year from the Public
11 Transportation Account." (Pet. App. at pp. 42-43 (Bates).)

12 8. Objection 8

13 Respondents object to the proposed Statement of Decision's statement at page 8,
14 paragraph 2: "In addition, commencing in fiscal year 2008-09, SB 79 permanently diverts 50
15 percent of future spillover revenues from the Retail Sales Tax Fund to the Mass Transportation
16 Fund for the purposes described above."

17 Respondents object because the word "diverts" is inaccurate and ambiguous. As this
18 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
19 section 7102, subdivision (a)(1).

20 9. Objection 9

21 Respondents object to the proposed Statement of Decision's statement at page 8,
22 paragraph 3: "SB 78 appropriates \$409,000,000 from the PTA to reimburse the General Fund for
23 past debt service payments on Proposition 108 bonds"

24 Respondents also object because the word "appropriates" is inaccurate. Senate Bill 78
25 adds section 24.80 to the Budget Act and provides that "the Director of Finance is authorized to
26 reimburse four hundred nine million dollars (\$409,000,000) in General Fund expenditures for the
27 purposes of offsetting the cost of debt service payments made in prior fiscal years for public

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1 transportation related general obligation bond expenditures in the 2007-08 fiscal year from the
2 Public Transportation Account." (Pet. App. at pp. 42-43 (Bates).)

3 **10. Objection 10**

4 Respondents object to the proposed Statement of Decision's statement at page 8,
5 paragraph 4: "In this proceeding, Petitioners do not challenge the amendments to Revenue and
6 Taxation Code § 7102(a)(1) which limited/diverted spillover revenues in fiscal years 2001-02,
7 2002-03, 2003-04, 2005-06, and 2006-07."

8 Respondents object because the word "diverted" is inaccurate and ambiguous. As this
9 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
10 section 7102, subdivision (a)(1).

11 **11. Objection 11**

12 Respondents object to the proposed Statement of Decision's statement at page 8,
13 paragraph 5: "Petitioners also do not challenge the diversion of \$70,983,363 in spillover revenues
14 to pay for current debt service on bonds issued pursuant to Proposition 103 for fiscal year 2007-
15 08."

16 Respondents object because the word "diversion" is inaccurate and ambiguous. As this
17 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
18 section 7102, subdivision (a)(1).

19 **12. Objection 12**

20 Respondents object to the proposed Statement of Decision's statement at page 9,
21 paragraph 1: "\$144,332,489 in spillover revenues diverted from the Retail Sales Tax Fund to the
22 General Fund to offset current debt service payments on bond issued pursuant to 192."

23 Respondents object because the word "diverted" is inaccurate and ambiguous. As this
24 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
25 section 7102, subdivision (a)(1).

26 **13. Objection 13**

27 Respondents object to the proposed Statement of Decision's statement at page 9,
28 paragraph 2: "\$123,973,493 in spillover revenue diverted from the Retail Sales Tax Fund to the

1 General Fund to offset current debt service payments on bonds issued pursuant to Proposition
2 116."

3 Respondents object because the word "diverted" is inaccurate and ambiguous. As this
4 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
5 section 7102, subdivision (a)(1).

6 **14. Objection 14**

7 Respondents object to the proposed Statement of Decision's statement at page 9,
8 paragraph 3: "\$200,000,000 in spillover revenues diverted from the Retail Sales Tax Fund to the
9 General Fund to reimburse the General Fund for past debt service payments on bonds issued
10 pursuant to Proposition 108."

11 Respondents object because the word "diverted" is inaccurate and ambiguous. As this
12 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
13 section 7102, subdivision (a)(1).

14 **15. Objection 15**

15 Respondents object to the proposed Statement of Decision's statement at page 9,
16 paragraph 4: "\$2,678,000 in spillover revenue diverted from the Retail Sales Tax Fund to the
17 General Fund to offset current Prop. 1A Gas Tax Reimbursements."

18 Respondents object because the word "diverted" is inaccurate and ambiguous. As this
19 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
20 section 7102, subdivision (a)(1),

21 **16. Objection 16**

22 Respondents object to the proposed Statement of Decision's statement at page 9,
23 paragraph 5: "\$409,000,000 in funds appropriated from the PTA to the General Fund to reimburse
24 the General Fund for past debt service payments on bonds issued pursuant to Proposition 108."

25 Respondents object because the word "appropriated" is inaccurate. Senate Bill 78 adds
26 section 24.80 to the Budget Act and provides that "the Director of Finance is authorized to
27 reimburse four hundred nine million dollars (\$409,000,000) in General Fund expenditures for the
28 purposes of offsetting the cost of debt service payments made in prior fiscal years for public

1 transportation related general obligation bond expenditures in the 2007-08 fiscal year from the
2 Public Transportation Account." (Pet. App. at pp. 42-43 (Bates).)

3 **17. Objection 17**

4 Respondents object to the proposed Statement of Decision's statement at page 10,
5 paragraph 2: "Petitioners challenge the appropriation of \$200,000,000 in spillover revenues, and
6 \$409,000,000 in PTA funds"

7 Respondents object because the word "appropriation" is inaccurate. Senate Bill 78
8 adds section 24.80 to the Budget Act and provides that "the Director of Finance is authorized to
9 reimburse four hundred nine million dollars (\$409,000,000) in General Fund expenditures for the
10 purposes of offsetting the cost of debt service payments made in prior fiscal years for public
11 transportation related general obligation bond expenditures in the 2007-08 fiscal year from the
12 Public Transportation Account." (Pet. App. at pp. 42-43 (Bates).)

13 **18. Objection 18**

14 Respondents object to the proposed Statement of Decision's statement at page 10,
15 paragraph 4: "Finally, Petitioners challenge the \$82,678,000 appropriation to offset current Prop.
16 1A Gas Tax Reimbursements"

17 Respondents object because the word "appropriation" is inaccurate. The challenged
18 \$82,678,000 is a reimbursement to the General Fund. (Rev. & Tax., § 7103, subd. (a)(3).)

19 **19. Objection 19**

20 Respondents object to the proposed Statement of Decision's statement at page 10,
21 paragraph 5: "For fiscal year 2008-09 and beyond, Petitioners challenge the diversion of 50
22 percent of all spillover revenues from the Retail Sales Tax Fund to the Mass Transportation Fund
23"

24 Respondents object because the word "diversion" is inaccurate and ambiguous. As this
25 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
26 section 7102, subdivision (a)(1).

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1 **20. Objection 20**

2 Respondents object to the proposed Statement of Decision's statement at page 11,
3 paragraph 3: "Substantively, Respondents argue that of the \$1,187,909.982 in appropriations
4 challenged by Petitioners, only \$565,942,634 was appropriated from the PTA."

5 Respondents object because the word "appropriations" and "appropriated" is
6 inaccurate. Senate Bill 78 adds section 24.80 to the Budget Act and provides that "the Director
7 of Finance is authorized to reimburse four hundred nine million dollars (\$409,000,000) in
8 General Fund expenditures for the purposes of offsetting the cost of debt service payments made
9 in prior fiscal years for public transportation related general obligation bond expenditures in the
10 2007-08 fiscal year from the Public Transportation Account." (Pet. App. at pp. 42-43 (Bates).)

11 Respondents also object because the total amount of PTA funds at issue is
12 \$636,926,000, not \$565,942,364. The sum of \$128,806,000 and \$99,120,000 and \$409,000,000
13 is \$636,926,000.

14 **21. Objection 21**

15 Respondents object to the proposed Statement of Decision's statement at page 11,
16 paragraph 4: "In respect to the non-PTA appropriations (the spillover revenues), Respondents
17 contend that the only relevant issue before the Court is whether the Legislature properly amended
18 Revenue and Taxation Code § 7102(a)(1), add subdivisions (G) and (H), diverting the spillover
19 revenues from the Retail Sales Tax Fund to the Mass Transportation Fund."

20 Respondents object because the word "diverting" is inaccurate and ambiguous. As
21 this Court properly concluded, the Legislature had the power to amend Revenue and Taxation
22 Code section 7102, subdivision (a)(1).

23 **22. Objection 22**

24 Respondents object to the proposed Statement of Decision's statement at page 12,
25 paragraph 1: "In respect to the appropriations for past debt service payments on Proposition 108
26 bonds"

27 Respondents object because the word "appropriations" is inaccurate. Senate Bill 78
28 adds section 24.80 to the Budget Act and provides that "the Director of Finance is authorized to

1 reimburse four hundred nine million dollars (\$409,000,000) in General Fund expenditures for the
2 purposes of offsetting the cost of debt service payments made in prior fiscal years for public
3 transportation related general obligation bond expenditures in the 2007-08 fiscal year from the
4 Public Transportation Account." (Pet. App. at pp. 42-43 (Bates).)

5 **23. Objection 23**

6 Respondents object to the proposed Statement of Decision's statement at page 12,
7 paragraph 3: "According to Respondents, the Legislature has been diverting spillover revenues
8 and appropriating PTA funds for agricultural worker transportation and seismic retrofit programs
9 since 2001."

10 Respondents object because the word "diverting" is inaccurate and ambiguous. As this
11 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
12 section 7102, subdivision (a)(1).

13 **24. Objection 24**

14 Respondents object to the proposed Statement of Decision's statement at page 14,
15 paragraph 1: "The First Amended Petition on which the verifications were based differed from
16 the filed Petition in only one immaterial respect: the First Amended Petition that was reviewed
17 and verified contained blanks for legal citation to Assembly Bill 193. All material facts in the
18 Petition were properly verified."

19 Respondents object because the Statement of Decision omits the significant fact that at
20 the time the verifications were signed Assembly Bill 193 had not been passed. (Compare
21 Verifications of First Amended Petition [dated September 20, 2007] and Pet. Supp. App. at p. 57
22 (Bates) [dated October 8, 2007].) Thus, the verifications were false when signed.

23 **25. Objection 25**

24 Respondents object to the proposed Statement of Decision's statement at page 14,
25 paragraph 3: "In this case, the challenged spillover revenues were not transferred into the PTA
26 account because the amendments to Revenue & Taxation Code § 7102(a)(1) diverted the
27 spillover revenues directly from the Retail Sales Tax Fund to the Mass Transportation Fund."

28 ///

1 Respondents object because the word "diverted" is inaccurate and ambiguous. As this
2 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
3 section 7102, subdivision (a)(1).

4 **26. Objection 26**

5 Respondents object to the proposed Statement of Decision's statement at page 17,
6 paragraph 3: "As discussed above, the Legislature validly amended Revenue and Taxation Code
7 § 7102, subdivisions (a)(1) to divert the spillover revenues directly from the Retail Sales Tax
8 Fund to the Mass Transportation Fund."

9 Respondents object because the word "divert" is inaccurate and ambiguous. As this
10 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
11 section 7102, subdivision (a)(1).

12 **27. Objection 27**

13 Respondents object to the proposed Statement of Decision's statement at page 18,
14 paragraph 4: "In addition to challenging \$621,967,348 of spillover revenues diverted from the
15 Retail Sales Tax Fund, Petitioners also challenge \$565,942,634 in funds appropriated from the
16 PTA."

17 Respondents object because the word "diverted" is inaccurate and ambiguous. As this
18 Court properly concluded, the Legislature had the power to amend Revenue and Taxation Code
19 section 7102, subdivision (a)(1).

20 Respondents also object because the total amount of PTA funds at issue is
21 \$636,926,000, not \$565,942,364. The sum of \$128,806,000 and \$99,120,000 and \$409,000,000
22 is \$636,926,000.

23 Respondents also object because the word "appropriated" is inaccurate to describe the
24 reimbursement of the General Fund for past debt service payments. Senate Bill 78 adds section
25 24.80 to the Budget Act and provides that "the Director of Finance is authorized to reimburse
26 four hundred nine million dollars (\$409,000,000) in General Fund expenditures for the purposes
27 of offsetting the cost of debt service payments made in prior fiscal years for public transportation

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1 related general obligation bond expenditures in the 2007-08 fiscal year from the Public
2 Transportation Account." (Pet. App. at pp. 42-43 (Bates).)

3 **28. Objection 28**

4 Respondents object to the proposed Statement of Decision's statement at page 20,
5 paragraph 2: "The Court next considers whether the \$565,942,643 in challenged appropriations
6 from the PTA were for 'mass transportation' purposes."

7 Respondents object because the total amount of PTA funds at issue is \$636,926,000,
8 not \$565,942,364. The sum of \$128,806,000 and \$99,120,000 and \$409,000,000 is
9 \$636,926,000.

10 **29. Objection 29**

11 Respondents object to the proposed Statement of Decision's statement at page 21,
12 footnote 14: "The \$409,000,000 appropriation is not funding debt service on bonds."

13 Respondents object because the word "appropriation" is inaccurate. Senate Bill 78
14 adds section 24.80 to the Budget Act and provides that "the Director of Finance is authorized to
15 reimburse four hundred nine million dollars (\$409,000,000) in General Fund expenditures for the
16 purposes of offsetting the cost of debt service payments made in prior fiscal years for public
17 transportation related general obligation bond expenditures in the 2007-08 fiscal year from the
18 Public Transportation Account." (Pet. App. at pp. 42-43 (Bates).)

19 Dated: February 13, 2008

20

Respectfully submitted,

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EDMUND G. BROWN JR.
Attorney General of the State of California

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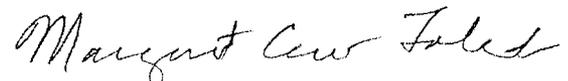
CHRISTOPHER E. KRUEGER
Senior Assistant Attorney General

23

CONSTANCE L. LELOUIS
Supervising Deputy Attorney General

24

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MARGARET CAREW TOLEDO
Deputy Attorney General
Attorneys for Respondents

27

28

DECLARATION OF SERVICE BY U.S. MAIL

Case Name: Shaw, Josh, et al. v. John Chiang, et al.

No.: 07CS01179

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter; my business address is 1300 I Street, Suite 125, P.O. Box 944255, Sacramento, CA 94244-2550.

On February 13, 2008, I served the attached

RESPONDENTS' OBJECTIONS TO PROPOSED STATEMENT OF DECISION

by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States Mail at Sacramento, California, addressed as follows:

Richard D. Martland, Esq. Kurt Oneto, Esq. Nielsen Merksamer Parrinello Mueller & Naylor, LLP 1415 "L" Street Suite 1200 Sacramento, CA 95814 E-mail Address: rmartland@nmgovlaw.com <i>VIA FIRST CLASS MAIL and ELECTRONIC MAIL</i>	James R. Parrinello, Esq. Christopher E. Skinnell, Esq. Nielsen Merksamer Parrinello Mueller & Naylor, LLP 591 Redwood Highway, #4000 Mill Valley, CA 94941 E-mail Address: cskinnell@nmgovlaw.com <i>VIA FIRST CLASS MAIL and ELECTRONIC MAIL</i>
---	---

I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed on February 13, 2008, at Sacramento, California.

Brenda Sanders

Declarant



Signature

1 EDMUND G. BROWN JR.
 Attorney General of the State of California
 2 CHRISTOPHER E. KRUEGER
 Senior Assistant Attorney General
 3 CONSTANCE L. LELOUIS
 Supervising Deputy Attorney General
 4 MARGARET CAREW TOLEDO
 State Bar No. 181227
 5 Deputy Attorney General
 1300 I Street, Suite 125
 6 P.O. Box 944255
 Sacramento, CA 94244-2550
 7 Telephone: (916) 322-6114
 Fax: (916) 324-8835
 8 E-mail: Margaret.Toledo@doj.ca.gov
 Attorneys for Respondents JOHN CHIANG,
 9 California State Controller and
 MICHAEL C. GENEST,
 10 California Director of Finance

11
 12 SUPERIOR COURT OF CALIFORNIA
 13 COUNTY OF SACRAMENTO
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 15

16 **JOSH SHAW, Taxpayer and Executive Director of**
California Transit Association; and the
 17 **CALIFORNIA TRANSIT ASSOCIATION, a**
nonprofit corporation,

18 Petitioners,

19 v.

20 **JOHN CHIANG, California State Controller and**
 21 **MICHAEL C. GENEST, California Director of**
Finance, in their official capacity,

22 Respondents.
 23

Case No. 07CS01179

[PROPOSED] JUDGMENT

Date:
 Time:
 Dept: 20
 Judge: Hon. Jack Sapunor

Action Filed: September 6, 2007

24 In accordance with the Court's Statement of Decision filed January 29, 2008, IT IS
 25 HEREBY ADJUDGED AND DECREED as follows:

26 1. The Court declares that subdivision (a) of section 24.80, of the Budget Act of
 27 2007, added by section 71 of Chapter 172, Statutes of 2007 authorizing the California Director of
 28 Finance to transfer four hundred nine million dollars (\$409,000,000) from the Public

7.944

DECLARATION OF SERVICE BY U.S. MAIL

Case Name: **Shaw, Joshi, et al. v. John Chiang, et al.**

No.: **07CS01179**

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter; my business address is 1300 I Street, Suite 125, P.O. Box 944255, Sacramento, CA 94244-2550.

On February 13, 2008, I served the attached

**LETTER ADDRESSED TO THE HONORABLE JACK SAPUNOR DATED
FEBRUARY 13, 2008 RE PROPOSED JUDGMENT AND PROPOSED WRIT OF
MANDATE;**

[PROPOSED] WRIT OF MANDATE; and

[PROPOSED] JUDGMENT

by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States Mail at Sacramento, California, addressed as follows:

Richard D. Martland, Esq. Kurt Oneto, Esq. Nielsen Merksamer Parrinello Mueller & Naylor, LLP 1415 "L" Street Suite 1200 Sacramento, CA 95814 E-mail Address: rmartland@nmgovlaw.com <i>VIA FIRST CLASS MAIL and ELECTRONIC MAIL</i>	James R. Parrinello, Esq. Christopher E. Skinnell, Esq. Nielsen Merksamer Parrinello Mueller & Naylor, LLP 591 Redwood Highway, #4000 Mill Valley, CA 94941 E-mail Address: cskinnell@nmgovlaw.com <i>VIA FIRST CLASS MAIL and ELECTRONIC MAIL</i>
---	---

I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed on February 13, 2008, at Sacramento, California.

Brenda Sanders
Declarant

Brenda Sanders
Signature

7.946

1 EDMUND G. BROWN JR.
 Attorney General of the State of California
 2 CHRISTOPHER E. KRUEGER
 Senior Assistant Attorney General
 3 CONSTANCE L. LELOUIS
 Supervising Deputy Attorney General
 4 MARGARET CAREW TOLEDO
 State Bar No. 181227
 5 Deputy Attorney General
 1300 I Street, Suite 125
 6 P.O. Box 944255
 Sacramento, CA 94244-2550
 7 Telephone: (916) 322-6114
 Fax: (916) 324-8835
 8 E-mail: Margaret.Toledo@doj.ca.gov
 Attorneys for Respondents JOHN CHIANG,
 9 California State Controller and
 MICHAEL C. GENEST,
 10 California Director of Finance

11
 12 SUPERIOR COURT OF CALIFORNIA
 13 COUNTY OF SACRAMENTO
 14
 15

16 **JOSH SHAW, Taxpayer and Executive Director of**
California Transit Association; and the
 17 **CALIFORNIA TRANSIT ASSOCIATION, a**
nonprofit corporation,

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Petitioners,

v.

JOHN CHIANG, California State Controller and
MICHAEL C. GENEST, California Director of
Finance, in their official capacity,

Respondents.

Case No. 07CS01179

**[PROPOSED] WRIT OF
 MANDATE**

Date:
 Time:
 Dept: 20
 Judge: Hon. Jack Sapunor

Action Filed: September 6, 2007

TO: RESPONDENTS JOHN CHIANG, California State Controller and MICHAEL C.
 GENEST, California Director of Finance:

WHEREAS, section 71 of Chapter 172, Statutes of 2007, adds subdivision (a) of
 section 24.80, to the Budget Act of 2007; and

7.247

1 WHEREAS, subdivision (a) of section 24.80, authorizes the Director of Finance to
2 reimburse the General Fund from the Public Transportation Account in the amount of four
3 hundred nine million dollars (\$409,000,000) for the purpose of offsetting the cost of debt service
4 payments made in prior fiscal years for public transportation related general obligation bond
5 expenditures; and

6 WHEREAS, the Director of Finance has authorized the transfer of four hundred nine
7 million dollars (\$409,000,000) from the Public Transportation Account to the General Fund to
8 offset the cost of debt service made in prior years from the General Fund for bonds issued
9 pursuant to Proposition 108; and

10 WHEREAS, the Controller has transferred the four hundred nine million dollars
11 (\$409,000,000) from the Public Transportation Account to the General Fund to offset the cost
12 of debt service made in prior years from the General Fund for bonds issued pursuant to
13 Proposition 108; and

14 WHEREAS, the Court has concluded that revenues in the Public Transportation
15 Account are dedicated to transportation planning and mass transportation purposes pursuant to
16 Public Utilities Code section 99310.5; and

17 WHEREAS, the Court has concluded that reimbursement of the General Fund for
18 payment from the General Fund of prior debt service on transportation related general obligation
19 bonds issued pursuant to Proposition 108 is not for transportation planning or mass
20 transportation purposes and would be in violation of Public Utilities Code section 99310.5; and

21 WHEREAS, a judgment has been entered in this proceeding ordering that a peremptory
22 writ of mandate issue under seal of this Court,

23 YOU ARE HEREBY ORDERED:

24 Within 30 days of service of the writ of mandate, to transfer four hundred nine million
25 dollars (\$409,000,000) from the General Fund to the Public Transportation Account to be used
26 for transportation planning or mass transportation purposes.

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This writ may be served upon the parties by personal delivery or overnight delivery to the parties' counsel of record. Respondents State Controller and Director of Finance are ordered to file returns to the writ setting forth what you have done to comply on or before April 30, 2008 at 4:00 p.m.

Dated: _____, 2008

Clerk of the Superior Court

SA2007102415

7.949

DECLARATION OF SERVICE BY U.S. MAIL

Case Name: Shaw, Josh, et al. v. John Chiang, et al.

No.: 07CS01179

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter; my business address is 1300 I Street, Suite 125, P.O. Box 944255, Sacramento, CA 94244-2550.

On February 13, 2008, I served the attached

**LETTER ADDRESSED TO THE HONORABLE JACK SAPUNOR DATED
FEBRUARY 13, 2008 RE PROPOSED JUDGMENT AND PROPOSED WRIT OF
MANDATE;**

[PROPOSED] WRIT OF MANDATE; and

[PROPOSED] JUDGMENT

by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, in the United States Mail at Sacramento, California, addressed as follows:

Richard D. Martland, Esq. Kurt Oneto, Esq. Nielsen Merksamer Parrinello Mueller & Naylor, LLP 1415 "L" Street Suite 1200 Sacramento, CA 95814 E-mail Address: rmartland@nmgovlaw.com <i>VIA FIRST CLASS MAIL and ELECTRONIC MAIL</i>	James R. Parrinello, Esq. Christopher E. Skinnell, Esq. Nielsen Merksamer Parrinello Mueller & Naylor, LLP 591 Redwood Highway, #4000 Mill Valley, CA 94941 E-mail Address: cskinnell@nmgovlaw.com <i>VIA FIRST CLASS MAIL and ELECTRONIC MAIL</i>
---	---

I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed on February 13, 2008, at Sacramento, California.

Brenda Sanders

Declarant



Signature

7.950

MUND G. BROWN JR.
Attorney General

State of California
DEPARTMENT OF JUSTICE



1300 I STREET, SUITE 125
P.O. BOX 944255
SACRAMENTO, CA 94244-2550

Public: (916) 445-9555
Telephone: (916) 322-6114
Facsimile: (916) 324-8835
E-Mail: Margaret.Toledo@doj.ca.gov

February 13, 2008

The Honorable Jack Sapunor
Gordon D. Schaber Downtown Courthouse
720 Ninth Street
Department 20, Courtroom 3
Sacramento, CA 95814-1398

RE: Shaw, Josh et al. v. John Chiang, et al.
Superior Court of California, County of Sacramento, Case No. 07CS01179

Dear Judge Sapunor:

Pursuant to California Rule of Court 3.1312, Respondents John Chiang, California State Controller, and Michael C. Genest, California Director of Finance, hereby submit a proposed judgment and a proposed writ of mandate.

On February 7, 2008, Richard Martland, counsel for petitioners, emailed me a copy of petitioners' proposed judgment and proposed writ of mandate. Today Mr. Martland and I discussed the documents. I disapprove of petitioners' proposed judgment and proposed writ of mandate because (1) the \$409,000,000 already has been transferred from the Public Transportation Account to the General Fund and therefore, the prohibitory language of petitioners' proposed judgment and proposed writ of mandate is ambiguous and creates uncertainty regarding compliance; and (2) the language of the proposed writ of mandate does not comply with Civil Procedure Code section 1087 which requires the writ to command the party "to do the act required to be performed." (Civ. Proc. Code, § 1087.)

Respondents' enclosed proposed judgment and proposed writ of mandate address these two issues and make other necessary revisions. Specifically, petitioners' proposed judgment should be revised as follows:

1. Page 2, paragraph 1, line 7: delete "is an unlawful violation," insert "violates"
2. Page 2, paragraph 2: delete the entire paragraph, insert "A writ of mandate shall issue under the seal of this Court commanding respondents to transfer from the General Fund four hundred nine million dollars (\$409,000,000) to the Public Transportation Account to be used for transportation planning or mass transportation purposes."

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Petitioners' proposed writ of mandate should be revised as follows:

1. Page 2, paragraph 2, line 6: delete quotation marks around the word "public"
2. Page 2, line 10: insert a new paragraph "WHEREAS, the Controller has transferred the four hundred nine million dollars (\$409,000,000) from the Public Transportation Account to the General Fund to offset the cost of debt service made in prior years from the General Fund for bonds issued pursuant to Proposition 108; and"
3. Page 2, paragraph 5, line 16: delete "generally, or bonds" and delete "specifically"
4. Page 2, paragraph 7, lines 23-26: delete lines 23 to 26, insert "Within 30 days of service of the writ of mandate, to transfer four hundred nine million dollars (\$409,000,000) from the General Fund to the Public Transportation Account to be used for transportation planning or mass transportation purposes."
5. Page 3, line 1: delete "fax, email"
6. Page 3, line 3: insert "April 30, 2008" as the return date or a date at least 60 days from the entry of judgment.

All of these revisions are included in respondents' enclosed proposed judgment and proposed writ of mandate. Respondents' proposed judgment and proposed writ of mandate fully comport with the Court's Statement of Decision finding that the \$409,000,000 transfer to the General Fund violates Public Utilities Code section 99310.5 because it unwinds the invalidated transfer. In contrast, petitioners' proposed judgment and proposed writ of mandate do not. Respondents respectfully request that the Court enter respondents' proposed judgment.

Sincerely,



MARGARET CAREW TOLEDO
Deputy Attorney General

For EDMUND G. BROWN JR.
Attorney General

MCT:bls

Enclosures: [Proposed] Judgment
[Proposed] Writ of Mandate

Cc: Richard D. Martland, Esq.
Kurt Oneto, Esq.

7.952

February 13, 2008

Page 3

James R. Parrinello, Esq.
Christopher E. Skinnell, Esq.

7.a53

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: April 25, 2008

TO: Board of Directors

FROM: Leslie R. White, General manager

SUBJECT: CONSIDERATION OF PROVISION OF A BUS AND OPERATOR TO SUPPORT THE UNITED TRANSPORTATION UNION LOCAL 23 SENIOR DINNER SCHEDULED TO BE HELD MAY 7, 2008.

I. RECOMMENDED ACTION

That the Board of Directors approve becoming a sponsor for the United Transportation Union Senior Dinner scheduled to be held on May 7, 2008 by providing a bus and operator for the event.

II. SUMMARY OF ISSUES

- For many years the United Transportation Union Local 23 (UTU 23) sponsored a Dinner for Senior Citizens in Santa Cruz County.
- For the past three years the UTU 23 has suspended the provision of the Senior Dinner.
- Bonnie Morr, Chair, UTU 23 has informed METRO that the UTU 23 will reinstate the provision of the Senior Dinner this year and has scheduled the event to be held on May 7, 2008. The available location for the event does not lend itself to convenient access by users of public transit.
- In prior years METRO has provided a bus and operator to provide transportation services for senior citizens who would like to attend the senior dinner, but do not have transportation services available.
- Recent revisions in the Charter Regulations issued by the Federal Transit Administration have included provisions that allow transit agencies to provide transit services for events that it sponsors.
- METRO staff believes that assisting to sponsor the UTU Senior Dinner would improve labor/management relations and provide a valuable benefit to citizens who rely on public transit.
- METRO staff recommends that the Board of Directors approve the provision of a bus and operator to assist UTU 23 in the provision of the Senior Dinner and request the UTU 23 recognize METRO as a supporting sponsor.

III. DISCUSSION

For many years the United Transportation Union Local 23 (UTU 23) sponsored a Dinner for Senior Citizens in Santa Cruz County. For the past three years the UTU 23 has suspended the provision of the Senior Dinner.

Bonnie Morr, Chair, UTU 23 has informed METRO that the UTU 23 will reinstate the provision of the Senior Dinner this year and has scheduled the event to be held on May 7, 2008. The available location for the event does not lend itself to convenient access by users of public transit. In prior years METRO has provided a bus and operator to provide transportation services for senior citizens who would like to attend the senior dinner, but do not have transportation services available.

Recent revisions in the Charter Regulations issued by the Federal Transit Administration have included provisions that allow transit agencies to provide transit services for events that it sponsors.

METRO staff believes that assisting to sponsor the UTU Senior Dinner would improve labor/management relations and also provide a valuable benefit to citizens who rely on public transit. METRO staff recommends that the Board of Directors approve the provision of a bus and operator to assist UTU 23 in the provision of the Senior Dinner and request the UTU 23 recognize METRO as a supporting sponsor.

IV. FINANCIAL CONSIDERATIONS

The provision of a bus and operator to support the UTU 23 Senior Dinner would cost approximately \$500.00. Funds to support this event are available in the FY 2008 METRO Operating Budget.

V. ATTACHMENTS

None

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: April 11, 2008

TO: Board of Directors

FROM: Leslie R. White, General Manager

**SUBJECT: CONSIDERATION OF REVIEWING, REVISING, AND
REPRIORITIZING THE LIST OF UNMET TRANSIT AND
PARATRANSIT NEEDS TO BE CIRCULATED TO THE METRO
ADVISORY COMMITTEE AND SUBMITTED TO THE SCCRTC.**

ACTION REQUESTED AT THE APRIL 11, 2008 BOARD MEETING

I. RECOMMENDED ACTION

That the Board of Directors review and revise, as necessary, the list of unmet transit and paratransit needs for circulation the Metro Advisory Committee.

II. SUMMARY OF ISSUES

- Annually the Santa Cruz County Regional Transportation Commission (SCCRTC) adopts a list of unmet transit needs pursuant to the requirements of the State of California Transportation Development Act (TDA).
- On August 24, 2007 the Board of Directors approved the submission of a prioritized list of unmet needs in both the paratransit and fixed route service areas. The list of unmet needs was incorporated into an overall list of unmet needs (attachment A) that was adopted by the SCCRTC on September 6, 2007.
- The SCCRTC has indicated that they would like to have METRO review the attached list of unmet needs to determine if there are items that should be added, deleted, or reprioritized based upon events that have occurred over the past year.
- METRO would like to have the Board of Directors review, revise, and comment on the attached list of unmet needs that has been developed in anticipation of circulating the list to the MAC.
- The SCCRTC anticipates circulating the attached list of unmet needs to the Elderly and Disabled TAC on April 8, 2008.
- METRO will seek comments from the MAC on April 16, 2008.
- METRO staff recommends holding a public hearing on the unmet needs list and taking action with regard to items to be forwarded to the SCCRTC on April 25, 2008.
- The SCCRTC currently anticipates holding a public hearing and taking action with respect to the unmet needs list on May 1, 2008.

III. DISCUSSION

One of the sources of operating funds for METRO is derived from the proceeds of a ¼ cent sales tax collected by the State of California in Santa Cruz County pursuant to the Transportation Development Act (TDA). The receipts from this tax are transmitted to the Santa Cruz County Regional Transportation Commission (SCCRTC) by the State of California. The SCCRTC distributes the TDA funds to a number of recipients with METRO receiving the majority of the funds for transit operating expenses. Pursuant to the provisions of the TDA the SCCRTC annually adopts a list of unmet transit and paratransit needs. The SCCRTC conducts an extensive outreach process to identify unmet needs.

On August 24, 2007 the Board of Directors approved the submission of a prioritized list of unmet needs in both the paratransit and fixed route service areas. The list of unmet needs was incorporated into an overall list of unmet needs (attachment A) that was adopted by the SCCRTC on September 6, 2007. The SCCRTC has indicated that they would like to have METRO review the attached list of unmet needs to determine if there are items that should be added, deleted, or reprioritized based upon events that have occurred over the past year

METRO staff would like to have the Board of Directors review, revise, and comment on the attached list of unmet needs that has been developed so that the list may be circulated to the MAC. METRO will seek comments from the MAC on April 16, 2008. The SCCRTC anticipates circulating the attached list of unmet needs to the Elderly and Disabled TAC on April 8, 2008.

Staff recommends that the Board of Directors review, revise, and prioritize the draft list of Unmet Transit and Paratransit Needs in anticipation of circulating to the MAC.

METRO staff recommends holding a public hearing on the unmet needs list and taking action with regard to items to be forwarded to the SCCRTC on April 25, 2008. The SCCRTC currently anticipates holding a public hearing and taking action with respect to the unmet needs list on May 1, 2008.

IV. FINANCIAL CONSIDERATIONS

The information obtained in the listing of unmet transit/paratransit needs will demonstrate that the current operation and capital funds contained in the FY 2008 METRO Budget are inadequate to meet all of the transit and paratransit needs in Santa Cruz.

V. ATTACHMENTS

Attachment A: SCCRTC List of Unmet Specialized Transportation/Transit Needs-September 6, 2007.

**List of Unmet Specialized Transportation/Transit Needs
Adopted by the Santa Cruz County
Regional Transportation Commission on September 6, 2007**

Prioritized:

H - High priority items are those items that fill a gap or absence of service. The Metro Transit District noted three levels of High priority with H1 being the top priority.

M - Medium priority items are items that supplement existing service.

L - Low priority items should become more specific and then be planned for, as funds are available.

General

1. H - Expanded publicity necessary about existing specialized transportation services including ADA paratransit, non-ADA paratransit, Medi-Cal rides and mobility training for people to use regular fixed route buses
2. H - Lack of safe travel paths between senior and/or disabled living areas and bus stops (examples: Capitola Road and side streets, trailer park at Antionelli, Pleasant Care facility)
3. H - Shortage of transportation services for low-income children and their families, including a lack of transportation for people transitioning from welfare to work (1)
4. H - Availability of accessible local taxi services for seniors and disabled persons (1)
5. M - Expansion of the program currently in place in some jurisdictions to all jurisdictions in the county that requires homeowners to make improvements to sidewalks adjacent to their property when the property is sold
6. M - Amend local taxi ordinances to facilitate improved service to seniors and individuals with disabilities
7. L - Lack of direct paratransit and accessible transit connections with neighboring counties --- including Monterey (Pajaro), San Benito, Santa Clara and other points north

Paratransit/Specialized Transportation

8. H - Shortage of projected funding for all specialized transportation (including fixed route, ADA and non-ADA Paratransit) to meet the needs of the senior population expected to increase over the next 15 to 30 years
9. H - Lack of specialized transportation for all areas outside the ADA Paratransit service area, with special emphasis on priority destinations

10. H - Need for coordinated and seamless-to-the-public system of specialized transportation with a Mobility Management Center (central information point, one stop shop)
11. M - Shortage of programs and operating funds for 'same day' medical trips on paratransit
12. M - Shortage of programs and operating funds for 'same day' non-medical trips
13. M - Shortage of volunteer drivers in Santa Cruz County including for the Volunteer Center Transportation Program and the American Red Cross out-of-county medical ride program, particularly in south county
14. M - Shortage of affordable special care trips and gurney vehicles for medically fragile individuals and those needing "bed to bed" transportation
15. M - Provide transportation for all senior meal sites in the county to meet unmet needs
16. M - Assure the availability of taxi scrip to meet need for "safety net" services (1)
17. L - Need for the Consolidated Transportation Services Agency to acquire an improved operations and maintenance facility
18. L - Need for Ongoing provision of ADA Paratransit certification, provided by Metro, at group facilities (1)

Transit

19. H1 - Complete MetroBase Facility Phase 1 and Phase 2 including Operations Building and Parking Structure.
20. H2 - Redevelop Santa Cruz Metro Center as mixed use facility incorporating local transit service, regional transit service, paratransit service, intercity bus service, commercial office functions, passenger service facilities, parking facilities, and both market rate and affordable housing.
21. H2 - Funding to maintain existing services and facilities.
22. H2 - Complete conversion of vehicles (revenue and non-revenue) to alternate fuels.
23. H2 - Four (4) small fixed route replacement buses for rural service.
24. H2 - Fourteen (14) full sized fixed route replacement buses.
25. H2 - Replace thirty-four (34) paratransit vans with larger capacity minibuses.
26. H2 - Identify and obtain funding to support the future levels of paratransit service that will be required.
27. H2 - Revise and improve web site to enhance effectiveness and visibility.

28. H2 - Increased frequencies for Route 71 evening service: 2x an hour until 9PM vs. 7PM.
29. H2 - Acquire and develop permanent operation and maintenance facility for ParaCruz to accommodate increased fleet size and growth in future service.
30. H2 - Place thirty (30) 1998 fixed route buses.
31. H3 - Implement "yield to bus" program to improve travel times.
32. H3 - Implement marketing programs to increase visibility and enhance public awareness of METRO services.
33. H3 - Extend highway 17 service to Watsonville.
34. H3 - Add AM/PM and weekend Route 79 service.
35. H3 - Purchase Automated Vehicle Location/Passenger (AVL) Counting System.
36. H3 - Installation of Transponders on all buses for Preemptive Signal Control on major corridors improving traffic flow, reducing travel time, and improving on-time performance.
37. H3 - Increase weekend Hwy 17 service frequencies.
38. H3 - Add early morning Route 70 service to Cabrillo College.
39. H3 - Additional night UCSC service, including Route 20.
40. H3 - Extension of Highway 17/Amtrak service to UCSC at key times.
41. H3 - East/West Express service to UCSC and Cabrillo and from Watsonville on 69W.
42. H3 - Express service between San Lorenzo Valley and both UCSC and Cabrillo College.
43. H3 - Expanded service between UCSC and Westside University activity centers such as Long Marine Lab, Wrigley building offices, Texas Instruments building offices.
44. H3 - Service from the UC Inn to UCSC.
45. H3 - Restore service to Gault Street and La Posada area simultaneously with the restoration of service to senior centers and senior living complexes such as Independence Square.
(2 for italicized text)
46. H3 - Expanded service to new residential and commercial areas in Watsonville.
47. H3 - Continue to improve bus stops to be ADA accessible.

9.a3

48. H3 - Purchase Farebox Magnetic Card Reader System, coordinated with Monterey-Salinas Transit, to allow persons with lower incomes to take advantage of multi-ride purchase discounts.
49. H3 - Route 66 using 7th Avenue inbound and outbound (between Capitola Road and Soquel Avenue).
50. H3 - Add early morning Route 35 service.
51. H3 - Implement circulator service in Santa Cruz, Watsonville, Capitola, and Scotts Valley.
52. H3 - Service from Santa Cruz County to Los Gatos.
53. H3 - Expanded bicycle capacity and access on the fixed route system.
54. H3 - Increase window of service on Route 4.
55. H3 - Equip ParaCruz Vehicles with Mobile Data Terminals (MDT) for improved manifest display, immediate additions/deletions/confirmations to trips, improved communication and tracking.
56. H - Continued need for transit to unserved low income and senior housing areas in south county (examples: Stonecreek Apartments in Watsonville and the San Andreas Migrant Labor Camp) (2)
57. H/M (3) – Bus and ParaCruz service on all holidays
58. M - Expanded evening and late night service on major fixed routes to improve service accessibility.
59. M - Implement automated "Reminder" phone call system for ParaCruz to remind riders of scheduled trip in advance, reducing "missed trips" and improve efficiency.
60. M - Web-based Trip Planner for fixed route bus service to improve customer trip planning capability via computer.
61. M - Automated phone-based trip planning providing Metro route information and or trip planning coordination via telephone and voice activated menu.
62. M - Install bus shelters at high usage stops.
63. M - Need to prioritize bus shelter replacement based on high usage by seniors and people with disabilities (2)
64. M - 30-minute peak frequencies on collector and arterial routes.
65. M - Braille and raised numbers on bus signage at bus stops indicating which bus routes are being offered at each stop.

- 66. L - Install audio and video surveillance system for all buses.
- 67. L - Bi-directional service on local Watsonville routes.
- 68. L - Fare free service to students under the age of 13.

Notes:

- 1. Upgraded priority from E/D TAC recommendations or new language added based on Metro Board discussion at 8/10/07 meeting.
- 2. This transit need was proposed by the E/D TAC.
- 3. The Elderly & Disabled Transportation Advisory Committee and the Metro Board differ in the priority designation of holiday service with the E/D TAC rating this item as a high priority and the Metro Board rating it as a medium priority.

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SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: April 11, 2008

TO: Board of Directors

FROM: Tom Stickel, Manager of Maintenance

SUBJECT: CONSIDERATION OF ONE-YEAR RENEWAL OF CONTRACT WITH VEHICLE MAINTENANCE PROGRAM, INC. FOR BUS AIR, FUEL AND OIL FILTERS

ACTION REQUESTED AT THE APRIL 11, 2008 BOARD MEETING

I. RECOMMENDED ACTION

District staff is recommending that the Board of Directors authorize the General Manager to execute an amendment to the contract with Vehicle Maintenance Program, Inc. for bus air, fuel and oil filters to extend the contract for an additional one-year period.

II. SUMMARY OF ISSUES

- At its August 15, 1997 board meeting, the Board of Directors authorized the District's participation in the Regional Transit Coordinating Council (RTCC) cooperative purchase agreements.
- The RTCC Procurement Committee has established a contract for bus filters. The District is a participating agency on this contract.
- The RTCC Procurement Committee has negotiated with the contractor for a one-year contract extension.
- District staff recommends that the Board of Directors authorize the General Manager to extend the contract with Vehicle Maintenance Program, Inc. for the purchase of bus air, fuel and oil filters for an additional one-year period.

III. DISCUSSION

In order to obtain the best prices by combining annual quantities from several participating transit agencies, the RTCC Procurement Committee actively participates in joint procurements for commodities that are commonly used by RTCC member agencies.

On March 13, 2008, Golden Gate Bridge, Highway and Transit District (lead RTCC agency for this contract) exercised an option to extend the RTCC contract for one additional year with a 3% price increase on only three oil filter part numbers. District staff recommends that the Board of Directors authorize the General Manager to execute an amendment to the contract with Vehicle Maintenance Program, Inc. to extend the contract for one additional year.

IV. FINANCIAL CONSIDERATIONS

The necessary funds for the procurement of bus filters are contained within the Fleet Maintenance operating budget. Annual estimated budget for bus filters is \$25,000.

V. ATTACHMENTS

Attachment A: Contract amendment with Vehicle Maintenance Program, Inc.

**SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
SECOND AMENDMENT TO CONTRACT FOR BUS AIR, FUEL
AND OIL FILTERS (2005-BT-9-RTCC)**

This Second Amendment to contract for bus air, fuel and oil filters is made effective May 1, 2008 between the SANTA CRUZ METROPOLITAN TRANSIT DISTRICT, a political subdivision of the State of California ("District") and VEHICLE MAINTENANCE PROGRAM, INC. ("Contractor").

I. RECITALS

- 1.1 District and Contractor entered into a Contract for bus air, fuel and oil filters on May 13, 2005.
- 1.2 The Contract allows for two additional one (1) year terms upon mutual written consent.
- 1.3 The purpose of this Second Amendment is to renew the contract for a one-year period, pursuant to the provisions of paragraph 3 of the Contract, which allows for two additional one-year terms upon mutual written consent. This fully executed Second Amendment constitutes mutual written consent.

Therefore, District and Contractor amend the Contract as follows:

II. TERM

- 2.1 Paragraph 3.02 is amended to include the following language:

This Contract shall continue through April 30, 2009. This Contract may be mutually extended by agreement of both parties.

III. COMPENSATION

- 3.1 Effective May 1, 2008, prices on all filters will remain the same except for a price increase on the following three filters:

<u>Part #</u>	<u>Current Unit Price</u>	<u>New Unit Price</u>
Fram C175E	\$3.16	\$3.26
Fram PH 3567	\$ 4.05	\$4.18
Fram CA7113	\$28.13	\$28.97

IV. REMAINING TERMS AND CONDITIONS

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

10.91

V. AUTHORITY

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

Signed on _____

DISTRICT -- SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

Leslie R. White
Secretary/General Manager

CONTRACTOR -- VEHICLE MAINTENANCE PROGRAM, INC.

Penny M. Brooks
President

Approved as to Form:

Margaret Rose Gallagher
District Counsel

10.92

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: April 11, 2008

TO: Board of Directors

FROM: Mark Dorfman, Assistant General Manager

SUBJECT: CONSIDERATION OF A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO SUBMIT GRANT APPLICATIONS AND SIGN NECESSARY AGREEMENTS FOR FEDERAL FUNDING IN THE JOB ACCESS REVERSE COMMUTE AND NEW FREEDOM PROGRAMS

ACTION REQUESTED AT THE APRIL 11, 2008 BOARD MEETING

I. RECOMMENDED ACTION

Adopt a resolution authorizing the General Manager to submit applications to Caltrans and to execute necessary agreements for grant funds from the Job Access and Reverse Commute and New Freedom programs.

II. SUMMARY OF ISSUES

- SAFETEA-LU appropriated funds to the Department of Transportation for the Job Access Reverse Commute (JARC) and New Freedom (NF) programs to provide public transportation funding assistance for low-income workers and for people with disabilities.
- The Department of Transportation apportioned JARC/NF funds to the State of California to be administered by Caltrans. Caltrans is now soliciting projects for unobligated funds remaining from the FY 2006 apportionment.
- Caltrans will award JARC/NF grants to projects submitted in accordance with the region's Coordinated Public Transit-Human Services Transportation Plan (CPTP) currently under development by AMBAG.
- METRO proposes to submit an application for JARC funds to add fixed-route service between Watsonville and Santa Cruz to assist low-income workers and an application for NF funds to enhance the ParaCruz ride reservation system
- Adopting the attached resolution would authorize the General Manager to submit applications and execute necessary agreements for grant funds from the JARC and New Freedom programs.

III. DISCUSSION

SAFETEA-LU appropriated funding to federal surface transportation programs for Federal Fiscal Years 2005 through FY 2009. SAFETEA-LU created two new funding programs within the Federal Transit Administration to assist low-income workers and

people with disabilities: The Job Access Reverse Commute (JARC) program, which provides grants to transportation providers for new services which benefit low-income workers commuting to jobs outside of the urban center; and the New Freedom program, which provides funds for transportation services for people with disabilities beyond those required by the Americans with Disabilities Act of 1990 (ADA).

In Federal FY 2006, the California Department of Transportation, Caltrans, assisted transportation agencies to plan and program JARC and NF projects. METRO received assistance to purchase wheelchair securement straps and to conduct outreach activities in the Accessible Services Coordinator's office. Not all of the available FY 2006 funding was allocated, however, and Caltrans is soliciting additional project applications to obligate these funds by September 30, 2008.

According to the SAFETEA-LU legislation and FTA Circulars guiding program implementation, JARC and NF funds must be awarded in accordance with a Coordinated Public Transit-Human Services Transportation Plan (CPTP) developed in consultation with all affected transportation providers and social service agencies within the region. AMBAG, the Metropolitan Planning Organization in the Monterey Bay Region, is responsible for producing the CPTP. On March 14, AMBAG circulated the *Draft Monterey Bay Area Coordinated Public Transit-Human Services Transportation Plan*. METRO proposes to submit JARC/NF applications for two projects included within the CPTP that help bridge the gap between identified transportation needs of Santa Cruz County's low-income and disabled population and available transit services.

Staff recommends submitting two grant applications for the unobligated FY 2006 funding, one each in the JARC and NF programs. The first will use \$44,166 in available JARC funds and \$44,166 in local matching funds to operate new transit service which assists low-income workers commuting from Watsonville to employment centers in Capitola and Santa Cruz. The service will operate approximately two round trips per day between Santa Cruz and Watsonville for one year.

The second project will use \$62,592 in available NF funds to enhance the ParaCruz ride reservation system. This project would add an automated Callback notification system in the ride reservation system to telephone customers the day before a scheduled ride and enable them to confirm, cancel or reschedule it. This would reduce the same-day cancellations and missed trips, expanding the amount of ParaCruz service available to people who make trips. Applications for these two projects are due to Caltrans on April 18, 2008.

Adopting the attached resolution would authorize the General Manager to submit applications, sign required Certifications and Assurances and execute agreements necessary to implement projects in the JARC/NF programs.

V. FINANCIAL CONSIDERATIONS

If approved for grant funding, METRO will receive \$44,166 in JARC funds for the operating budget and \$62,592 in NF funds for ParaCruz capital improvements. Matching funds of \$44,166 from local sales tax revenue for the JARC project and \$19,250 in STA funds for the NF project are available in the FY 2009 budget.

V. ATTACHMENTS

Attachment A: Resolution Authorizing Submission of Applications and Execution of Agreements for JARC and NF funds.

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

Resolution No. _____

On the Motion of Director: _____

Duly Seconded by Director: _____

The Following Resolution is Adopted:

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
AUTHORIZING APPLICATIONS TO THE CALIFORNIA DEPARTMENT OF
TRANSPORTATION AND EXECUTION OF AGREEMENTS
FOR FUNDING FROM THE JOB ACCESS REVERSE COMMUTE AND NEW
FREEDOM PROGRAMS**

WHEREAS, the President signed into law the Safe, Accountable Flexible, Efficient, Transportation Equity Act: A Legacy for Users (SAFETEA-LU) on August 10, 2005; and

WHEREAS, SAFETEA-LU established the Job Access Reverse Commute Program, 49 USC §5316 within the Federal Transit Administration, to provide funding for transportation services which may assist low-income workers in reaching jobs beyond the urban center; and

WHEREAS, SAFETEA-LU established the New Freedom Program, 49 USC §5317 within the Federal Transit Administration, to provide funding which may address the transportation needs of persons with disabilities beyond those required by the Americans with Disabilities Act of 1990; and

WHEREAS, in accordance with the requirements of SAFETEA-LU and FTA Circular 9050.1, the Association of Monterey Bay Area Governments (AMBAG) has developed a comprehensive, unified strategy to meet the needs of persons with disabilities, older persons and low-income individuals as embodied in the *Draft Monterey Bay Area Coordinated Public Trans-Human Services Transportation Plan (CPTP)*; and,

WHEREAS, the Santa Cruz Metropolitan Transit District participated in developing the CPTP and identified limitations in the transportation services available to individuals with disabilities, older persons and low-income individuals within the Santa Cruz County service area ; and

WHEREAS, the Santa Cruz Metropolitan Transit District proposes to use JARC funds allocated in FFY 2006 to the State of California together with matching funds from local sales tax revenue to establish new transit service benefiting low-income workers commuting between Watsonville and Santa Cruz; and,

WHEREAS, the Santa Cruz Metropolitan Transit District proposes to use NF funds allocated in FFY 2006 to the State of California together with matching funds from State Transit Assistance to enhance the ParaCruz ride reservation system with an automated callback system to benefit persons with disabilities.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager of the Santa Cruz Metropolitan Transit District is authorized to submit applications, provide certifications and assurances and execute for and on behalf of the Santa Cruz Metropolitan Transit District any and all agreements necessary to obtain financial assistance through the California Department of Transportation for projects implementing the goals and objectives of 49 USC § 5316 and 49 USC § 5317.

PASSED AND ADOPTED this 11th Day of April, 2008 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

APPROVED _____

JAN BEAUTZ
Board Chair

ATTEST _____

LESLIE R. WHITE
General Manager

APPROVED AS TO FORM:

MARGARET GALLAGHER
District Counsel

11.a2

SANTA CRUZ METROPOLITAN TRANSIT DISTRICT

DATE: April 11, 2008
TO: Board of Directors
FROM: Mark Dorfman, Assistant General Manager
SUBJECT: CONSIDER ADOPTING A REVISED RESOLUTION AUTHORIZING AN APPLICATION FOR PROPOSITION 1B TRANSIT SECURITY FUNDS.

ACTION REQUESTED AT THE APRIL 11, 2008 BOARD MEETING

I. RECOMMENDED ACTION

Adopt a revised resolution authorizing staff to submit applications through the SCCRTC to the California Office of Homeland Security and to execute agreements to obligate California Transit Security Grant Program funds for METRO security projects.

II. SUMMARY OF ISSUES

- Proposition 1B established \$100 Million for the California Transit Security Grant Program (CTGSP) in the California Transit Assistance Fund.
- On March 28, 2008 the METRO Board of Directors adopted a resolution authorizing Staff to submit applications for projects to enhance security at METRO facilities, to initiate a pilot video-surveillance program on-board buses and to upgrade the current dispatch radio console.
- On April 2nd, the California Office of Homeland Security issued a memo which requires applicants to include a specific citation in the authorizing resolution.
- Adopting the attached revised resolution adds the new citation and authorizes Staff to submit applications through the SCCRTC to the California Office of Homeland Security and to execute necessary agreements to obtain CTGSP funds for METRO security projects.

III. DISCUSSION

California Proposition 1B established the Transit System Safety, Security and Disaster Response Account to fund eligible transit system security projects in the California Transit Security Grant Program (CTSGP). The Board had previously authorized staff on March 28, 2008 to submit applications for \$440,505 for METRO capital security projects. Since that time, the California Office of Homeland Security issued a memo requiring project applicants to include a specific citation in its authorizing resolution.

Adopting the attached revised resolution adds the new citation included in the OHS memo of April 2nd and authorizes Staff to submit applications for METRO security projects through the SCCRTC and to execute necessary contracts with the Office of Homeland Security to receive program funds.

IV. FINANCIAL CONSIDERATIONS

CTSGP funds will provide \$440,505 for METRO capital security projects in FY 2009.

V. ATTACHMENTS

Attachment A: *Revised* Resolution Authorizing Submission of Applications and Execution of Agreements for CTSGP funds

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

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

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SANTA CRUZ METROPOLITAN TRANSIT DISTRICT
AUTHORIZING APPLICATIONS TO THE CALIFORNIA OFFICE OF
HOMELAND SECURITY AND EXECUTION OF AGREEMENTS
FOR CALIFORNIA TRANSIT SECURITY GRANT PROGRAM FUNDS**

WHEREAS, California voters approved the Highway Safety, Traffic Reduction, Air quality, and Port Security Bond Act of 2006 (Bond Act) on November, 2006 as Proposition 1B; and

WHEREAS, the Bond Act and its enabling legislation in Senate Bill 88 created the California Transit Security Grant Program (CTSGP) with \$100 Million to be funded by the sale of Bonds; and

WHEREAS, the State Controller’s Office is authorized under Sections 8879.55 and 8879.56 of the Government Code to allocate CTSGP funds to eligible regional transportation planning agencies and public transit operators; and

WHEREAS, in accordance with the Sections 99313 and 99314 et al of the Public Utilities Code, the Santa Cruz County Regional Transportation Commission and the Santa Cruz Metropolitan Transit District, respectively, are eligible recipients of State Transit Assistance (STA) funds and are therefore eligible recipients of CTSGP Funds; and,

WHEREAS, CTSGP funds are allocated to eligible agencies for projects to increase protection from security or safety threats against public transit stations, facilities and equipment; and

WHEREAS, the Santa Cruz Metropolitan Transit District requests that the Santa Cruz County Regional Transportation Commission designate its allocation of CTGSP funds for METRO transit security projects; and,

WHEREAS, the Santa Cruz Metropolitan Transit District proposes to use CTSGP funds allocated in FY 07-08 Prop. 1B-6061-002 for METRO security enhancement projects in conformance with the CTSGP Guidelines and the Santa Cruz Metropolitan Transit District’s Capital Budget.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager of the Santa Cruz Metropolitan Transit District is authorized to execute for and on behalf of the Santa Cruz Metropolitan Transit District any actions necessary to obtain financial assistance provided to Santa Cruz County by the Governor's Office of Homeland Security over the life of the Bond Act.

PASSED AND ADOPTED this 11th Day of April, 2008 by the following vote:

AYES: Directors -

NOES: Directors -

ABSTAIN: Directors -

ABSENT: Directors -

APPROVED _____

JAN BEAUTZ
Board Chair

ATTEST _____

LESLIE R. WHITE
General Manager

APPROVED AS TO FORM:

MARGARET GALLAGHER
District Counsel

12.a2